

Tehaleh
Employment Based Planned Community

Phase 2
Project Master Plan

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TEHALEH
EMPLOYMENT BASED PLANNED COMMUNITY
PHASE 2 PROJECT MASTER PLAN

This Project Master Plan component of the Tehaleh Phase 2 Development Agreement is approved by the COUNTY OF PIERCE, a political subdivision of the state of Washington ("Pierce County"), and NASH Cascadia Verde, LLC, a limited liability company ("NASH").

RECITALS

- A. Revised Code of Washington (RCW) 36.70B.170 through .210 authorize the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction.
- B. A development agreement provides a developer an assurance that existing regulations in effect and cited in the agreement will govern and vest the development, use, and mitigation of anticipated new development of the real property, enabling the local government and developer to plan for the development and services, infrastructure, or other facilities related to the development.
- C. On April 6, 2016, the Council adopted Ordinance No. 2016-14s modifying PCC 18A.75.080, the Planned Urban Development (PUD) process, and PCC 18A.100.020, the Development Agreement process, to clarify that a development agreement is not a code requirement for a PUD, but that a development agreement under RCW 36.70B and PCC 18A.100 can be associated with a PUD.
- D. NASH submitted the Phase 2 Tehaleh Major Amendment to the Cascadia EBPC Planned Unit Development 1999 PUD application on August 2, 2014 ("Phase 2 Application"). Pierce County has issued a Final Supplemental Environmental Impact Statement ("FSEIS") for Phase 2 on July 5, 2018. The development proposal described in the Phase 2 Major Amendment application provides the framework for the Draft and Final Phase 2 Supplemental Environmental Impact Statement, the 2018 Phase 2 Development Agreement and this Project Master Plan.
- E. The Pierce County Council adopted Resolution No. R2018-80s on July 10, 2018 to initiate the 2018 Phase 2 Development Agreement. A development agreement approved by the Council under PCC Chapter 18A.100 and RCW 36.70B.170 to .210 must be consistent with applicable development regulations.
- F. On November 27, 2018, the Pierce County Council passed Ordinance No. 2018-90s, to approve the Tehaleh Employment Based Planned Community Phase 2 Development Agreement ("2018 Phase 2 Development Agreement").

- G. As part of the approval required under Resolution No. R2018-80s and Ord. 2018-90s, NASH is required to submit a proposed Project Master Plan as described in PCC 18A.75.080.M.1. for review and approval. Planning and Public Works is required to process and review the Project Master Plan.
- H. The Hearing Examiner is required to hear and approve the final Project Master Plan. The Project Master Plan is part of a new approval process for Planned Unit Developments set forth by the County Council on April 6, 2016 through Ordinance No. 2016-14s. Approval of the Project Master Plan must be based on compliance with the applicable provisions of Section 18A.75.080. and the provisions of the 2018 Phase 2 Development Agreement.
- I. On May 1, 2019, after reviewing the Planning and Public Works Staff Report and examining available information on file with the application, the Examiner conducted a public hearing and accepted public testimony.
- J. One June 3, 2019, the Examiner issued the Report and Decision granting the requested approval of the Project Master Plan, subject to conditions enumerated in the Conclusions. Pierce County and NASH were directed to address with edits incorporated into the Final Project Master Plan to be executed by both NASH and Pierce County. The changes required by the Examiner and other minor changes for clarity have been incorporated.

PLAN

NOW, THEREFORE, in consideration of the promises, covenants, and provisions set forth in this Project Master Plan, the parties agree as follows:

1. PROPERTY COVERED.

Consistent with the scope of the 2018 Phase 2 Development Agreement, this Phase 2 Project Master Plan (the “PMP” or “this Plan”) shall apply to the entire area described as “Tehaleh Phase 2” and also to the “Phase 1 Surplus Areas” within the original Tehaleh Phase 1 boundary. Tehaleh Phase 2 and the Phase 1 Surplus Areas as depicted on **Exhibit “A”** are jointly referred to as the “Phase 2 Development Area”. The remaining Phase 1 area shall remain subject to the 2015 Tehaleh Development Agreement. NASH reserves the right to locate remaining multi-family dwelling units approved in Phase 1 into Phase 2 areas in which case the dwelling units must be developed according to the terms of the 2018 Phase 2 Development Agreement and this Plan.

2. PROJECT MASTER PLAN.

2.1. General Requirements.

The Tehaleh Phase 2 Development Area will be developed with the same types of land uses as established in the 2015 Development Agreement for Tehaleh Phase 1 including employment, commercial, civic, residential, public facilities, parks and open space. Residential development and supporting residential accessory uses and associated amenities shall not be the exclusive use. Consistent with the 2018 Phase 2 Development Agreement, the Project Master Plan shall include the following elements:

- a) A mix of employment, commercial, civic, residential, public facility, open space and park uses;
- b) Open Space:
 - 1. A minimum of 40% of the Project acreage dedicated as open space (i.e., critical areas, buffers, alleés, parks, and/or amenities);
- c) Employment:
 - 1. A minimum of 10% of the Project acreage dedicated to and developed for employment uses;
 - 2. No greater than 15% of the employment acreage devoted to Low Employment Uses. “Low Employment Uses” are defined as the primary use being within the “Warehousing, Distribution and Freight Movement” or “Storage and Moving” use types, as described in **Exhibit “F”**. Recognizing that integrated storage and distribution areas are essential to many commercial and industrial facilities, this restriction is not intended to limit the amount of accessory storage associated with other primary use types;
 - 3. A maximum of 50% of gross school acreage may be counted toward the 10% employment requirement;
- d) Residential:
 - 1. A maximum of 9,700 dwelling units, including those approved in Phase 1;
 - 2. A maximum of 23% of the total dwelling units in the Project (i.e., 2,231 dwelling units) may be deed-restricted as “age-qualified”; and
 - 3. A minimum of 11% of the dwelling units in the Project (i.e., 1,067 dwelling units) will be multi-family;
 - 4. A variety of residential use types and levels to be provided spanning the range of permitted densities from 1 to 25 dwelling units per gross acre for each development project. Residential use types are permitted at the following density ranges per gross acre of project area based on the Land Use Classification as follows:
 - i. Residential (Detached): 1 to 10 single-family/two family dwelling units per acre; and
 - ii. Residential (Multi-Family): 10 to 25 multi-family dwelling units per acre;
- e) Affordable Housing
 - 1. Affordable housing per Section 3.5 of and Exhibit “C” to the 2018 Phase 2 Development Agreement – refer to **Exhibit “S”**;
- f) Infrastructure and Services:
 - 1. A schedule for extending major necessary infrastructure to the perimeter of all dedicated

employment centers – refer to **Exhibit “T”**;

2. Identified school sites consistent with projected demand and provisions for cooperation with both the Orting and Sumner-Bonney Lake School Districts in siting school facilities;
3. The 2015 Master Park Plan and Trail Plans updated and expanded to include the Phase 2 Development Area as an element of the this Plan – refer to **Exhibit “P”**;
4. Timely extensions of power, natural gas, and telecommunications into the Phase 2 Development Area, as available, and allowances for other services that may become available (such as internet service, wireless communication, alternate energy sources, etc.);

g) Development Thresholds:

1. The number of building permits issued for residential dwelling units shall be capped at 6,437 until a minimum of 100 acres of the employment center have been established in the Project and necessary utilities and infrastructure has been extended to the perimeter of all employment center zones.

3. GENERAL OBLIGATIONS.

3.1. Obligations of County.

Pierce County shall comply with the Project Approval and Subsequent Approvals and shall consider for approval and cooperate with processing and reviewing all applications for the Subsequent Approvals as provided in this Plan.

3.2. Obligations of NASH.

NASH shall comply with the Project Approval and Subsequent Approvals, including, without limitation, those conditions relating to the provision of traffic, sanitary sewer, water, stormwater and other infrastructure.

4. LAND USE.

4.1. Conceptual Plan.

The Overall Conceptual Master Plan and Land Use Classification Map (**Exhibit “B”**) broadly illustrates land use areas consistent with the EBPC designation for the entire Tehaleh community, Phases 1 and 2. The Phase 2 Conceptual Plan and Land Use Classification Map (**Exhibit “C”**) indicates land use areas for Phase 2 Development Area. The Conceptual Plans generally reflect the Preferred Alternative evaluated in the Phase 2 Supplemental Environmental Impact Statement (SEIS). Both maps show the general scale, location and inter-relationship of planned residential and non-residential uses, public facilities, infrastructure and natural areas.

The Land Use Summary Table (**Exhibit “D”**) is the companion document to the Overall Conceptual Master Plan and Land Use Classification Map and the Phase 2 Conceptual Master Plan Map at **Exhibits “B”** and **Exhibit “C”**. The Table indicates the estimated quantities for the various land use designations and parcels in both Phases 1 and 2. The Maps and the Table together

represent a blueprint for future development based on the progress of Phase 1 and the Applicant's current understanding of future market conditions. These are master planning tools not intended to fix precise building patterns, areas of use by square footage, exact residential densities or final locations of open space, parks, and trail corridors. They do, however, represent the planned approach for accommodating the minimum and maximum amount of residential, employment and recreational uses associated with full development of Tehaleh. The Plan is intended to be flexible, forming the broad concept against which each specific application for development will be measured. Actual amounts, patterns and densities of development within each parcel or project may vary in response to market conditions as long as they are consistent with the overall EBPC concept and provisions of the Phase 2 Development Agreement and this Plan.

4.2. Land Use Designations/Zones.

Phase 2 is a continuation of Phase 1 development with the same types of land use types that fall into four broad categories referred to as Land Use Designations/Zones which are: Residential, Employment, Public Facilities and Parks and Open Space. The Tehaleh Land Use Designations/Zones are described in Section 1.10.020 of **Exhibit "F"**.

4.3. Phase 2 Tehaleh Uses.

There are seven more specific Land Use Classifications which implement the Land Use Designations, i.e., Residential (Detached), Residential (Multi-Family), Business Park, Neighborhood Center, Community Center, Public Facilities, and Parks and Open Space. The Land Use Table at Section 1.10.030 of **Exhibit "F"** indicates the allowable use types and levels permitted in each Land Use Classification within the four Land Use Designations.

Accessory development, temporary developments and events within Phase 2 are permitted per Chapters 18A.36, 18A.38 and 18A.40, as described in **Exhibit "G"**.

Where there is a question regarding the inclusion of a particular proposed use type, NASH will make a determination. That determination will be forwarded in writing to the Director of the Department of Planning and Public Works who will have 14 days to notify NASH of any disagreement with NASH's determination. In cases of disagreement, the matter will be forwarded to the Hearing Examiner who will have the final authority. The Hearing Examiner will either decide the matter and notify parties in writing or schedule the matter for public hearing.

4.4. Phase 2 Land Use Classifications Map.

The Phase 2 Conceptual Plan and Land Use Classifications Map provided as **Exhibit "C"** illustrates the Land Use Classifications within the groupings of the four Land Use Designations.

4.5. Phase 2 Density.

The minimum density for the Overall Project (Phases 1 and 2) shall be four (4) dwelling units per net residential acreage based on residential areas within the overall Project (i.e., 2,016 acres).

The maximum number of dwelling units is 9,700, including the 2,586 dwelling units in Phase 1, with the finding that the environmental impacts of that number of dwelling units can be adequately

mitigated in the determination of the Hearing Examiner through approval of the Project Master Plan.

The number of permitted dwelling units shall be capped at 6,437, including those allowed in Phase 1, until a minimum of 100 acres of the employment center have been established in the Project and necessary utilities and infrastructure has been extended to the perimeter of all employment center zones, as described in the Employment Infrastructure Schedule, refer to **Exhibit “T”**.

The minimum number of dwelling units for an individual parcel will be determined as a matter of individual development approvals. Minimum and Maximum residential project density allowed per Tehaleh Phase 2 Land Use Classification is as follows:

Phase 2 Project Densities		
Tehaleh Phase 2 Land Use Classification	Minimum Density DU /Gross Acre (1)	Maximum Density DU /Gross Acre
Residential (Detached)	1	10
Residential (Multi-Family)	10	25
Neighborhood Center	10	25
Community Center	10	25
<i>(1) Minimum Density does not apply to units in mixed-use buildings where allowed</i>		

4.6. Lot Dimension, Setbacks and Heights.

The bulk standards and exception of Chapter 18A.15, shown in **Exhibit “H”**, shall control except where modified in this section and in the Tehaleh Design Manual, updated to include Phase 2.

The following dimensional standards apply generally to the development. However, the Tehaleh Design Manual may establish different dimensional standards for certain structures, uses or other elements within the Project, and also may establish a simplified design review process through which specified dimensional standards may be established or modified for the Project. The Tehaleh Design Manual includes a Dimensional Standards Modification Process. The Process may be used as described below, but shall not be used to modify dimensional standards for uses that are permitted only with administrative or hearing examiner approval. Any modifications to dimensional standards for such uses shall require the normal Pierce County process.

The Dimensional Standards Modification Process may be used to modify the setback and height standards of Section 18A.15.040 and the Tehaleh Design Manual.

Phase 2 Setbacks				
Tehaleh Phase 2 Land Use Classification	Minimum Building Setback (feet) (1) (2) (3)			
	Front – Arterial	Front – Non-Arterial	Interior / Side	Rear
Residential (Detached) - Single-Family/Two-Family	25	15	5	10
Residential (Multi-Family)	25	15	5	10
Business Park	0	0	0	0
Neighborhood Center	0	0	0	0
Community Center	0	0	0	0
Public Facilities	25	15	5	10
Parks and Open Space	25	15	5	10

(1) Situational setback and height provisions of PCC 18A.15.040.B.1.-6. of the Design Manual supersede the figures in this Table when applicable.
(2) 12-foot setback for porches; 15-foot setback to other portions of the building; and 25-foot setback for vehicle parking facilities such as garage or carport either attached or detached, setback applies on the side where vehicle enters only.
(3) Setbacks are superseded by applicable landscape buffer requirements of PCC 18J.15.

Phase 2 Height and Width		
Tehaleh Phase 2 Land Use Classification	Maximum Height (feet) (1)	Minimum Lot Width (feet)
Residential (Detached) -	35	0
Residential (Multi-Family)	35	0
Business Park	0	0
Neighborhood Center	0	0
Community Center	0	0
Public Facilities	35	0
Parks and Open Space	35	0

(1) Situational setback and height provisions of PCC 18A.15.040.B.1.-6. Or the Design Manual supersede the figures in this Table when applicable.

4.7. Phase 2 SEIS Mitigation Measures.

All development within the Phase 2 Development Area shall be reviewed for compliance with the land use related mitigation measures V7.1 and V10.1 found in **Exhibit “V”**.

5. DESIGN STANDARDS.

The intent of the regulatory design hierarchy described below is to recognize that Tehaleh is an Employment Based Planned Community with community-specific requirements.

5.1. General Design Standards.

The design objectives, guidelines and standards of PCC 18J, found in **Exhibit “I”**, shall apply except as modified by the Project Master Plan or Tehaleh Design Manual. If there is a conflict between standards described in 18J and this Project Master Plan or the Tehaleh Design Manual, the Project Master Plan or Tehaleh Design Manual shall apply.

5.2. Tehaleh Design Manual.

The Tehaleh Design Manual shall be updated to include multi-family and non-residential design standards and guidelines prior to the approval of any building permit within the Phase 2 Development Area.

Pierce County’s review of the current Design Manual and any further amendments is focused on whether they address the purpose of the Design Manual and Design Principles for specific categories established in Section 4.2.2 of the 2015 Tehaleh Development Agreement. The specific examples as to how those purposes, principles, and provisions can be achieved lie within Tehaleh’s discretion.

The County will review the initial design standards and guidelines and any future amendments to the Design Manual to ensure that the examples are not in conflict and address the design purpose and principles set forth in the Design Manual. So long as the examples are methods that help achieve or support these principles and purposes, they will be approved. The County will not review the guidelines and amendments as to specific materials, colors, architectural details, landscaping, massing, architectural styles, or other subjective design matters. Pierce County’s focus and role is not to dictate a specific vision or design direction in current and future Design Manual additions but to ensure that they are written in a clear, enforceable manner and that there is a process for seeking consistency in the application.

To address conditions that arise as the community evolves, Tehaleh is not limited to the number of times per year that they may modify the Design Manual. However, Pierce County Planning and Public Works (PPW) shall have the opportunity to provide initial comments on any proposed revisions to the Tehaleh Design Manual within 30 days of submittal and shall provide subsequent comments within 14 days of resubmittal. PPW review shall be focused and limited as described earlier in this section. If resolution cannot be reached between Tehaleh and PPW during the allotted time, all unresolved disagreements shall be forwarded to the Pierce County Hearing Examiner for resolution.

5.3. Design Review.

NASH is responsible for implementing the Tehaleh Design Manual. An Architectural Review Committee (ARC) has been established to review all design plans and development proposals by builders and significant architectural modification proposals by residents. No building permits may be submitted for review and approval by Pierce County without the necessary written approval of the ARC. Development proposals shall be reviewed by the ARC for their consistency with the Design Manual and 18J.

When minor modifications to design standards in the Design Manual and 18J are requested, the modifications shall be reviewed and if appropriate approved by the ARC under the process described in the Tehaleh Design Manual.

5.4. Phase 2 SEIS Mitigation Measures.

All development within the Phase 2 Development Area shall be reviewed for compliance with design related mitigation measure V9.1 found in **Exhibit “V”**.

6. SIGNAGE.

The Sign Standards adopted for Tehaleh from Title 18B, as shown in **Exhibit “J”**, shall control except where modified pursuant to the Tehaleh Design Manual as updated to include Phase 2.

7. PUBLIC FACILITIES AND INFRASTRUCTURE.

Utility and infrastructure master plans in combination provide for the adequate service of individual parcels and projects in the Tehaleh EBPC as each is developed. The master plans are updated with the approval of Pierce County and utility providers as specific project engineering adds detail to the conceptual framework the master plans provide. This section introduces the individual master plans, their scope, and the basic regulations applicable to each and describes any deviations to regulations and design standards applicable to Tehaleh in recognition of its unique characteristics. Many of these modifications are carried over from Phase 1. The individual master plans provide processes for the approval of additional modifications as may be required.

7.1. Sanitary Sewer Service.

Wastewater treatment and sanitary sewer service is provided by the Sewer Division of Pierce County Planning and Public Works in accordance with the Pierce County Unified Sewer Plan (approved 2010), Project Master Plan for the Tehaleh Wastewater Treatment Plant at Tehaleh - 4/17/13 (the “Sewer Agreement”), Pierce County Title 13 (Sewer Code), the Tehaleh Master Sewer Plan, dated October 25, 2017, as may be amended and approved by Pierce County and applicable Pierce County standards and specifications for the construction of sewer facilities.

The Master Sewer Plan, found in Appendix O to the December 12, 2017 Tehaleh EBPC Phase II Draft Supplemental EIS referenced as **Exhibit “K”**, will provide for continued extensions of a public sewer system owned and operated by the Sewer Division of Pierce County Planning and Public Works, which will connect to the onsite Cascadia Wastewater Treatment Plant (WWTP) at Tehaleh constructed by NASH and dedicated to Pierce County to be owned and operated pursuant to the “Development Agreement for the Cascadia Wastewater Treatment Plant at Tehaleh” dated April 17, 2013. The on-site permanent WWTP has been designed to produce Class “A” treated effluent for use as a landscape irrigation source or for commercial applications when flows and demand warrant.

Wastewater collection service will require the construction of additional onsite infrastructure improvements including trunk/interceptor sewer lines, pump stations, etc. The exact size, location and characteristics of these facilities will be determined by NASH, subject to approval by Pierce County. The location of major sewer infrastructure facilities is intended to be consistent with the

Tehaleh Master Sewer Plan. However, the right to revise and relocate facilities as necessary to provide the most efficient and cost-effective service is reserved to NASH, subject to the approval of Pierce County.

The cost of all sewer infrastructure serving Tehaleh will be the responsibility of NASH (or its assigns). However, NASH may use latecomer fees, credits, offsets or other financing provisions to the extent allowed by law and approved by Pierce County.

Sewer collection service is subject to the following:

- Approval by the Washington State Departments of Ecology and Health of sewer system plans and reports.
- Approval by Pierce County to use County rights-of-way, as required to construct sewer improvements and provide the service authorized by this permit.
- Acquisition of all necessary easements across private property.
- Issuance by all local, State and Federal agencies of all required permits and approval needed to construct the major onsite and offsite improvements for the project.

7.1.1. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the sanitary sewer related mitigation measures, V13.1 and V13.3, found in **Exhibit “V”**.

7.2. Stormwater Management.

Stormwater facilities will conform to the approved Tehaleh Master Drainage Plan (**Exhibit “L”**), as may be amended. The Tehaleh Master Drainage Plan will continue to provide a system of regional infiltration facilities, detention ponds and a master system of overflow/bypass pipes and channels for Phase 2 development. The entire Project will continue to be considered the “Project Site” for purposes of storm water management.

Drainage facility locations are intended to be consistent with Project Master Plan; however, these may be revised as based on future detailed design studies. Revisions may include increasing or decreasing the total number of facilities as well as altering their location. Revisions to the facility configuration shown in the Project Master Plan will require the approval of Pierce County as amendments to the Master Drainage Plan.

Construction of the Project storm drainage system will be phased. Phasing may include the phased construction of individual facilities and/or the construction of facilities for interim service (such as temporary drainage channels in lieu of permanent pipes, temporary infiltration facilities, etc.). Phasing plans will be subject to Pierce County approval prior to construction. The Project drainage system will at all times meet the performance standards outlined in the Master Drainage Plan and the Storm Manual. Stormwater retention/detention facilities and water quality designs, as required in the Master Drainage Plan, shall be included in the final drainage plans for each subdivision or project as applicable.

7.2.1. Drainage Plans. Drainage plans shall be prepared in accordance with the Master Drainage Plan and the requirements of this section.

- Drainage plans and analysis shall comply with Pierce County Ordinance 2008-59S (2012 Storm & Site Development Manual or the “Storm Manual”), Title 17A and 17B, and Title 18E - Critical Areas in effect on July 17, 2012, except as modified below.
- The entire project boundary and Project Site as defined above is also the “project site” for purposes of performance control, basin boundaries, release points, etc. under the Storm Manual.
- The use of Low Impact Development (LID) methods and facilities as outlined in the Storm Manual and 18J.15.140 is at the sole discretion of NASH. LID features can be implemented on portions, divisions or phases of the Project Site separately, without requiring LID on the project as a whole. If LID is used on any division or phase of the Project site, NASH is eligible for the credits outlined in the Storm Manual for such use.
- Internal drainage diversions between and within sub-basins, within the Project Site, are expressly permitted, provided that the performance criteria outlined in the Master Drainage Plan is met.

7.2.2. Wetlands / Wetland Buffers. Storm drainage overflow, discharge and bypass pipelines may be constructed within wetland buffers as conveyance systems when approved by the Planning and Public Works Department. Small isolated wetlands may receive runoff from rear lot areas and roof drains where feasible and appropriate to minimize the expected reduction in effective tributary area caused by development. Runoff from these areas may be discharged to these smaller wetlands by infiltration into the buffer soils. During engineering design phase, each area shall be analyzed in context with the surrounding development to determine the appropriate amount of roof drainage, if any, to direct to a given wetland to maintain its pre-development hydrology.

7.2.3. Closed Depressions. Closed depressions / potholes located entirely within the Project Site, not identified as wetlands or other critical areas, may be filled, drained, eliminated, or otherwise removed from service provided that the infiltration functions of the closed depressions which are removed from service are compensated for within the overall system of infiltration facilities. Direct compensation for, or replacement of, lost storage volume is not required; however, lost storage volume will be accounted for by the design methodology for the regional stormwater control facilities. The infiltration functions of removed closed depressions shall be deemed to be compensated for if the system of infiltration facilities recharge all runoff from the developed site area and no surface discharge occurs (except for sub-basin CC-9), as determined using the design storms and hydrologic methods outlined below. However, filling, grading and/or storm drainage improvements must be designed and constructed in a manner so that flood hazards, water velocities, or flood elevations on neighboring properties or the exception parcels will not exceed pre-development conditions for the design storm event.

Post development drainage rates and volumes into retained closed depressions may be increased provided the closed depressions are located entirely within the Project Site and the resulting post-development water elevation does not increase flood hazards, water velocities or flood elevations above pre-development conditions on neighboring properties

or exception parcels for the design storm event. Infiltration and/or detention prior to discharge into onsite closed depressions is not required.

For those closed depressions, or portions of closed depressions, which are retained after grading and drainage improvements are complete, the 100-year floodplain will be determined for the design storm event. This 100-year floodplain will be shown on the appropriate final plat documents. No structures or road improvements will be permitted within the 100-year floodplain so designated. Storm drainage facilities will be permitted within the 100-year floodplain of retained closed depressions.

Onsite closed depressions / pot holes filled or eliminated under this section are not subject to the provisions of PCC Ch. 17A. or 18E.70.

- 7.2.4. Water Quality Treatment.** Water quality treatment facilities will be provided prior to infiltration facilities or discharge of polluted stormwater into wetlands. Water quality treatment facilities will be designed in accordance with the requirements of the Storm Manual. The use of large wet ponds, designed in accordance with the Storm Manual, as the sole means of water quality treatment is expressly permitted in the Project.
- 7.2.5. Hydrologic Modeling.** As allowed by the Storm Manual, the Western Washington Hydrology Model (WWHM), or alternately a site specific HSPF model can be used, at the option of NASH.
- 7.2.6. Infiltration.** Infiltration of all runoff from the developed site area (except for sub-basin CC-9) was a fundamental assumption for evaluating on- and off-site impacts to ground and surface water. Therefore, should the systems not perform as designed, either during construction or as determined by post-development monitoring, NASH will be responsible for enlarging the infiltration facilities, siting new infiltration facilities in addition to those shown in the plan, or otherwise redesigning the Master Drainage Plan infiltration facilities to achieve the goal of infiltrating the basins proposed in the plan. Land area near each proposed infiltration facility will be held in reserve for expansion of the facilities by plat conditions approved by Pierce County, until the initial two years of monitoring is completed for each facility and the monitoring shows that each facility is functioning as planned. If a facility is performing as expected at the end of the monitoring period as specified above, the land set aside shall be released for that facility.

Infiltration facilities shall be designed in accordance with the performance criteria outlined in the Master Drainage Plan. This criteria specifies that infiltration facilities will be designed to accommodate total rainfall / runoff from the design storm event(s). Safety factors may be applied to the sizing of infiltration facilities. The magnitude of safety factors, if any, will be determined on a case-by-case basis for each facility. Safety factors will be based on design hydrologic methodology, tributary area, density of development, potential for downstream damage resulting from overflow and risk of overflow in relation to potential damage. Safety factors, at a minimum, shall meet the requirements of the Storm Manual.

Infiltration testing and the determination of design infiltration rates will be in accordance with the requirements of the Storm Manual, unless otherwise approved by Pierce County.

Infiltration is a key mitigation measure for both ground and surface water. Should the infiltration of all runoff directed to the proposed infiltration facilities fail to meet the design goals, the facilities shall be enlarged through the land set-asides provided above.

7.2.7. Detention Facilities / Wetland Fluctuation Control. The primary purpose of detention facilities on the Project Site is to meter runoff into on- and off-site wetlands to control post-development wetland water level fluctuations. All detention facilities on the Project Site shall be designed to meet the wetland fluctuation criteria outlined below for involved wetlands that have high vegetation species diversity or provide breeding habitat for amphibians:

Water Level Fluctuations (WLF) -- limit mean monthly spring (February 1 through May 31) WLF to ≤ 0.7 ft (20 cm), if mean pre-development WLF is less than that, or limit increase in WLF to ≤ 2 in. (5 cm) if it is greater than that, where:

$$WLF = crest\ stage - [(stage\ at\ beginning\ interval + stage\ at\ end\ interval)/2]$$

(as estimated by hydrologic modeling using a monthly interval)

Detention facilities shall be designed using the methods and performance criteria described in the Master Drainage Plan. Detention facility design may include the diversion of runoff away from wetlands to meet wetland fluctuation criteria. Detention facilities need not be designed to the release rate criteria contained in the Storm Manual or to meet “natural flowrates or volumes”. Specific release rate criteria will be developed for each facility on a case-by-case basis, at the time of development application. The basis for determining release rate criteria will be meeting the wetland water level fluctuation criteria noted above subject to flexibility to deviate from the standard provided by the Storm Manual. (However, the release rate criteria for detention facility D-5 (sub-basin CC-9) will not exceed the release rate criteria specified in the Storm Manual.) Wetland fluctuations will be determined using the modeling method(s) as noted herein. Safety factors may be applied to the sizing of detention facilities. The magnitude of safety factors, if any, will be determined on a case by case basis for each facility. Safety factors will be based on design hydrologic methodology, tributary area, density of development, potential for downstream damage resulting from overflow and risk of overflow in relation to potential damage. Safety factors, at a minimum shall meet the requirements of the Storm Manual.

7.2.8. Drainage Diversions. The Project Site is defined as the boundary of the entire Tehaleh Site for stormwater management purposes. Internal drainage diversions between and within sub-basins, within the Project Site are expressly permitted, provided that the performance criteria outlined in the Project MDP for infiltration facilities, detention facilities and wetland fluctuations are met.

7.2.9. Constructed Conveyance System Standards. All constructed conveyance systems shall be designed to the standards contained in the Storm Manual. Those conveyance facilities draining tributary areas greater than 100 acres may be sized using the HSPF Method, or other alternate proposed methods approved by Pierce County.

7.2.10. Stormwater Overflow Facilities. Stormwater overflow facilities shall be designed for the 100-year developed undetained flow, or as otherwise approved by Pierce County based on further design analysis.

7.2.11. Flow Control Adjustability. All flow control structures for ponds and wetlands shall be designed to provide for retrofit with new controls should monitoring indicate that adjustment is necessary. For example, orifice and weir plates shall bolt on to allow for replacement or reworking. Other designs may be proposed for approval during engineering plan review.

7.2.12. Use of Infiltration Facilities during Construction. The infiltration facilities to be constructed on the Project Site are regional in nature and will serve a mixture of on-site residential, commercial and institutional land uses to be constructed over an extended time period. The infiltration facilities are hereby permitted to be constructed, placed in service and utilized before and during the development of their respective tributary areas. Pierce County may require interim facility configurations. NASH will be responsible for facility maintenance during the interim service period.

7.2.13. Ownership and Maintenance. The ownership of retention / detention and conveyance facilities, or portions of retention / detention and conveyance facilities (such as control structures, overflows, dikes, channels, etc.), will be determined on a case by case basis at the time of individual development application review and approval. In general, it is envisioned that most facilities located outside of public ROW will remain in private ownership. Maintenance of those facilities, or portions of facilities, which remain in private ownership will be the responsibility of the Tehaleh Owners' Association, or other legal entity, as approved by Pierce County.

Facilities to remain in private ownership may be multi-use facilities incorporating parks, recreation and/or natural open space into the surface water management function of the facility. The design of those facilities, or portions of facilities, to remain in private ownership may deviate from the requirements of the Storm Manual as necessary to accommodate their multi-use purpose, provided that at all times the facilities shall be designed, constructed and operated to meet the performance criteria outlined in this Project Master Plan and the Master Drainage Plan. Design deviations necessary to accommodate private multi-use facilities will be subject to Pierce County approval, but such approval will not be unreasonably withheld. In the event that NASH and Pierce County cannot reach agreement on the appropriateness of specific design deviations. Disputes regarding technical issues will be resolved by the technical equivalency procedures outlined in the Storm Manual. Disputes regarding permitted land use within facilities, landscaping, aesthetics, etc. will be resolved by the Pierce County Hearing Examiner.

Maintenance responsibilities for facilities with public ROW will be subject to the provisions of the License Agreement.

7.2.14. Existing Phase 1 Stormwater Facilities. Detention Facilities D-3 and D-4, Retention Facility R4 and the Phase 1A and Master Drainage Conveyance system connecting these facilities were approved by Pierce County and constructed in 2005 thru 2011 under the provisions of the 1997 Pierce County Stormwater Management and Site Development Manual. Detention Facilities D3B and the Whitman Utility Storm Conveyance line from D4 to Observation Ridge were approved by Pierce County and constructed in 2012 thru 2018 under the provisions of the 2012 Pierce County Stormwater Management and Site Development Manual. Detention Facility R4A, R11 and D7 have been designed and

permitted under the 2012 Manual. To the extent consistent with State law, these facilities, including their tributary areas that are still under development, are vested to the code provisions that existed when they were originally approved and no upgrades or revisions to bring them into compliance with new codes will be required.

7.2.15. Monitoring Plan. NASH will monitor water quality and quantity to verify the adequacy of system designs and mitigating measures. Monitoring plan details are provided in **Exhibit "U"**. The monitoring plan carries forward the requirements of Exhibits K-1 through K-3 from the Phase 1 Development Agreement (Water Quantity Monitoring, Nitrate-Nitrogen Monitoring and Canyonfalls Creek, Nitrate-Nitrogen Monitoring and Victor Falls Springs, Water Quality Monitoring at Orting Lake and Tehaleh Stormwater Facilities R4 and CC-9) and a new monitoring plan to monitor the impact of recharge from the infiltration facilities on groundwater levels, particularly near site slopes (Exhibit K-4 of Appendix C to the SEIS).

7.2.16. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the stormwater management related mitigation measures, V.2.1-V.2.13, found in **Exhibit "V"**.

7.3. Water Service.

Tacoma Public Utilities (TPU) will continue to provide water service to the site and has indicated that it has adequate domestic water and fire flow to serve the Tehaleh EPBC (TPU Letter of Availability, 8/21/13). The Master Water Plan, dated June 21, 2017, found in Appendix N to the December 12, 2017 Tehaleh EBPC Phase II Draft Supplemental EIS referenced as **Exhibit "M"**, describes the water zones and anticipated reservoirs. All water system facilities will be designed in accordance with TPU standards and specifications. Fire flow will be provided to meet Pierce County and Tacoma criteria.

By Agreement, water supply and transmission facilities (reservoirs, pump stations, etc.) would be constructed by TPU; water distribution system facilities (pipes, pressure reduction valves, etc.) would be constructed by the developer and turned over to TPU. All water system facilities will be designed in accordance with TPU standards and specifications. The proposed on-site water system will be consistent with the Current Overall Conceptual Approval; will build upon the existing on-site water facilities that have been constructed in Phase 1; and will provide additional facilities to accommodate proposed development in Phase 2. The system will include four pressure zones to ensure that appropriate water pressure is maintained throughout site. Three new reservoirs would be provided to serve the site with required flows and pressures. Two new reservoirs were proposed within Phase 1: the first would be in Parcel J and the second in Parcel M5. A third new reservoir is proposed in Phase 2 within Parcel 2D.8. New reservoirs and/or pump stations would be designed and constructed in phases to meet all water distribution standards. Backbone water lines (i.e., feeder water mains) would be in main arterials. Each development parcel would have an individual pipe conveying water from the backbone infrastructure.

Irrigation demand onsite is currently being met by TPU on an interim basis. As agreed to with TPU, once the permanent WWTP is online and enough units are available, irrigation water supplied by TPU may be replaced by class "A" effluent "reclaimed water" from the plant as a major element of the irrigation system of common areas on site. The timing of constructing

facilities at the WWTP to produce reclaimed water is dependent on the volume of available flow at the WWTP, negotiation of agreements with Pierce County Planning & Public Works and TPU approval of reclaimed water plans and permits by appropriate state agencies and the financial feasibility of reclaimed water production. Until reclaimed water is available, water from the TPU system will be used for irrigation.

Water service to the Project requires construction of onsite and offsite improvements, including storage tanks, booster pump stations, transmission mains, distribution mains and supply connections to the TPU system. The exact size, location and characteristics of these facilities will be determined by TPU. TPU will prepare all necessary water system reports, water comprehensive plan amendments and water system design drawings and secure all required regulatory approvals.

7.3.1. Major Infrastructure. The location of major water infrastructure facilities will be consistent with TPU's system plan for the Project. However, TPU reserves the right to revise and/or relocate facilities within the Project Site, as necessary to provide the most efficient and cost-effective service.

In general, storage tanks, pump stations and any required offsite water supply improvements will be constructed by TPU. TPU will recover the cost of these improvements via collection of System Development Charges (SDC's) in accordance with adopted rate structures and policies.

7.3.2. Transmission and Distribution Mains. In general, transmission and distribution water mains will be constructed and paid for by NASH, and/or its assigns, or parcel developers, as appropriate. However, NASH, and/or its assigns, or parcel developers, as appropriate, may use latecomer fees, credits, offsets or other financing provisions to the extent allowed by law and approved by TPU.

Construction of the water system will be phased as deemed appropriate by NASH and TPU. The water system will at all times provide safe and adequate water service and will comply with all regulatory requirements.

NASH, and/or its assigns, or parcel developers, as appropriate, will enter into utility extension agreements with TPU in accordance with TPU policy. NASH, and/or its assigns, or parcel developers, as appropriate, will comply with all terms and conditions of these agreements.

Except for individual water service lines, TPU will own and maintain all water service facilities within the Project.

7.3.3. General Requirements. Water service is subject to the following approvals:

- Approval by the Washington State Department of Health of water system plans and reports.
- Approval by Pierce County to use County rights-of-way, as required to construct water improvements and deliver the service authorized by this permit.

- Customary issuance by local, State and Federal agencies of permits and approvals needed to construct the major onsite and offsite improvements.

7.3.4. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the water service related mitigation measures, V13.2 and V.13.3, found in **Exhibit “V”**.

7.4. Roads and Non-Motorized Facilities.

7.4.1. Traffic Mitigation – Pierce County. Section 3.3.2 of the 2018 Phase 2 Development Agreement identified certain road improvements as “Assigned Improvements” to satisfy NASH’s Pierce County traffic mitigation obligation. The Traffic Management Plan, **Exhibit “N”**, describes the agreed mitigation for Phase 2, dwelling unit triggers for the Assigned Improvements, and a demand management plan to potentially reduce impacts and a monitoring program to track the results.

7.4.2. Traffic Mitigation – Washington State Department of Transportation (WSDOT). Impacts of Tehaleh on the state highway system will be satisfied by meeting requirements of a Memorandum of Agreement, **Exhibit “O”**, signed by NASH and WSDOT on November 26, 2018 as may be amended.

7.4.3. General Requirements. All on-site and off-site public road improvements shall comply with Pierce County Ordinance 2010-70S, Titles 17A and 17B with the following approved exceptions:

- The master trail/walkway system can be located either within or adjacent to road right-of-way (ROW). If within ROW, trail ownership and maintenance shall be in accordance with the License for the Use of County Rights-of-Way within Tehaleh for the Installation of Certain Improvements (the “License Agreement”) covering Phase 2.
- Pedestrian facilities adjacent to arterial roads can be considered walkways for design purposes and will not be considered shared use paths for design purposes, unless specifically designated as such on a Countywide Plan
- Landscaping, landscaping features, irrigation, signage, lighting, electrical and telemetry control systems, and other approved improvements are allowed within public ROW in accordance with the License Agreement.
- The design speed for Cascadia Boulevard East, Tehaleh Boulevard East and for 198th Avenue East accessing the Project Site shall be 40 mph.
- Street parking may be permitted along feeder roads, in areas adjacent to alley loaded lots that front the feeder road and other public facilities (such as parks) only with the prior approval of the County Engineer. If approved by the County Engineer, a formal deviation to the road standards will not be required. Specific location and configuration of street parking will be reviewed during the processing of development permits.

- The ROW width within preliminary plat neighborhoods can be reduced to a minimum of 0.5 ft. behind back of sidewalk where a buffer strip is proposed between the back of curb and the sidewalk and where a utility easement is provided behind the sidewalk to provide access and maintenance.
- Local access roads serving each proposed development area may be developed as private roads. For purposes of this paragraph, a local access road is defined as a road with an average daily traffic (ADT) of less than 2,000. Changes to the requirements of this ordinance must be approved through the variance procedure contained therein.
- Where improvements are made to State highways, NASH shall comply with the WSDOT, APWA Standard Specifications for Road, Bridge and Municipal Construction.
- NASH shall continue to coordinate with Pierce Transit on road design standards, future bus stops, vanpool services available to Tehaleh residents and employers and future transit services to the site. A major park-and-ride shall be located on the west side of the development along Tehaleh Boulevard East to support vanpooling/carpooling and future transit.
- The County Engineer shall have the authority to approve deviations from the road standards for the Project as a whole or for an area within the Project.

7.4.4. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the roads and non-motorized related mitigation measures V11.1-V11.9 found in **Exhibit “V”**.

7.5. Franchise Utilities.

Phase 2 will obtain electrical and natural gas service from Puget Sound Energy (PSE) and telecommunications from CenturyLink, Comcast and Wave Communications if available. Generally, PSE leads the design of franchise utilities to be installed in a joint utility trench (JUT) engineered in conjunction with the engineered road and storm plans.

If and when available, other utilities could provide services during the life of the project (such as internet service, wireless communication, alternate energy sources, etc.).

It is contemplated that Pierce County under a license agreement may permit NASH to install conduit within public right of way to provide additional capacity for future telecommunication services with the right to sell or lease and subject to approval of Pierce County Planning & Public Works.

7.6. Parks and Recreation Facilities.

The Tehaleh Master Park and Trail Plan has been updated and expanded to include Phase 2 and is included as **Exhibit “P”** to this Project Master Plan.

Parks and recreation facilities at the Project will be provided either as commercial enterprises available on a public fee and/or private membership basis; as amenities provided by NASH and

owned, operated and maintained by the Tehaleh Owners Association and/or other community associations for the use of Project residents and workers to the extent that is practically feasible; or as joint-use playground and field sports facilities developed cooperatively with Pierce County, the Sumner-Bonney Lake and/or Orting School Districts or other appropriate partner.

Development shall be subject to Pierce County park impact fees to offset demands on County facilities consistent with the County's park impact fee ordinance. Specific elements of Tehaleh's master park and trail system may be eligible for credit against park impact fees subject to applicable Pierce County Code requirements for credits and reimbursements.

7.6.1. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the parks and recreation related mitigation measures, V.12.6 and 12.7, found in **Exhibit "V"**.

7.7. Schools.

The Phase 2 area lies within the boundaries of the Sumner School District, and the Orting School District. The Overall Conceptual Plan and Land Use Classifications Map shows additional potential school sites. NASH will cooperate with both districts in siting school facilities in their respective districts and with any inter-District arrangements to service Tehaleh. School sites shall be permitted in multiple land use classifications per the Tehaleh Use Tables and shall not be limited to those potential sites identified. In the event an identified site is rejected or determined to not be required by a district, the Residential land use classification will apply or NASH may alternatively apply either the Multi-Family or Neighborhood Center classifications through a minor amendment process.

7.7.1. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the school related mitigation measures, V.12.2-V12.5, found in **Exhibit "V"**.

7.8. Fire and Rescue.

The Project Site is within East Pierce Fire and Rescue (EPFR). NASH and EPFR have executed an Amended Fire Mitigation Agreement dated June 20, 2017, and compliance with that agreement, as it may be modified by mutual agreement of the parties, will be required and is included as **Exhibit "W"** and referenced in Section V12.9 of **Exhibit "V"**.

7.9. Library.

7.9.1. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the library related mitigation measures V.12.8 found in **Exhibit "V"**.

7.10. Police.

7.10.1. Phase 2 SEIS Mitigation Measures. All development within the Phase 2 Development Area shall be reviewed for compliance with the following police related mitigation measure V.12.1 found in **Exhibit "V"**.

8. CRITICAL AREAS.

An inventory of critical areas is included in the Phase 2 SEIS (see Appendix C and Appendix F of the DSEIS). Conditions of approval in **Appendix “H”** provides for the protection of these areas within the open space system of Tehaleh. The following regulations as modified apply to Phase 2 development:

8.1. Wetlands.

The provisions of PCC Section 18E.030 shall apply. No direct alteration of any identified wetlands is proposed in the Phase 2, consequently, no compensatory mitigation is required. Storm drainage overflow, discharge and bypass pipelines that provide wetland replenishment water and limit maximum wetland water levels and fluctuations as specified in the Master Drainage Plan shall be permitted within wetland buffers with provision of one to one buffer compensation area (Category I, II, III and IV).

8.2. Geologically Hazardous Areas.

The provisions of PCC Section 18E.080 shall apply.

8.3. Aquifer Recharge Areas.

The provisions of PCC Section 18E.50 shall apply in portions of Phase 2 within wellhead protection areas identified in PCC 18E.50.020.C. Because the Master Drainage Plan provides for compliance with the Pierce County Stormwater Management and Site Development Manual and for all runoff within the Project to be infiltrated, no limits shall be placed on the amount of impervious surfaces or impervious coverage on individual lots, tracts or parcels within the Project.

8.4. Fish and Wildlife Areas.

Provisions of PCC 18E.40 apply.

8.5. Phase 2 SEIS Mitigation Measures.

All development within the Phase 2 Development Area shall be reviewed for compliance with the critical area related mitigation measures V1.1-V1.4, V3.1-V3.4, V3.6, and V4.1 found in **Exhibit “V”**.

9. OPEN SPACE.

The Tehaleh open space system is generally shown on **Exhibit “B”**, the Tehaleh Phase 2 Conceptual Plan, and **Exhibit “P”**, the Tehaleh Phase 2 Master Park and Trail Plan.

- **Parks** are those areas within the open space system designated for development of active and passive recreational opportunities. Parks are the only open space component included in the Tehaleh Use Table at **Exhibit “F”** because they are a part of the built environment and may include a variety of use types. Parks may range in scale from facilities serving the whole Community such as sports fields, developed trailheads, community gardens,

community centers or some combination of each to facilities serving specific neighborhoods or interests such as playgrounds, tot-lots, skate board parks, work-out areas, viewing areas or some combination of each. Community parks may be conceived, designed and established as “stand-alone” facilities while smaller parks will likely be located, designed and established through residential and commercial area platting processes.

- **Natural Open Space** areas are generally large wooded areas of Tehaleh including environmentally constrained areas regulated as covered in Section 8 above. Subject to critical areas regulation, uses allowed in these designated open space areas are per PCC Section 18A.50.040.B.2:
 - a. Pervious and impervious surface trails;
 - b. Passive recreation and associated accessory structures;
 - c. Agricultural practices and associated agricultural structures;
 - d. Utility easements; and
 - e. Drainfields.
- **Buffers** are forested areas located along major arterials, and the perimeter of the Tehaleh EBPC. A 100 foot wide perimeter buffer measured from the boundary of the Tehaleh EBPC as legally described is provided. A 100 foot wide buffer along the major arterials may be eliminated for retail uses and may be eliminated or reduced administratively where the adjoining use consists of a church, library, school or other community oriented use that is not typically screened from view. PPW may reduce or eliminate buffers for commercial uses subject to approval of an Administrative Use Permit. Pervious and impervious surface trails consistent with the Master Park and Trail Plan and utility easements consistent with master utility plans are allowed in buffers subject to applicable regulations.
- **Alleés**, e.g., multi-use forest corridors, within the Tehaleh EBPC serve several functions including non-motorized connectivity within the Master Park and Trails plan and providing habitat linkages among the larger natural open spaces retained on the site. The exact location and configuration of alleés shall be determined during the design review of parcel specific development applications, preliminary plats, and building permits. No site development permits or vegetation removal shall be permitted on parcels abutting alleés until the location and configuration of the permanent alleé has been determined by Pierce County Planning and Public Works, unless such site development activity is deemed by Pierce County PPW to not preclude reconfiguring the alleé outside the location determined by the Overall Conceptual Master Plan and Land Use Classification Map (**Exhibit "B"**) and the Phase 2 Conceptual Plan and Land Use Classification Map (**Exhibit "C"**).

Prior to site development approval adjacent to any identified alleé, the site development plans shall be reviewed by PPW Current Planning and Resource Management sections to ensure that the impacts within the adjacent alleés are minimized and that, where deemed reasonably unavoidable in order to provide access or to avoid excessively high walls,

impacted portions of the alleés are restored with native vegetation, to include ground cover, understory, shrubs and trees. Where the applicant and PPW cannot agree as to what impacts are either minimal or reasonably unavoidable, the matter will be directed to the Hearing Examiner for resolution.

Nothing in the above condition is intended to preclude the use of alleés for trail and other purposes described in the Project EIS or to require that areas set aside for such uses be planted as described above.

9.1. Phase 2 SEIS Mitigation Measures.

All development within the Phase 2 Development Area shall be reviewed for compliance with the open space related mitigation measures V3.5 and V.3.7 found in **Exhibit “V”**.

10. SEPA.

Environmental review is complete for Phase 2. The Project EIS (including the Supplemental EIS) analyzed development of Phase 2 at the project level. Pierce County and NASH intend that the Project EIS satisfy SEPA requirements for implementing land use approvals and permits for all other anticipated actions. The Phase 2 impacts analyzed in the Project EIS include build-out of residential and non-residential uses at the maximum allowable densities and intensities with the development standards and mitigation measures approved in the Project Master Plan. The Project is intended to include a series of permits and approvals issued over a period of time in a manner required to implement the overall project. If a permit or approval falls within the scope of the “proposed action” as analyzed in the Project EIS, and there are no additional probable significant adverse environmental impacts as determined by the Environmental Official, under WAC 197-11-600, no threshold determination will be required and the existing environmental documents shall be used to meet the requirements of SEPA.

10.1. Phase 2 SEIS Mitigation Measures.

All development within the Phase 2 Development Area shall be reviewed for compliance with the miscellaneous mitigation measures V5.1-V5.3, V6.1-V6.5, V14.1-V14.4, and V15.1 found in **Exhibit “V”**.

11. PHASE 2 DEVELOPMENT AGREEMENT.

In addition to the provisions of this Project Master Plan, NASH is also subject to compliance with the obligations of the “Tehaleh Employment Based Planned Community Phase 2 Development Agreement”, Exhibit A to Ordinance 2018-90s, passed by the Pierce County Council on November 27, 2018 and signed by the Pierce County Executive on December 11, 2018. The ordinance became effective on December 21, 2018. Ordinance No. 2018-90s, is included as **“Exhibit “R”**.

12. VESTING AND APPLICABLE LAW.

Refer to Exhibit “R”, specifically to Section 7 of the Phase 2 Development Agreement which is Exhibit A to Ordinance 2018-90s, for the details of vesting and applicable law.

13. PROJECT APPROVAL.

“Project Approval” of Phase 2 will consist of the Development Agreement and the approval of this Project Master Plan by the Hearing Examiner, both as supported by the analysis of the SEIS.

14. SUBSEQUENT APPROVALS.

The “Subsequent Approvals” are the applications for all land use and development approvals and permits that are necessary or appropriate for the development of the Phase 2 Development Area as requested. The Subsequent Approvals will be reviewed under the Applicable Law and this Development Agreement. The Pierce County Hearing Examiner shall review and issue final decisions for the EBPC PUD and all quasi-judicial matters associated with the EBPC PUD that are described in PCC Section 1.22.080 including preliminary and final plats, conditional use permits and appeals. Minor Amendments or modifications may be approved by the Department. Major amendments may be approved by the Examiner. The Examiner shall utilize the Development Agreement approved pursuant to PCC 18A.100 as the basis for all land uses decisions and shall follow the development regulations included in PCC 18A.75 for the EBPC PUD.

15. BINDING ON SUCCESSORS; ASSIGNMENT.

15.1. Successors.

The parties acknowledge that development of the Project will involve the sale and assignment of portions of real property within the Project to other persons who will own, develop and/or occupy those portions. This Project Master Plan shall be binding upon and inure to the benefit of the successors and assigns of NASH and Pierce County, except that the special rights of NASH with respect to modifications shall not be transferred to successors and assigns of NASH except as specifically permitted below. Any parcel within the Phase 2 Development Area sold to another party shall include the right to develop that parcel only in accordance with this Project Master Plan. Other than with respect to modifications, the purchasing party shall have the benefits and obligations of this Plan that apply to the specific parcel purchased, including the right to have the Applicable Law applied to its Subsequent Approvals to develop its parcel.

15.2. Assignment of Specific NASH Rights and Obligations.

NASH shall have the right to assign or transfer all or any portion of its interests, rights or obligations as the master developer under this Project Master Plan, including the special modification rights, to other parties acquiring an interest or estate in all or any portion of the Phase 2 Development Area, including transfer of all interests through foreclosure (judicial or non-judicial) or by deed in lieu of foreclosure. Any such assignment must be in writing and specifically describe the interests, rights, or obligations of NASH that are being assigned to such other party. Consent by Pierce County shall not be required for any transfer of NASH's interests, rights or obligations under this Project Master Plan, but NASH shall give notice of such assignment to the County. Upon the transfer under this section, the transferee shall be entitled to the rights transferred and be subject to all obligations under this Project Master Plan as to the rights transferred, and NASH shall be released of liability as to the rights and interests transferred.

16. MODIFICATIONS, AMENDMENTS AND REVOCATION.

16.1. Modifications and Amendments – General.

This Project Master Plan shall be amended or modified upon application by NASH and with approval of the County as set forth below.

16.2. Minor Modifications.

The Director need not process a minor modification (described in this paragraph below) as a "minor amendment" under PCC 18.130.020, and may give a proposed minor modification a level of notice, circulation and review commensurate with the nature of the proposal, the extent of the modification, the potential impact on third parties, and the extent to which the modification necessitates review by other departments or agencies. The Director shall maintain a written list of approved minor modifications and shall provide that list to the Hearing Examiner at least annually.

Examples of minor modifications that do not require any substantial circulation and review include the following: (1) changes that address aspects of the development not specifically discussed in the Plan and do not significantly alter the overall plan for the Project; (2) changes that resolve ambiguities in the Hearing Examiner's decision in a manner fully consistent with the intent of that decision; (3) changes that alter conditions of approval in minor ways that are fully consistent with the purpose of the prior condition; (4) changes that modify the site plan to alter road alignments so long as the change is consistent with applicable County standards and does not affect the connection to lands outside of the Project boundary; (5) changes in the location of alleés as long as the new location has similar characteristics to the prior location; (6) changes that adjust the location of uses in such a way as to have no material impact on surrounding existing uses or the overall character of the development;

16.3. Minor and Major Amendments.

Other proposed changes, not falling within the above Section shall be reviewed as follows: The Director may administratively approve minor changes to the Project Master Plan, including conditions of approval, as minor amendments under the procedures of PCC 18.130.020. Minor amendments are defined as those that, in considering the overall Project, do not increase the number of dwelling units, do not decrease net residential density or employment obligations, do not increase impacts on transportation or the environment, and do not reduce buffers or open space. Amendments that do not qualify as minor shall be considered major and subject to the same procedures as the original application.

16.4. Modifications and Amendments - Approvals Required.

16.4.1. Modifications and Amendments by NASH. Modifications and Amendments by NASH as to property it owns within the Phase 2 Development Area shall not require the consent or approval of the owners of other property within the Tehaleh Site, but notice shall be given as required by applicable Pierce County Code provisions.

16.4.2. Modifications and Amendments by Other Owners. All major or minor modifications or amendments within the Phase 2 Development Area shall be submitted by NASH or with a letter of authorization from NASH.

17. GENERAL PROVISIONS.

17.1. Interpretation.

The parties intend this Plan to be interpreted to the full extent authorized by law as an exercise of Pierce County's authority to approve such plans. This Plan has been reviewed and revised by legal counsel for all parties and no presumption or rule that ambiguity shall be construed against the party drafting the document shall apply to the interpretation or enforcement of this Plan.

17.2. Severability.

If any provisions of this Plan are determined to be unenforceable or invalid by a court of law, then this Plan shall thereafter be modified to implement the intent of the parties to the maximum extent allowable under law. If a court finds any portion of this Plan unenforceable or invalid, the parties agree to seek diligently to modify the Plan consistent with the court decision, and no party shall undertake any actions inconsistent with the intent of this Plan until the modification to this Plan has been completed. If the parties do not mutually agree to modifications within forty-five (45) days after the court ruling, then either party may initiate the dispute resolution proceedings below for determination of the modifications that implement the intent of this Plan and the court decision.

17.3. Exhibits.

Exhibit "A" through **Exhibit "W"** are incorporated herein by reference.

17.4. Headings.

The headings in this Plan are inserted for reference only and shall not be construed to expand, limit or otherwise modify the terms and conditions of this Plan.

17.5. Effect and Integration.

This Plan applies to the Phase 2 Development Area and completely replaces and supersedes the 2015 Tehaleh Development Agreement as to the Phase 2 Development Area. Terms not defined in this Plan shall be as set forth in applicable Pierce County Code or in the absence of that, shall be given their common meaning. This Plan represents the entire Project Master Plan as to the Phase 2 Development Area.

17.6. Dispute Resolution.

In the event of any dispute relating to this Plan, all parties upon the request of any other party shall meet within seven (7) days of the request to seek in good faith to resolve the dispute. Pierce County shall send the appropriate department director and persons with information relating to the dispute, and NASH shall send an owner's representative and any consultant or other person with technical information or expertise related to the dispute.

17.7. Default and Remedies.

No party shall be in default under this Plan unless it has failed to perform under this Plan for a period of thirty (30) days after written notice of default from any other party. Each notice of default shall specify the nature of the alleged default and the manner in which the default may be cured satisfactorily. If the nature of the alleged default is such that it cannot be reasonably cured within the thirty (30) day period, then commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure.

In recognition of the anticipated sales of portions of the Phase 2 Development Area to others to own, develop and/or occupy, the remedies under this Plan shall be tailored to the property or parties as provided in the remaining provisions of this subsection. After the transfer of portions of property for which the release of liability provisions above apply, any claimed default shall relate as specifically as possible to the property involved and any remedy against any party shall be limited to the extent possible to the owners of such property. To the extent possible, Pierce County shall seek only those remedies that do not adversely affect the rights, duties or obligations of any other non-defaulting owner of portions of the property under this Plan and shall seek to utilize the severability provisions set forth in this Plan.

17.8. Term.

This 2018 Tehaleh Phase 2 Project Master Plan shall be valid for a period of thirty (30) years from the Effective Date. The Examiner may grant extensions so long as NASH is in compliance with the requirements of the Development Agreement and the Plan.

17.9. Five-Year Review.

The Project Master Plan shall be reviewed by the Pierce County Hearing Examiner at least every five years until buildout. The review shall address compliance with the conditions of approval and progress towards completion. The review may also assess whether the development is well designed, contains a balance of uses, efficiently uses public facilities and services, and provides adequate open space. The review may be scheduled in conjunction with any required Phase 1 review as deemed appropriate by the County.

17.9.1. Report. Within thirty (30) days following the five-year anniversary of the Effective Date of this Tehaleh Phase 2 Project Master Plan, the County shall prepare a report summarizing the status of the project. The report shall be made available to the County Council, Planning Director, the Hearing Examiner and NASH for review. Parties of record shall be notified of its availability for review. Contents of the report shall include, but not be limited to the following:

- a) Location and density of subsequently approved residential development;
- b) Location and type of subsequently approved non-residential development;
- c) Location and type of open space and recreation facilities;
- d) Location and type of on-site and off-site roads, utilities and infrastructure;
- e) An analysis of the effectiveness of currently employed public notification procedures;

- f) Consistent with RCW 36.70B.170, Pierce County shall reserve the authority to recommend new or different regulations for the Project to the extent required by a serious threat to public health and safety at each five-year review.

17.9.2. Comment Period. Review and comment on the report shall be take place within 30 days of its issuance. If no comments are received by the County within the review period, the five-year review shall be deemed to be complete. Comments received shall be referred to the Planning Director for appropriate action.

17.10. Estoppel Certificate.

Within thirty (30) days following any written request which any party or a mortgagee may make from time to time, the other party to this Plan shall execute and deliver to the requesting person a statement certifying that: (1) this Plan is unmodified and in full force and effect, or stating the date and nature of any modification; (2) to the best knowledge of the certifying party, (a) no notice of default has been sent or specifying the date(s) and nature of the notice of such default and (b) no written notice of infraction has been issued in connection with the Project; and (3) any other reasonably requested information. Failure to deliver such statement to the requesting party within the thirty (30) day period shall constitute a conclusive presumption against the party failing to deliver such statement that this Plan is in full force and effect without modification or default (except as may be represented by the requesting party). The delivery of estoppel certificate on behalf of Pierce County pursuant to this section shall be deemed an administrative matter and shall not require legislative action.

17.11. Notices.

All communications, notices and demands of any kind which a party under this Plan requires or desires to give to any other party shall be in writing and either (1) delivered personally, (2) sent by facsimile or email transmission with an additional copy mailed first class, or (3) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and addressed as follows:

- As to NASH: NASH Cascadia Verde, LLC
Attn: Scott Jones
505 S. 336th Street #430
Federal Way, WA 98003
- with copy to: Gordon Thomas Honeywell LLP
Attn: William T. Lynn
P.O. Box 1157
Tacoma, WA 98401
- As to Pierce County: Pierce County Planning and Public Works Department
2401 South 35th Street, Suite 175
Tacoma, WA 98409
- with a copy to: 930 Tacoma Avenue South, 10th Floor
Tacoma, WA 98402ffice of the Pierce County Council

Notice by hand delivery, facsimile or email shall be effective upon receipt. If deposited in the mail, notice shall be deemed delivered 48 hours after deposited. Any party at any time by notice to the other party may designate a different address or person to which such notice or communication shall be given.

17.12. Cooperation.

The parties shall not unreasonably withhold requests for information, approvals or consents provided for in this Plan. The parties agree to take further actions and execute further documents, either jointly or within their respective powers and authority, to implement the intent of this Plan. Pierce County agrees to work cooperatively with NASH to achieve the mutually agreeable goals as set forth in this Plan, subject to Pierce County's independent exercise of judgment. Where appropriate and consistent with applicable law, Pierce County shall become or provide lead agency assistance under SEPA where reasonably necessary to implement this Plan. Pierce County shall consider use of its eminent domain powers to facilitate implementation of this Plan, subject to Pierce County's independent exercise of judgment following all applicable procedures necessary to use eminent domain power.

17.13. Time is of the Essence.

Time is of the essence of this Plan and every provision in which a time limit is specified. Unless otherwise set forth in this Plan, the reference to "days" shall mean calendar days. If any time for action occurs on a weekend or legal holiday, then the time period shall be extended automatically to the next business day.

17.14. Delays.

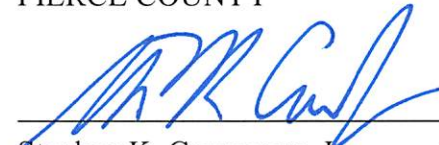
If either party is delayed in the performance of its obligations under this Plan due to *force majeure*, then performance of those obligations shall be excused for the period of delay.

17.15. Effective Date.

The effective date of this Plan ("Effective Date") shall be the date Pierce County has signed the Plan as indicated below.

[SIGNATURES ON THE FOLLOWING PAGE]

PIERCE COUNTY

 8/2/19

Stephen K. Causseaux, Jr. Date
Pierce County Hearing Examiner

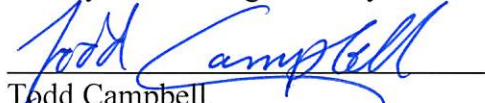
NASH CASCADIA VERDE, LLC

 7-26-19

Scott Jones Date
Its: Authorized Signatory

APPROVED AS TO LEGAL FORM
ONLY

County Prosecuting Attorney's Office



Todd Campbell
Deputy Prosecuting Attorney

EXHIBITS	DESCRIPTION / NOTES
A Tehaleh Site Map	<i>Overall map indicating Phase 2 and Phase 1 Surplus Areas</i>
B Tehaleh Overall Conceptual Plan and Land Use Classification Map	<i>Master Plan map for Project including Land Use Classifications</i>
C Tehaleh Phase 2 Conceptual Plan and Land Use Classification Map	<i>Master Plan Map for Phase 2 including Land Use Classifications</i>
D Land Use Summary Table	<i>Areas and densities for Phase 1, Phase 2 Development Area</i>
E Reserved	<i>Reserved</i>
F Phase 2 Land Use	<i>Use Table and Use Descriptions</i>
G Accessory Uses, Temporary Use and Events	<i>Vested Pierce County Code</i>
H Chapter 18A.15, Bulk Standards	<i>Vested Pierce County Code</i>
I Chapter 18J, Design Standards	<i>Vested Pierce County Code</i>
J Sign Standards	<i>Modified PCC Title 18B</i>
K Master Sewer Plan	<i>Appendix O to the 2017 Tehaleh Phase 2 Draft SEIS</i>
L Master Drainage Plan	<i>Appendix D to the 2017 Tehaleh Phase 2 Draft SEIS</i>
M Master Water Plan	<i>Appendix N to the 2017 Tehaleh Phase 2 Draft SEIS</i>
N Traffic Management Plan	<i>Includes Mitigation Table / Schedule, Monitoring Plan</i>
O WSDOT Memorandum of Agreement	<i>Exhibit D to the Tehaleh EBPC Phase 2 Development Agreement</i>
P Tehaleh Master Park and Trail Plans	<i>Overall Park and Trail Maps, Conceptual Park Designs</i>
Q Chapter 18.50, Open Space	<i>Vested Pierce County Code</i>
R Ord. 2018-90s, 2018 Phase 2 Development Agreement	<i>Tehaleh EBPC Phase 2 Development Agreement</i>
S Housing Affordability Program	<i>Exhibit C to the Tehaleh EBPC Phase 2 Development Agreement</i>
T Employment Infrastructure Schedule	<i>Map and Schedule of infrastructure to Employment Zones</i>
U Water Quality Monitoring	<i>Phase 1 Exhibits K-1 – K-4</i>
V Final SEIS Mitigation Measures	<i>From tables in Section 1.4 of SEIS</i>
W Amended Fire Mitigation Agreement	<i>Agreement between NASH and East Pierce Fire and Rescue (EFPR), dated June 20, 2017</i>