

Memo

To	City of Issaquah DSD	Date	October 12, 2017
From	Costco and MG2	Project	Costco Campus Expansion
Cc		Project Number	MG2 # 15003501

RE Costco Campus Expansion – Project Description and Code Compliance Narrative

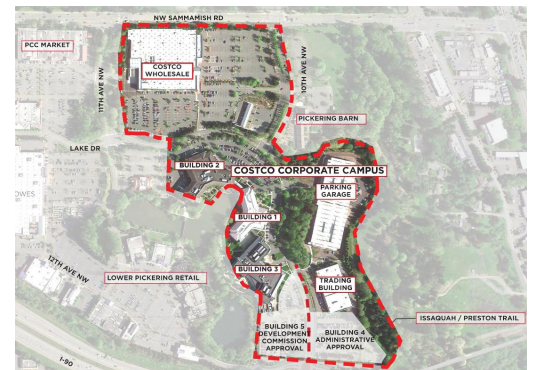
I. Costco's Campus Expansion

A. PROJECT DESCRIPTION

Costco has made the City of Issaquah their corporate home for over 25 years. Over the last 15 years they have not been able to add capacity to their campus in the Pickering Place development because of transportation limitations placed on the underlying master plan. To accommodate their corporate growth they have been buying and leasing space in the surrounding neighborhood. However, their desire is to consolidate their entire corporate population back onto their Pickering Place campus. With the City's adoption of the Central Issaquah Plan and the subsequent Development Agreement between the City and Costco things are now in place to realize that dream.

In their next phase of campus development, to be initiated after the City's SE 62nd St project providing another ingress/egress location into Pickering Place is substantially complete, Costco plans to approximately double the square footage of office and support facilities they have in Pickering Place. This massive expansion is needed to accommodate bringing a large number of current employees (roughly 2,000) back on the main campus, while also providing some additional capacity for the future.

Because so much office space is proposed to be located on the south end of Costco's campus (roughly 600,000 sf out of a future total of 1,130,000 sf of office space) the "center of gravity" of the campus is going to shift. This creates a unique



Costco's Corporate Campus and their campus expansion proposed at the south end of the site adjacent to I-90.

opportunity to reorient the campus, creating a new sense of place. The new office building is proposed to be sited on the southeast parcel nearest Issaquah Creek and south of Costco's Trading Building and a multi—story parking structure is proposed on the southwest parcel abutting the Pickering Place ponds just south of Building 3. The proposed office building will accommodate over 3,500 employees. This will allow Costco to bring all their off-site employees back on campus as well as provide for future growth. Both new buildings have frontage on the new SE 62nd Street extension and on Lake Drive. Lake Drive will continue to function as the campus' common circulation spine, connecting old and new development in logical, practical, safe, and beautiful ways. The new Costco Campus configuration will also provide natural circulation patterns and connections with the new parking structure with the new office building and natural amenities.

DESIGN STRATEGY

As the City makes a transition towards higher densities and a more urban design vocabulary, Costco takes on the responsibility of being one of the first and larger developers in the City. This is a big responsibility and Costco and their team are committed to making the project an example of good efficient design that meets the needs of the community and the owner both for the present and the future. To assist our team in making decisions and articulating our rationale, the team developed a design strategy that can be summarized with three words: Campus, Connection and Community. These words refer to Costco's desire to: grow and enhance their Campus, Connect with their existing campus and the natural beauty that surrounds their site, and enhance and Connect with the Community at large.

The subject property is uniquely located between two extremes. On one side is the urban edge of the I—90 corridor as it roars by to the south. On another side is the serene natural condition of Issaquah Creek as it winds its way toward Lake Sammamish, together with the Issaquah Creek Trail. Part of our design intent with the new office building is to create a graceful transition between these two environments. From a loud active urban edge to a quiet contemplative natural setting. The same is true for the exhibit and parking structure proposed in the southwest corner of the site. This building interfaces with the urban edge of SE 62nd St to the south and Lake Drive to the east, but then fronts on the natural area that is the southern Pickering Place pond. It is our intent to create a place that embraces both the urban character that is envisioned for Issaquah's Urban Core, while at the same time appreciating and connecting to the amenity that is Issaquah's "Emerald Necklace" (the natural riparian corridors and open green spaces that are a part of Issaquah's landscape and heritage).

The campus building design will reflect the business and design culture of Costco by using materials that are attractive, practical, and appropriate. Building and site exterior materials will be functionally efficient and durable, though providing

an environment where one will experience surprise and convenience, much like Costco's retailing environments. Because this is an expansion of their current campus, Costco has directed the design team to consider how the proposed development can be an evolutionary step forward for their corporate facilities while maintaining a sensitivity and visual connection to the existing architectural vocabulary of their campus.

The challenge for this design is to blend the existing and proposed development by creating visual transitions that step down from the new larger office building to the existing campus environment. Compatibility with the campus is achieved through the use of similar colors, materials and forms to the existing campus, while taking advantage of the ability to use modern construction techniques for a more efficient and sustainable building. Envelope materials and systems will be selected for aesthetic and required technical performance reasons. Energy efficiency and campus sustainability is a priority for Costco and the City.

1. Existing Context

As mentioned before, the two building sites straddle Lake Dr. and are bounded by the Issaquah Creek corridor on the east and the Pickering Place pond and natural area to the west. A new public street, SE 62nd St, and I-90 bound the sites to the south and two Costco buildings border the proposed building pads to the north. Currently the sites are used as surface parking lots.

Costco's entire corporate campus continues to stretch north inside Pickering Place all the way up to the City's Pickering Barn property and SE 56th St (the Costco warehouse). They own roughly 50% of Pickering Place, primarily on the east and north side of the Pickering Place Ponds.



Costco's proposed expansion location, the parking lots on either side of Lake Dr.

From a traffic perspective, Pickering Place has three access points, 10th Ave NW, 11th Ave NW and 12th Ave NW. Each of these streets have their sole access to SE 56th St. With the traffic that is already on 56th getting in and out of Pickering Place can often times be very difficult.

2. The Central Issaquah Plan (CIP)

Per the City's Central Issaquah Plan, all of Pickering Place and additional land to the south and west are designated with the zoning classification Urban Core (UC). This zone district allows for buildings up to 125' tall with 95% lot coverage and a Floor Area Ratio of up to 5:1. The Central Issaquah Plan also resulted in the adoption of the Central Issaquah Design and Development Standards (CIDDS). These development regulations are what articulate the urban feel the City is looking for in the Urban Core zone. Our proposal has been designed to comply with these requirements. See section B.2.A through B.2.I for discussion on compliance.

3. Development Agreement

In 2014 the City and Costco entered into a Development Agreement (DA) that gave Costco the right to add 1,500,000 sf of new office space in the area around their current campus. This was given in exchange for Costco agreeing to pay their traffic mitigation fees up front. The benefit this provides the City is the ability to use Costco's committed money to leverage additional grants and funds to upgrade their transportation system in this area. One of the projects that will be partially funded by these funds is the SE 62nd St project, which will provide a fourth access point in and out of Pickering Place. And more importantly, that access point isn't directly onto SE 56th St which further distributes Pickering Place traffic throughout the entire system rather than concentrating it on SE 56th St.

Another key feature of the DA clarified how the new Central Issaquah Design and Development Standards (CIDDS) will apply to Costco's campus as Pickering Place was developed under a more suburban development model with curving streets, large lawn areas and surface parking. To facilitate this, Costco submitted a future development plan called "The Land Plan" which showed how future development might occur on Costco's campus. A concept review was performed by city staff and the Development Commission highlighting issues still to be resolved and code issues that appeared to be in compliance based on the conceptual site plan. Because the "Land Plan" went through an SDP process within the DA, all future development that conforms with the "Land Plan" would be reviewed by staff for final approval. Any development that did not conform to the "Land Plan" would go through the standard process for development approval outlined in the CIDDS. (see Attachment B).

For the current proposal, the office building (Building 4) proposed in the SE corner of the campus complies with the "Land Plan" and aside from being presented to the Development Commission for comment will be administratively approved by city staff. On the other hand, while the parking structure (Building 5) proposed on the SW corner of the campus is consistent with the "Land Plan" in that it is proposing a building on that site, it is not an office building. It will have exhibit and assembly space on the first floor adjacent to the street and public sidewalk, but the remaining 9 levels will all be structured parking. For this reason, Building 5 will go through the standard public approval process outlined in the DA and the CIDDS for a building over 150,000 sf. This is described as a Level 3 review.

One other thing the DA gave approval for and described in detail in Exhibit J is a list of Interpretations and Administrative Adjustments of Standards. This section is important in that it describes how Costco and the City will apply the CIDDS standards for urban design (which are based on/assume a more typical urban rectangular grid block pattern) on a site that has an established suburban infrastructure (Pickering Place has a curvilinear street pattern with no block connections on the Costco Corporate Campus).

4. 62nd improvement

SE 62nd St is included in this description for a couple of reasons. First, it is a project that was conceived and funded through the mechanism of the Issaquah/Costco DA. Second, it is under construction and is scheduled to be complete right when Costco hopes to break ground on this project. Finally it is a vital piece of the overall context that Costco and their design team are connecting to. Once complete, SE 62nd and Lake Dr. will have a round-about intersection that creates for both Building 4 and 5 a corner that is roughly 90°. 62nd then climbs to the east to an elevation where it becomes a bridge that spans approximately 800' of the Issaquah Creek/Jordan Creek flood plain. Once it crosses the flood plain it intersects with 4th Ave NW and then on to E Lake Sammamish Parkway SE, creating a new connection to I-90, Downtown Issaquah and the plateau.



5. Permit applications

a) Site Development Permit

Costco is submitting a Site Development Permit (SDP) covering the construction of Building 4 (the office building in the SE corner), Building 5 (the parking structure) and all associated site work around the two buildings including making transitions with existing landscape and site improvements around Building 3, the Trading Building, the Pickering Place pond and the adjacent Issaquah Creek Trail. The entire package is submitted for review so staff and the Development Commission can see the coordination of design between the two buildings, the existing Costco campus and Pickering Place improvements, and the SE 62nd St construction project. However, as described in the DA, Building 4 will ultimately be approved by staff and Building 5 will be approved by the Development Commission.

b) Administrative Adjustment of Standards

We will be requesting an Administrative Adjustment of Standards (AAS) to CIDDS section 8.16 – Parking Standards – Loading Spaces. The standard required in 8.16 requires 1 loading dock/space for every 30,000 sf of office space. Our building is approximately 600,000 sf which results in 20 loading dock spaces being required based on this standard. We will document compliance with the AAS approval criteria later in this report.

c) Critical Areas Approval

There is a small wetland of approximately 500 sf located in the east end of the footprint for Building 4. Its functions and values are low and our proposal is to contribute to the King County Wetland Bank to mitigate for its elimination. This is further described in our Wetland Delineation and Mitigation Report (see Attachment C).

d) SEPA Checklist

A SEPA checklist is submitted for informational purposes so that the City can assess the project's compliance with the Development Agreement, which establishes the regulatory framework and required mitigation for this project and additional future build-out during the term of the Development Agreement (see Attachment D).

e) Shoreline Substantial Development Permit

Tract A contains the required Shoreline Area. That being the case, no Shoreline Substantial Development Permit (SSDP) is required for any work on Costco's property.

However, the City and Costco are both interested in making sure that Costco's development blends gracefully with the Issaquah Creek corridor and the City's trail system. To that end, Costco has committed to work with the City to come up with a plan to relocate a portion of the Issaquah-Preston Trail to increase its separation from the proposed Building 4. At the same time, Costco's team will also develop a landscape plan that allows for Shared Use walkways to crossing Costco's property to connect the Trail to Lake Dr. and proposed community spaces. Improvements that are on Costco property will not require an SSDP. But, those improvements that will happen within Tract A will require an SSDP. Costco will continue to collaborate with the City and its Parks Department on the relocated trail and Costco's connection to it together with any landscape enhancements. Once resolved, we will submit an SSDP to gain approval for that work.

B. DA AND CODE COMPLIANCE

1. Land Plan compliance

a) Land Plan Conditions of Approval (Exhibit D of DA)

Exhibit D page D-14 – Final Conditions of Approval

1. Incrementally build a connected pedestrian system between Lake Dr. and the Shared Use Routes behind the buildings (Pickering Trail and Pickering Pond trail) consistent with the intent of Section 6.2.A. If buildings are longer than 300 ft., open-air arcades, enclosed through-building atriums, or elements that serve a similar purpose will be provided to implement the Block length requirements of Section 6.2.A. The Land Plan was evaluated and approved with the following level of connectivity being determined to be consistent with the intent of Section 6.2.A, at approximately the frequency shown in the Staff Report illustration: 1) outside Through Block Passages between buildings and 2) internal building Passageways via main entryways from street-side plazas and trail-side plazas, which will have access limited to Costco employees and invited guests; however, the Staff Report illustration is a concept and will likely not be constructed exactly as shown. The three east-west connections at building ends will provide Pedestrian connections to the north-south public facilities (sidewalks and bike lanes) and PPOA facilities (pond trail and creek trail). Entries into and exits from the buildings to the plazas may not be internally connected via a straight line, though the route through the building should be direct and comprehensible for Costco employees. Through Block Passages will be sited and oriented to take advantage of views and vistas of treed hillsides and mountains as

envisioned by CIDDS, acknowledging proposed building placement and size as shown in the Land Plan.

Response: Costco believes that the development proposal meets and exceeds this requirement. Through block and through building connections are provided throughout the proposed development and are coordinated and enhanced with the existing campus improvements (see page 10 in the drawing package).

2. The incremental implementation of the Entitlement will include completing the pedestrian circulation system including sidewalks on both sides of the roads, consistent with the improvements shown in the MTFAs, DA Exhibit H. However during future land use and/or construction permit review, the Applicant may request an Administrative Adjustment of Standards consistent with the provisions and procedures of the CIDDS.

Response: The sidewalks required in this condition of approval are being constructed with the SE 62nd St/Lake Dr. project. Costco is coordinating with the City on that project, and the sidewalks that front the two proposed buildings may be constructed with the Costco project which would result in even wider sidewalks. The project complies.

3. In addition to the review criteria and standards in DA Exhibit J, the design and review of Skybridges will use the images and captions provided under Chapter 6 of this Staff Report, in the Imagery (Staff Report Attachment 4), and Briefing Response Memo #2 (for use as identified therein) as illustrative guidelines. If a skybridge is built which crosses the right-of-way, it may not be multi-level.

Response: The project does propose a skybridge crossing Lake Dr., connecting Building 4 with Building 5. We have used the images included in the staff report as part of our design concept and given much thought in making it comply with the direction given to make it transparent and minimize its impact. We believe we comply with this condition (see pages 14, 15, & 18 in the drawing package).

4. With future land use and construction permits, building and Community Space design and placement shall meet the purpose and intent of the CIDDS, where due to existing curvilinear streets, property lines, block length, the secure nature of Costco buildings, etc.... it is not possible to meet the strict letter of the standards. Site plans will:

- Locate buildings to create a Streetwall to the extent practical or reasonable without forcing all building designs to be curved.

Response: The proposed Buildings 4 & 5 create a street wall along both Lake Dr. and SE 62nd St. The design of the buildings with a strong defining base coupled with weather protection and sidewalks that in most cases come right up to the face of the building creates the effect the City is looking for.

- Place buildings to create a container for the Public Realm.

Response: We believe the proposed design does this. Our proposed street front design along both Lake Dr. and SE 62nd St includes many amenities: street furniture, landscaping, community spaces and active building facades. The building and street front design provides a strong backdrop for these element.

- Provide Community Spaces in locations, sizes, and designs to complement the buildings.

Response: As mentioned above community spaces are proposed around the subject development. Several of them front on public sidewalk along Lake Dr. and SE 62nd St. One runs adjacent to the Issaquah Creek Trail. Designs and amenities for the Community Spaces range from more active urban spaces adjacent to public roadways and more quite contemplative spaces adjacent to natural areas with walking paths and less intrusion of motorized vehicles.

- Use buildings and other elements to shape the Public Realm and Community Spaces in thoughtful, useful ways, appropriately sized for activities other than just entering and exiting the building.

Response: We believe the proposed design achieves this goal.

- Where setbacks are provided, make them a purposeful use of the land not a buffer between sidewalks and buildings.

Response: We believe we have complied with this requirement (see pages 4-6 in the drawing package).

- Where the building placement does not strictly comply with CIDDS, future permits will utilize tools such as CIDDS 11.3.J that provide elements that stand in for the missing Streetwall.

Response: We comply with this requirement.

- At corners, maximize the presence of buildings to comply with CIDDS 11.3.H to the extent possible.

Response: CIDDS Chapter 11.3.H requires that 100% of the building be within 10' of the street property line within 60' of a corner. We believe we comply with this requirement for both Building 4 & 5 (see page 10 in the drawing package).

- In balancing the requirements of the CIDDS for Building 4A, the design and review process will explore opportunities to incorporate and/or highlight territorial views and vistas. Where streets are straight, such as along the southern edge of Building 4A, the buildings will meet the CIDDS requirements.

Response: We believe we comply with this requirement

5. Each new Building (4A, 4B, 5, 6) shall provide a primary entry into the building from the street, though security may limit who enters the building. Building 6 ...

Response: Primary entries to both Building 4 & 5 are provided directly from Lake Dr. and 62nd.

6. Maintain a 200 foot setback from Issaquah Creek as permanent open space. Staff recognizes this as Tract A.

Response: Tract A is being retained as permanent open space. Because of the City's desire as implemented through the Circulation chapter of the CIDDS, Costco intends to work with the City to make connections across their property to the Issaquah Creek Trail. This will require some minor surface work in Tract A, but will actually enhance its use as a public open space and recreational areas.

7. Tract A is owned by the Pickering Place Owners Association ("PPOA"). Although Costco is a member of the PPOA, Costco in its individual capacity does not own or maintain Tract A, nor does Costco have any obligation to maintain Tract A. If Costco, in its individual capacity and not simply as a member of the PPOA, ever does maintain Tract A, Costco shall not use hazardous or toxic substances, or pesticides; however, (i) organic, slow-release fertilizers are permitted, and (ii) herbicides approved for use adjacent to aquatic environments may be used for control of non-native invasive plant species.

Response: Costco agrees.

8. Pickering Place is currently encumbered by CC&Rs that govern, among other things, the ownership, use, and maintenance of the commonly-owned areas and facilities in Pickering Place. The City acknowledges that the Pickering Place owners have the right to amend and/or eliminate the CC&Rs. However, if Costco, as one of the Pickering Place owners, participates in amending or eliminating the CC&Rs, Costco will assist in demonstrating to the City's reasonable satisfaction, that the future ownership, use, and maintenance of the Pickering Place shared facilities have been adequately addressed.

Response: Costco agrees.

2. CIDDS compliance

There is no argument that the CIDDS code sections apply to this project and the processes it must go through for approval are outlined in both the CIDDS and the DA. This section of our narrative will focus only on those sections of CIDDS that provide design direction for the development proposal at hand. In short, it will not address Chapters 1, 2, 3, and 9 as those sections address Applicability, Definitions, Process, and Signage for which we have no issue. The rest of the CIDDS Chapters will be addressed in this narrative with the exception of Chapter 17. Chapter 17 is the Lighting chapter. And, although we agree with the concepts described in it, we are not far enough along with our design to be able to provide the fixture level of detail which is required to prove compliance. We fully intend to comply with the requirements of this chapter and would support any condition that would require us to resubmit our lighting plan at a later date.

The following discussion covers the different applicable chapters in the CIDDS. In the cases of Circulation, Community Space, Parking and Landscape where each topic has two chapters devoted to them we have combined that discussion. Also, this discussion is meant to provide more of an overview of our approach and design philosophy for each topic while detailed evaluation of every CIDDS standard is further described in the CIDDS Review Checklist (see Attachment B) and the Drawing Package (see Attachment A). This checklist was taken directly from the staff report analyzing the DA Land Plan. It leaves the checklist exactly as staff created it for the Land Plan, but adds two additional columns on the far right to address the current development proposal.

a) Chapter 4: Zoning Districts, Uses, and Standards Summary

Chapter 4 of the CIDDS establishes the zone district within the plan and describes the bulk standards by which they must comply. In Costco's case the zoning of the property is "UC" (Urban Core), and office and associated parking are permitted uses. The Intent of the Urban Core Zone "...is to provide a dense, vibrant, pedestrian friendly urban environment." The current proposal is a high density office building and an associated parking structure with exhibit and assembly spaces on the ground floor.

Table 4.4, District Standards Table:

- Floor Area Ratio (FAR): The UC zone has a minimum FAR required of .55 and a maximum allowed of 5.0. The DA allows Costco to have development that achieves the maximum FAR.



Response: The DA states that FAR can be determined for the entire Costco campus. Currently, the Costco campus has an FAR of .39. With the construction of the proposed buildings the FAR will

increase to .87 and bring the campus into compliance with the min FAR requirement of the CIDDS.

- Maximum Height: The UC zone has a maximum height allowed of 125'. The DA allows Costco to have development that achieves the maximum height.

Response: The proposed project complies with the allowed Maximum Height limit of 125' by being 125'. Elevator and equipment penthouses will extend above the 125' height limit, but they are exempt (see pages 11-12 in the drawing package).

- Setbacks: The UC zone has no side or rear setbacks.

Response: The proposed project complies with this.

- Build-to-Line (Maximum Setback: The UC zone requires buildings to be located within 10' of the Street Property Line

Response: The proposed project complies with this requirement as described in the DA and the CIDDS (see page 10 in the drawing package).

b) Chapter 5: Density Bonus Program

Density Bonus to increase building heights up to 125 feet and to increase a Floor Area Ratio up to 5 are applicable to this project. See DA Section 1.b and DA Exhibit G for more information on compliance via dedication of land and payment.

Response: Costco's proposal complies with this chapter.

c) Chapters 6 and 12: Circulation

Chapter 6 sets up what circulation facilities the City wants and where. This includes cross sections for what those facilities will look like and how they will function. Chapter 12 gets into the details about how those circulation facilities will look and feel to the users if they are for non-motorized users or motorized users. In general, there needs to be visual cues to move people where they will be safe and allow them to go where they need to go.

For the subject project, Lake Dr. and SE 62nd St are being improved as part of the City project and in compliance with CIDDS and not the responsibility of this project. All the through block connections are going to be on our property and will be the responsibility of this project. For that reason we are providing more through block connections than the Land Plan proposed. These connections are proposed as both between buildings and through buildings at frequencies of greater than 300'. Also, as evident in the site plans and landscape plans, you will see how we are

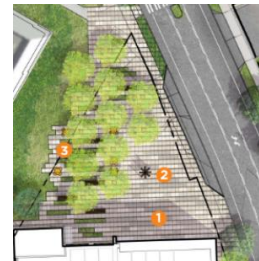
providing visual cues through the use of concrete scoring, colored pavers landscape and street furniture. The proposed project complies with both Chapters 6 and 12.



Response: Please review the CIDDS Review Checklist for compliance with specific provisions. Costco's proposal complies with these chapters.

d) Chapters 7 and 13: Community Space

CIDDS Chapter 7 identifies how Issaquah wants land developers to incorporate community space into the design of their projects. Location and minimum size requirements and basic design elements are described. Costco's design team has provided for all of these (see pages 3-6, 10 in the drawing package).



Chapter 13 provides additional detail for how to integrate community spaces into the site and building design of individual projects. Ideas like framing spaces with buildings, architectural features and landscaping are described. A variety of different spaces from more active to contemplative are encouraged. The proposed development provides all these types of areas with amenities as described. (see pages 4-6 in the drawing package)



The proposed development complies with Chapters 7 and 13.

Response: Please review the CIDDS Review Checklist for compliance with specific provisions. Costco's proposal complies with these chapters.

e) Chapters 8 and 15: Parking

CIDDS Chapter 8 describes the minimum number of parking stalls required for each use as well as the minimum number of bike stalls, motorcycle stalls and loading bays.

- o Min required office parking (2 stall/1,000 sf = 1,200 stalls),

- Min required bike parking (1 stall/10,000 sf = 60 bike stalls),
- Min motorcycle parking (req. stalls/36 = 35 motorcycle stalls),
- Min # of loading bays (1 bay/30,000 sf = 20 bays).

We are providing:

- 1,900 stalls. Meets code minimums.
- 60 bike stalls. Meets code minimums.
- 38 motorcycle stalls. Meets code minimums.
- 4 loading bays. Does not meet code minimums. We will request an AAS to reduce this number.

CIDDS Chapter 15 is focused on minimizing the visual impact of parking on urban development. Wrapping the perimeter of parking structures with active uses, providing perimeter and rooftop screening are all techniques that are described for making that happen.

Costco's proposal has incorporated all these things. An exhibit hall and potentially a fitness center are proposed on the ground floor of the parking structure to provide active uses on the ground floor adjacent to the sidewalk/public realm. A number of screening techniques are proposed around the perimeter of the parking structure that take their design cues from the office building. These design approaches are meant to be a rough reflection, not an exact replica. It is an effort to tie the buildings together through a common design vocabulary while intentionally making sure it is not an imitating caricature of Building 5. (see rendering on page 14 in the drawing package)

We believe the proposed parking solution, parking under the office building and in a parking structure, complies with Chapters 8 & 15.

Response: Please review the CIDDS Review Checklist for compliance with specific provisions. With the exception of the AAS we are requesting for a reduction in the required amount of Loading Bays, Costco's proposal complies with these chapters.

f) Chapters 10 and 16: Landscape

CIDDS Chapter 10 sets the standard and expectation for providing a landscape plan, developing to that plan and ultimately maintaining and caring for the planted environment. Design standards for how to plant parking lots, parking structures (including roofs) and blank walls on buildings are also described. Chapter 16 on the other hand is more focused on the look and feel of how a design is integrated into Issaquah's Green Necklace and how landscaping can "soften" the urban environment.

The drawing package submitted with our proposal demonstrates compliance with both of these chapters. A full landscape plan used to

enhance and frame both the proposed buildings and the public realm are described. Lush planting in and around community spaces are proposed. And the parking structure has perimeter and rooftop screening as described in section 10.5.B

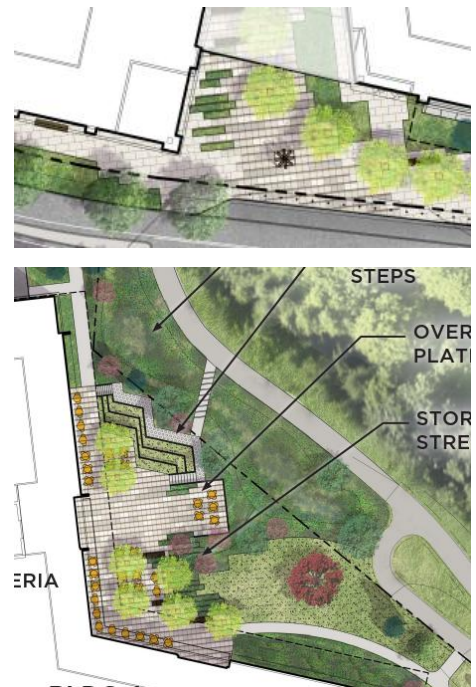
Our desire and approach is to create a lush green environment that reflects and relates to the native corridors that wind their way throughout Issaquah while also establishing a vibrant urban environment that is accented with beautiful vegetation. The new office building will have a strong urban flavor as it faces Lake Dr., SE 62nd St and the internal courtyards and community spaces that are connected to those public circulation routes. At the same time the east side of the building together with the plaza that faces Issaquah Creek is going to be a more natural area which embraces views of the hillsides, the stream and potentially the wildlife.

Response: Please review the CIDDS Review Checklist for compliance with specific provisions. Costco's proposal complies with these chapters (see landscape design on page 3-7 in the drawing package).

g) Chapter 11: Site Design

CIDDS Chapter 11, Site Design, covers a lot of ground addressing issues from Integrating with Nature, to creating a Sense of Arrival, to including Intuitive Wayfinding and Special Paving. We value all of these things and have developed our site design concept to provide them. Costco's need and desire to expand their Campus by visually and physically providing Connections to their existing facilities, the natural environment and Issaquah as a whole will create a vibrant urban Community that is a value to Costco and the City of Issaquah.

To implement this vision Costco's design team has developed an approach that uses a more urban style for portions of the site that face and interact with Lake Dr. and SE 62nd St. the landscape and site design is more symmetrical and tightly integrated with the built environment. As a contrast to that, the east side of Building 4 and the west side of Building 5, which both face towards beautiful natural areas with water amenities, are meant to be more sensitive to the natural environment and allow for a graceful transition to natural



amenities. Denser planting are proposed and more organic shapes are envisioned.

Response: Please review the CIDDS Review Checklist for compliance with specific provisions. Costco's proposal complies with this chapter (see landscape design on pages 3-7 in the drawing package).

h) Chapter 14: Buildings

Chapter 14 establishes building design standards that create a vibrant, pedestrian friendly, built environment through buildings designed to frame and engage the public realm. Specific standards are in place related to building mass and roofs, ground level details, and weather protection. Costco's design team values these features as well and have incorporated them into the proposed design.



As mentioned in the Site Design section above, our team has developed a design concept for the project that is based on having a stronger urban flavor for those portions of Buildings 4 & 5 that are oriented to Lake Dr., SE 62nd St and the adjacent buildings and plazas. Because of the proximity of the adjacent circulation corridors and the fact that those corridors serve pedestrians, cyclists and motorists the buildings provide features and amenities on these urban facades to provide a sense of scale and perspective. Some of the ways we incorporate this into the design of the proposed buildings is by breaking down the proportions to make sure the scale of the buildings is appropriate to the community. We use exterior window framing elements to make two floors appear as one while also using different materials and building forms to divide the proposed buildings into smaller elements. These techniques reduce the apparent size of a building and give it a more human scale. Glazing and active uses are also proposed along these street levels to continue to strengthen the urban feel and make the street front and active environment.

On the sides of the buildings that face Issaquah Creek and Pickering Place pond a different approach is proposed.

The east side of Building 4 is proposed to have more glass. This is to provide more views of the stream corridor for the users of the building. It is also to allow the building to blend into and reflect the green of the

adjacent plaza, stream corridor and surrounding foothills together with the blue of the sky. The east façade will also incorporate similar detailing



to what is proposed on the south and west sides of the building. However, the east façade of Building 4 is simpler to denote the transition from the active urban side of the building and the site to the quieter, softer natural side of the site. Multiple materials, colors and forms have been incorporated into the building design to provide interest and variety to these facades and minimize the apparent size of the building.

The west side of Building 5, similar to Building 4, is simpler in its design to reflect the softer, quieter natural side of the building that faces the Pickering Place pond. It continues to use materials, colors and forms already established on its urban facades.

Both Buildings 4 & 5 use architectural techniques to create a strong base where the building meets the ground and a carefully designed top floor to address how the building meets the sky. Ground level details and weather protection have been provided as described in CIDDS Chapter 14.

[Response: Please review the CIDDS Review Checklist for compliance with specific provisions. Costco's proposal complies with this chapter \(see building design on pages 11-19 in the drawing package\).](#)

i) Chapter 17: Lighting

Chapter 17 provides the standards for lighting. No lighting is provided with the Land Plan. It should be noted that DA Section 7 allows use of the existing light poles in the retail warehouse parking lot and the conditions under which they may be retained.

[Response: Costco intends to fully comply with this chapter. Fixture specific design needed to demonstrate compliance with this chapter has](#)

not been completed as yet. We would support a condition of approval that requires our demonstration of compliance with either our Building Permit submittal or a separate Design Review submittal.

3. Exhibit K compliance

a) DA Requirement

The Development Agreement entered into between the City and Costco stipulated that Costco would incorporate sustainable practices into all future development completed under the DA. This was documented in Exhibit K of the DA. Specifically for new office buildings Exhibit K states that Costco will:

- § target the energy efficient performance of any New Office Building to a level similar to LEED Silver equivalency, or higher,
- § Additionally, they must show sustainability leadership by implementing at least one item from a Sustainability Leadership Innovation list of items a-f, and
- § Costco must also demonstrate sustainability leadership by implementing new technologies. The Technology Leadership may be demonstrated by implementing either one more item from the Sustainability Leadership Innovation list or by implementing at least one item from the Technology Innovation list of items a-j.

Response: Costco's approach to complying with Exhibit K is documented in more detail in Attachment E. In short, Costco will demonstrate how their building will have an energy efficiency performance similar to LEED Silver or higher. We also intend to provide a number of items from both the Sustainability Leadership list and the Sustainability Technology list. Costco has already completed a LED lighting retrofit for one of their current buildings which qualifies as a Leadership Innovation. We are also considering multiple renewable energy production options together with producing an energy model to assist them in reducing their energy demand. On the Technology Innovations, Costco is considering implementing many of the suggestions on the list regardless of whether they will need to or not.

4. AAS Approval

As mentioned earlier in this narrative (Section A.5.b), we are requesting an Administrative Adjustment of Standards (AAS) to CIDDS section 8.16 – Parking Standards – Loading Spaces. The standard requires 1 loading dock/space for every 30,000 sf of office space. Our building is approximately 600,000 sf which results in 20 loading dock spaces being required based on this standard. Not only is there not enough space for this many Loading Docks for the proposed building, but this standard results in way more dock

space than is needed for these buildings. The following is our review of the CIDDS Section 1.1.E which outlines the Scope, Process and Approval Criteria for an AAS.

a) Purpose

The purpose of the CIDDS Administrative Adjustment of Standards is to provide for flexibility in modifying the Development and Design Standards while maintaining consistency with the vision, goals and policies of the Central Issaquah Plan. While the vision, goals, and policies within the Central Issaquah Plan are fixed, methods to implement can be flexible.

Response: We believe we comply with this Purpose.

b) Scope


Certain CIDDS Design and Development Standards are not allowed to be modified by an AAS: FAR, Time Periods, Critical Areas, Building Height and others. The proposed Loading Dock standard is a standard that an AAS can be proposed for.

Response: Our proposal falls within the allowed Scope for an AAS.

c) Process

Administrative Adjustments shall be processed through the Level 0 process, except through a Level 2 process for the following requests:

- a. Setback reductions;
- b. Parking reductions less than allowed by code;
- c. Landscape reductions adjacent to residential neighbors;
- d. Other elements determined by the Director that may impact neighbors.

 *Response: While the Loading Dock development standard is located within the Parking Chapter of the CIDDS we are not sure if it qualifies as a parking reduction or not. Regardless, we request the proposed AAS be processed as part of our overall SDP application.*

d) Approval Criteria

The following Approval Criteria are taken from CIDDS Chapter 8.19, Parking – Administrative Adjustment of Parking Standards.

- a. Vision. The proposal is consistent with the Project purpose and vision including priority for pedestrian orientation and creation of a Public Realm.

Response: The proposed loading dock for Building 4 is located at the NE corner of the building. It is intentionally placed away from public spaces

and in coordination with an existing loading dock for Costco's Trading Building. The docks are located away from public ROW and most circulation facilities. Similarly, the loading docks for Building 3 and Building 5 are located on an interior service court for Building 3 and Building 5 that is hidden from view of the general public. This is consistent with both the project goals and the City's vision.

b. Access. The proposal will not create negative impacts to the abutting properties or rights-of-way, dedicated tracts, or easements;

Response: The reduction of the number of loading docks will not create negative impact to abutting properties or ROW. In fact, the reduction of the amount of loading bays from 20 to 4 will minimize the amount of impact as loading bays take a lot of space and are unsightly.

c. Compatibility. The proposal is compatible with the character of the surrounding properties and their parking facilities;

Response: The proposed loading bays for Buildings 4 and 5 have been intentionally coordinated with the existing loading facilities for Building 3 and the Trading Building. This was seen as an opportunity to be efficient with our use of space as well as to coordinate screening features.

d. Intent. The modification of the standards will be equal to, or superior in, fulfilling the intent and purpose of the original requirements;

Response: The modification of the number of required loading bays from 20 total bays to 2 bays for each building (4 bays total) has been determined by Costco to meet their needs. As a service area, the City's code is interested in making sure that there are enough bays to accommodate the delivery needs of a particular use and certain assumptions are made in making that standard. The City is also interested in minimizing unsightly service areas and having an efficiently operating building. This is Costco's desire as well and after evaluating their current operations and considering the proposed operation they felt the proposed 4 bays would be adequate.

e. Safety. The proposal does not negatively impact any safety features of the project, nor create any hazardous features; and

Response: Reducing the number of Loading Bays will not negatively impact safety features of the project or create additional hazardous features.

f. Services. The proposal will not create negative impacts to public services, including fire and emergency services.

Response: The proposal will not create negative impacts to public services.

5. Attachments

- A. SDP Drawing Package
(includes Architectural, Civil and Landscape Drawings pages 1-?)
- B. CIDDS Review Checklist
- C. Critical Areas Report
- D. SEPA Checklist
- E. Exhibit K Response Memo
- F. Pre-App Response Memo