

## ***Decision Point 2 – Update Application Procedures:***

To address concerns that have been raised regarding application procedures, Council can address this feedback in multiple ways:

- **Limited scope resubmittal after final decision of denial:**

Water providers have suggested that the proposed decision-making process potentially discounts the staff analysis leading up to the Council hearing. Although an applicant will have the benefit of the review and recommendations during the pre-application FONAI determination, the time invested in the early phases of the process may not translate into the city council's concerns completely. Requiring an applicant to return to the beginning of a long process may delay the project and in the end, the applicant would like to know exactly what the Council is looking for before reentering the process.

The Intent of the proposed application review procedures is to work with an applicant to avoid adverse impacts identified by the common review standards. If the application does not meet the standards or the application is not “approved with conditions”, the decision is final by the City Council.

If directed by Council, staff can update the regulations to include a process for Council to make a motion during a hearing to review a 1041 permit application that allow a “limited scope resubmittal” to narrowly addresses any issues identified by the Council. If Council chooses to include such a provision within the draft 1041 regulations, staff recommend the following parameters:

- A limited scope resubmittal is a motion from the Council, and not administered by Staff.
  - A motion by the City Council shall not create new criteria; and any limited scope resubmittal shall be subject to the same review standards for all applications.
  - The motion by the Council may include a timeline no less than 90 days for Council to reconsider the proposed development plan.
  - If Council subsequently denies a limited scope resubmittal, a post denial re-submittal delay for designated areas and activities of statewide interest shall be no less than 24 months.
- **Remove requirements that conceptual designs be drafted at thirty-percent completeness.**

Water providers have shared pipeline projects that require permit review usually start with a routing study in order to come up with an approved project alignment or route prior to beginning design. Requiring approximately 30% design completion prior to having a finalized route is problematic because changes to the route will require changes to the design increasing costs and creating delays for the applicant, which are ultimately passed on to their customers in the form of higher rates.

In response to initial stakeholder feedback to version-two of the draft regulations, and in order to provide predictability for applicants, staff drafted a list of prescriptive submittal documents including a thirty-percent completeness requirement during the applicability of standards review. In order for staff to review an application through the criteria listed, the submittal documents

must provide a level of detail to determine any potential for an adverse impact and the proposed mitigation. Staff agree that submittal documents drafted at approximately thirty-percent completeness is an arbitrary threshold, and if Council wishes to remove this submittal document standard, such change will not change staff's ability to review the potential for adverse impacts through the initial applicability of standards and prior to a full permit review.

- **Move Neighborhood Meeting requirements to after FONAI determination and extend comment period prior to issuing a FONAI determination:**

The version-three of the proposed code currently requires notifications to be sent within 1-mile of the project vicinity and a neighborhood meeting prior to the Director reviewing applicability of the 1041 review standards and a Finding of Negligible Adverse Impact. Both environmental and potential applicants continue to weigh the trade-offs between one event to provide comments versus an extended time period which allows more comments for those who cannot attend a single event. Staff moved the neighborhood meeting requirements to before the applicability of standards under advisement from stakeholders to create additional opportunities for meaningful public engagement.

Recommendation: A neighborhood meeting could occur ahead of a hearing and would support hosting a neighborhood meeting before or after the Director's decision of applicability of standards and before a full permit review. Staff is seeking direction from Council.