



# CITY OF LAKE FOREST PARK

## CITY COUNCIL

### AGENDA COVER SHEET

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<b>Meeting Date</b>	May 14, 2026
<b>Originating Department</b>	Community Development Department
<b>Contact Person</b>	Mark Hofman, Community Development Director Cory Mattson, Community Programs Planner
<b>Title</b>	Resolution No. 26-2070/Authorizing the Mayor to Sign Amendment No. 2 to AG-24-026 with Facet for the Phase 2 Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project

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#### Legislative History

- First Presentation – Introduce Amendment No. 2 April 23, 2026
  - Second Presentation May 14, 2026
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#### Attachments:

1. Resolution No. 26-2070/Authorizing the Mayor to Sign Amendment No. 2 to AG-24-026 with Facet for the Phase 2 Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project
  2. Amendment No. 2 to AG-24-026 with Facet
  3. Amendment No. 1 to AG-24-026 with Facet
  4. AG-24-026: Professional Services Agreement for Consultant Services with Facet for the Phase 2 Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project
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#### Executive Summary

The City received an appeal under the State Environmental Policy Act (SEPA) of the Determination of Nonsignificance with Mitigation Measures dated October 16, 2025 for the Lakefront Park improvements. The hearing on the SEPA appeal was required to be combined with four other permit hearings for the Lakefront Park improvements: Shoreline Substantial Development Permit, Shoreline Conditional Use Permit, Shoreline Variance Permit, and Zoning Conditional Use Permit. The hearing

before the City's Hearing Examiner began February 24, 2026 and lasted three weeks, through March 10.

The SEPA appeal was denied by the Hearing Examiner, but the additional work requires an amendment of the City's Phase 2 Lakefront Project contract with Facet (AG-24-026) to add a Task 7 for these Additional Hearing Services. This second amendment includes a request for additional funding to cover expenses due to the SEPA appeal:

**7.1 – Hearing preparation:** Coordination and preparation leading up to the project hearing, including research, document review and preparation, response to requests and comments, coordination meetings, and hearing preparation meetings.

**7.2 – Hearing attendance and coordination:** Support during and after the project hearing, including attendance and testimony, research, document review and preparation, response to requests and comments, assistance with closing argument, and coordination meetings.

## **Background**

The City retained Facet and its teaming partners (Consultant) for "Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting" (Project) located at 17337, 17345, and 17347 Beach Dr NE (parcels 403010-0050, -0035, and -0040), Lake Forest Park. The Project is intended to improve public waterfront access through the transition of a single-family residential property into a public waterfront park and integration of the property with an existing waterfront preserve.

## **Fiscal & Policy Implications**

The hearing has resulted in additional unforeseen expenditures. While the Phase 2 Facet contract (AG-24-026) is allocated in the current 2025-2026 budget, an additional allocation will be required to cover the costs associated with Facet's additional hearing services as outlined in Amendment No. 2. The additional hearing costs for Facet come to \$93,332.65 bringing the amended contract total for Phase 2 work to \$1,203,137.65.

The project has been on hold for the hearing conclusion, and the amendment will allow the consultant to finish the contracted work following the conclusion of the hearing and pay for services provided during the hearing.

Because the costs associated with the Lakefront hearing were unforeseen, a budget amendment will be required to allocate funds from the General Fund to cover all hearing and appeal related costs for our consultant, Madrona Law, and the hearing examiner.

**Alternatives**

<i>Options</i>	<i>Results</i>
<ul style="list-style-type: none"><li>• Authorize the Mayor to sign the amendment for consultant services with Facet</li></ul>	The consultant will continue Phase 2 of the Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project, adding Task 7 with payment for hearing services
<ul style="list-style-type: none"><li>• Do not authorize the Mayor to sign the amendment for consultant services with Facet</li></ul>	The contract for Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project would not pay the consultant for expenses accrued during the SEPA appeal

**Staff Recommendation**

Approve Resolution 26-2070/Authorizing the Mayor to Sign Amendment No. 2 to AG-24-026 with Facet for the Phase 2 Lakefront Improvements for Design, Engineering, Environmental Review, and Permitting Project.