

**BEFORE THE HEARING EXAMINER  
FOR THE CITY OF ARLINGTON**

In the Matter of the Application of	)	No. PLN#1366
	)	
<b>The City of Arlington Community and Economic Development Department</b>	)	<b>Island Crossing Subarea Plan</b>
	)	
For a City-Initiated Subarea Plan	)	FINDINGS, CONCLUSIONS, AND RECOMMENDATION

**SUMMARY OF RECOMMENDATION**

Because the proposed City-initiated subarea plan for the Island Crossing Subarea complies with all procedural and substantive requirements under state law and the municipal code, and because the plan was developed through a process providing the opportunity for extensive input from members of the public and other stakeholders and adequately addresses community concerns, the Hearing Examiner recommends that the Arlington City Council (City Council) **APPROVE** the subarea plan.

**SUMMARY OF RECORD**

Hearing Date:

The Hearing Examiner held an open record hearing on the request on September 16, 2025.

Testimony:

The following individuals presented testimony under oath at the open record hearing:

Amy Rusko, City Community and Economic Development Director  
Jeff Parsons, Project Hydraulic Engineer  
David Toyer  
Kory Glover

Exhibits:

The following exhibits were admitted into the record:

1. Staff Report
2. Draft Island Crossing Subarea Plan, with Appendices, dated August 2025
3. Island Crossing Planned Action Draft Environmental Impact Statement (EIS) Volume 1, dated August 1, 2025
4. Island Crossing Planned Action Draft EIS Volume 2 - Appendices, dated August 1, 2025
5. Notice of Public Hearing, published August 29, 2025
6. Comment from Ron Henken, dated August 3, 2025
7. Notice of Draft EIS, issued August 1, 2025
8. Comment from Eric Weden, dated June 24, 2025

*Findings, Conclusions, and Recommendation  
City of Arlington Hearing Examiner  
Island Crossing Subarea Plan  
No. PLN#1366*

9. Comment from Rebecca Goodell, Stuart Skelton, and Craig Skelton, received July 7, 2025
10. Comment from David Toyer, Toyer Strategic Advisors, Inc., on behalf of Papé Properties, Inc., dated July 8, 2025
11. Comment from Stillaguamish Tribe of Indians, dated July 14, 2025
12. Comment from Dana Sue Smith, received July 15, 2025
13. Comment from Washington State Department of Transportation, dated July 15, 2025
14. Notice of Application, Community Neighborhood Meeting, SEPA Determination of Significance, and Request for Comments on Scope of EIS, issued June 20, 2025, published June 24, 2025
15. Party of Record List
16. Mailing Labels and Vicinity Map
17. Comment from Ron Henken, dated August 29, 2025
18. Comment from Kory Glover, dated September 2, 2025
19. Comment from David Toyer, Toyer Strategic Advisors, Inc., on behalf of Papé Properties, Inc., dated September 2, 2025
20. Updated Proposed Island Crossing Subarea Development Standards (Draft Island Crossing Subarea Plan Appendix D)
21. Comment from Rebecca Goodell, dated September 15, 2025
22. Comments from Rebecca Goodell, Stuart Skelton, and Craig Skelton, dated September 15, 2025
23. City Staff Presentation

The Hearing Examiner enters the following findings and conclusions based upon the testimony and exhibits admitted at the open record hearing:

## **FINDINGS**

### Background

1. The City of Arlington (City) Comprehensive Plan “designates fourteen subareas that distinguish specific geographical areas and existing neighborhoods within the community,” within which development is guided by specific subarea plans. *Arlington Municipal Code (AMC) 20.44.032(a)*.

The intent of creating subareas is to develop a subarea plan for each area of the city that contains specific policies and criteria to guide land development, incorporate missing middle housing options, transportation facilities, community facilities, infrastructure and capital improvement decisions that provide for a more coordinated, efficient, and effective structure for predictable neighborhood planning. The subarea plans encompass both newly created subareas and those that work with existing neighborhoods to provide criteria for infill and redevelopment purposes.

*AMC 20.44.032(a)*.

Apart from two designated subareas, the East Hill and Lindsay Annexation subareas, these subarea plans are to be produced by the City. *AMC 20.44.032(b)*.

#### Application and Notice

2. In accordance with the provisions above, and the Growth Management Act, chapter 36.70A Revised Code of Washington (RCW), the City proposed adoption of a subarea plan for the Island Crossing Subarea, which was developed through a process providing the opportunity for participation by members of the public and other interested stakeholders. Specifically, the City hosted an open house style public meeting, while the City's consultant, MAKERS, hosted the Advisory Group, Stakeholder, and Technical Group meetings on development of the Island Crossing Subarea Plan:<sup>1</sup>
  - Kick-off meeting held on March 25, 2024
  - Open house held on May 8, 2024
  - Island Crossing Subarea online survey conducted from May 12, 2024, to August 1, 2024
  - Transportation Technical Group meeting held on June 5, 2024
  - Stakeholder interviews conducted on July 31, 2024
  - Advisory Group 1 (Transportation) meeting held on August 12, 2024
  - Advisory Group 2 (Land Use) meeting held on September 11, 2024
  - Transportation Technical Group meeting held on November 5, 2024*Exhibit 1, Staff Report, pages 2, 3, 10, and 11; Exhibit 2.*
3. On June 24, 2025, the City provided notice of the application and associated community neighborhood meeting by mailing or emailing notice to property owners within 500 feet of the designated subarea and to interested agencies, by posting notice on-site and at designated City locations, and by publishing notice in *The Herald*, with a comment deadline of July 15, 2025. On August 29, 2025, the City provided notice of the open record public hearing associated with the application in the same manner. The City's notice of the open record public hearing stated that written comments could be provided by September 15, 2025. *Exhibit 1, Staff Report, page 2; Exhibit 5; Exhibit 14; Exhibit 16.*
4. The City received several comments on the proposed subarea plan from members of the public and interested agencies during the application comment period in response to its notice materials:
  - Eric Weden, of Weden Engineering, LLC, requested additional information about a potential future compensatory flood mitigation facility that was mentioned in the proposed subarea plan.

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<sup>1</sup> The proposed Island Crossing Subarea Plan contains a detailed summary of the engagement activities that were included as part of the subarea plan's production and of the information obtained during these engagement activities. *Exhibit 2, pages 15 and 16.*

- Rebecca Goodell, Stuart Skelton, and Craig Skelton expressed concerns about the change in zoning envisioned in the proposed subarea plan, noting that the area would be more well suited for the transportation-related service uses allowed under the current zoning of the area. They also raised concerns about the costs of infrastructure improvements envisioned in the proposed subarea plan.
- David Toyer, of Toyer Strategic Advisors, Inc., on behalf of Papé Properties, Inc., expressed concerns about the location of a potential future compensatory flood mitigation facility north of SR 530, as mentioned in the proposed subarea plan, and he requested that the City evaluate other viable alternatives, such as locating compensatory flood storage on Papé’s property to the south of SR 530.
- Dana Smith expressed support for the proposed subarea plan, noting her interest in continued development in the Island Crossing area.
- The Stillaguamish Tribe of Indians expressed concerns that the future development envisioned in the proposed subarea plan would increase flood risks to the area and potentially impact ESA-listed salmon habitat, noting that it has not seen a sufficient hydraulic analysis to determine whether additional development in the subarea would be advisable in light of the more frequent flooding that would occur with a changing climate.
- The Washington State Department of Transportation (WSDOT) provided information on the WSDOT standards for work within the WSDOT right-of-way.

The City later received the following comments on the proposal from members of the public during the open record hearing written comment period:

- Ron Henken stated that his property needs an access road connecting to SR 530, noting that such access, together with off-site compensatory flood storage, would provide a developable area of approximately 16 acres within the subarea.
- Kory Glover raised concerns that the proposed subarea plan does not adequately address traffic and flooding issues in the area and requested that a more specific analysis of the envisioned compensatory flood mitigation facility be conducted prior to allowing further development in the area.
- David Toyer reiterated his earlier concerns regarding the location of a potential future compensatory flood mitigation facility north of SR 530.
- Rebecca Goodell reiterated her earlier concerns about the change in zoning envisioned in the proposed subarea plan and about her desire to have the area remain as a transportation hub with zoning supporting transportation-related service uses. She noted in this regard that she and her neighbors have received numerous offers from transportation entities wishing to purchase their property to develop a truck stop. Although Ms. Goodell expressed support for the City’s desire to address flood mitigation and to create a functional and visually pleasing gateway to Arlington, she expressed concerns that the compensatory flood mitigation facility envisioned in the proposed subarea plan would be inadequate to address flooding issues in the area.

*Exhibit 1, Staff Report, pages 11 and 14; Exhibit 6; Exhibits 8 through 13; Exhibits 17 through 19; Exhibit 21; Exhibit 22.*

State Environmental Policy Act

5. AMC 20.44.032(e) provides:

Subarea plans are to be processed in conjunction with a Planned Action Environmental Impact Statement (EIS). A planned action is a development project whose impacts have been identified and addressed through an EIS associated with the subarea plan for the specific geographical area before individual projects are proposed. A planned action involves detailed State Environmental Policy Act (SEPA) review and preparation of EIS documents in conjunction with subarea plans, consistent with RCW 43.21C.031 and WAC 197-11-164 through WAC 197-11-172. The up front analysis of impacts and mitigation measures then facilitates environmental review of subsequent individual development projects.

In accordance with the environmental review requirements, above, the City acted as lead agency; analyzed the environmental impacts of the proposal under the State Environmental Policy Act (SEPA), chapter 43.21C RCW; and issued a Determination of Significance (DNS) on July 30, 2025. The City provided notice of the DNS together with notice of the application and community neighborhood meeting, as described above, with a comment deadline of July 15, 2025. The City’s consolidated notice materials stated that the City would prepare an EIS, as required under RCW 43.21C.030(2)(c), and that the City had identified the following areas for discussion in the EIS:

- Water: floods, surface water, groundwater, and wetlands
- Natural environment: Plants and animals, natural resources
- Land use and urban form: Relationship to existing plans, estimated population/employment, and aesthetics/scenic resources
- Transportation
- Utilities: Sewer, water, stormwater, electrical power, and natural gas

*Exhibit 14.*

The City’s consolidated notice materials further stated that members of the public and interested agencies and tribes could provide comments on the on the scope of the EIS, including “alternatives, mitigation measures, probable significant adverse impacts, and licenses or other approvals that may be required.” *Exhibit 14.* The City received several comments from members of the public, WSDOT, and the Stillaguamish Tribe of Indians, during the applicable comment period, as described above. *Exhibit 1, Staff Report, pages 2, 11, 13, and 14; Exhibit 14.*

6. Following the consolidated comment period, the City issued its Draft Planned Action EIS on August 1, 2025. The Draft Planned Action EIS provides a comprehensive analysis of

the environmental impacts, and measures to reduce or eliminate such impacts, with regard to three alternatives, including: (1) “No Action,” in which the proposed subarea plan would not be adopted and future development of the subarea would be subject to current zoning and development standards; (2) “Subarea Plan Partial Implementation,” in which components of the proposed subarea plan, not including the regional flooding/compensatory storage facility, would be implemented; and (3) “Subarea Plan Full Implementation,” in which all components of the proposed subarea plan would be implemented, including the regional flooding/compensatory storage facility.

The City provided notice of the Draft Planned Action EIS on August 1, 2025, by mailing or emailing notice to property owners within 500 feet of the designated subarea and to interested agencies, by posting notice on-site and at designated City locations, and by publishing notice in *The Herald*, with a comment deadline of September 2, 2025. The City received one comment on the Draft Planned Action EIS from a member of the public, Ron Henken, in response to its notice materials. Mr. Henken’s comment did not raise any specific concerns about the Draft EIS but stated that his property needs an access road connecting to SR 530. As of the date of the hearing, the City has not yet issued a Final Planned Action EIS for the proposal, but the City anticipates that completion of the Final EIS would occur prior to the City Council’s consideration of the proposed subarea plan. *Exhibit 3; Exhibit 4; Exhibit 6; Exhibit 7; Testimony of Amy Rusko.*

#### Comprehensive Plan

7. The City Comprehensive Plan provides a description of the existing conditions, vision, and neighborhoods for the City’s various subareas. As it pertains to the Island Crossing Subarea, the Comprehensive Plan states:

##### **Existing Conditions**

Island Crossing is located in the northwest corner of the City at the junction of I-5 and State Route 530. I-5 runs along the west boundary of Island Crossing and State Route 530 runs east west in the northern portion of the subarea. Bus route 227 runs along Smokey Point Boulevard which creates the eastern boundary of the subarea. The subarea is generally triangle-shaped measuring approximately 0.20 square miles. Each boundary of Island Crossing is also the city limits, surrounded by unincorporated county. There is an entryway sign along State Route 530 welcoming visitors to Arlington.

The vast majority of Island Crossing is zoned Highway Commercial. Along Smokey Point Boulevard at the southern tip of the subarea it is zoned Commercial Corridor District.

Most of the Island Crossing subarea lies within the 100-year floodplain. A sliver of the subarea falls within the 500-year floodplain. Lower Portage

Creek runs through the southern portion of Island Crossing and South Slough runs through the center of the subarea. There are also a few steep slopes sprinkled around the subarea.

There are no parks, sidewalks, bike lanes, trails, or heritage trees in Island Crossing.

### **Vision**

In 2044, Island Crossing is the initial gateway into Arlington, but also serves as the southern gateway to the North Cascades from I-5. It is an attractive, functional, and commercially viable entryway into the City from I-5 with an iconic panoramic view of agricultural lands and the Cascade foothills. Island Crossing serves as a commercial, retail, and accommodation hub that serves not only the greater Arlington community but those travelling along I-5 as well.

### **Neighborhoods**

There are no specific neighborhoods in Island Crossing.

*Comprehensive Plan, Appendix A, page 62; see also Comprehensive Plan, Section III: Subareas, page 14.*

8. City staff determined that the proposed subarea plan would be consistent with the City Comprehensive Plan, identifying the following goals and policies of the Comprehensive Plan as relevant:
  - Preserve and enhance open space, natural, and cultural resources and strive for equitable geographic and demographic distribution. [Goal E-1]
  - Protect and enhance the natural environment while planning for and accommodating growth. [Policy E-1.1]
  - Locate development in a manner that minimizes impacts to natural features. Promote the use of innovative environmentally sensitive development practices, including design, materials, construction, and on-going maintenance. [Policy E-1.5]
  - Promote eco-tourism and/or agri-tourism. [Goal E-3]
  - Encourage local food production, distribution, and choice through the support of community gardens, farmers markets, and other small-scale initiatives. [Policy E-3.2]
  - Address natural hazards created or aggravated by climate change, including sea level rise, landslides, flooding, drought, heat, smoke, wildfire, and other effects of changes to temperature and precipitation patterns. [Goal E-6]
  - Identify and address the impacts of climate change on the region's hydrological systems. [Policy E-6.2]

- Remain a Tree City and encourage an increased tree canopy. [Goal E-7]
- Enhance urban tree canopy to support ecological function, community resilience, mitigate urban heat, manage stormwater, conserve energy, improve mental and physical health, and strengthen economic prosperity. [Policy E-7.3]
- Work towards and maintain an aesthetically pleasing environment that enhances livability for residents. [Goal E-10]
- Incorporate and preserve street trees in the streetscape where they don't adversely affect roadway capacity, safety, or structural integrity. [Policy E-10.1]
- Provide unique places and context for growth of social capital and community resiliency. [Goal LU-1]
- Ensure both publicly- and privately-owned civic spaces are included throughout the City to provide adequate gathering spaces. [Policy LU-1.1]
- Establish development standards and regulations based on availability and serviceability of developable lands to maintain a balanced mix and arrangement of land uses in the City. [Policy LU-1.2]
- Encourage designs of public buildings and spaces that contribute to a sense of community and a sense of place. [Policy LU-1.3]
- Encourage development patterns that provide safe and welcoming environments for walking and bicycling. [Policy LU-1.4]
- Address cross-jurisdictional growth, social, and cultural issues by working with affected jurisdictions. [Goal LU-3]
- Coordinate growth and development with adjacent jurisdictions to promote and protect inter-jurisdictional interests. [Policy LU-3.1]
- Recognize and work with contiguous systems that cross jurisdictional boundaries, including natural systems, land use patterns, and transportation and infrastructure systems, in community planning, development, and design. [Policy LU-3.5]
- Identify, protect, and enhance community resiliency to climate change impacts, including social, economic, and built environment factors, that support adaptation to climate impacts consistent with environmental justice. [Goal LU-6]
- Amend and adopt land development regulations as needed to adequately protect the attributes, functions, and amenities of the natural environment in all projected growth scenarios for the City. [Policy LU-6.1]
- Ensure land development patterns minimize or prevent impacts on natural open spaces and resource lands. [Policy LU-6.2]
- Development patterns shall be responsive to critical areas and other environmental factors, while minimizing the fragmentation of the built environment. [Policy LU-6.3]

- Support a range of employment options at different income levels and a variety of amenities are available throughout the city. [Goal ED-1]
- Encourage a diversified and vibrant economy in order to facilitate high and stable rates of employment within the city, available at a range of income levels. [Policy ED-1.1]
- Establish and support economic development activities that help to attract, retain, expand, and diversify businesses throughout the city, particularly those that provide living-wage jobs. [Policy ED-1.2]
- Promote diverse and sustainable employment sectors to support and encourage residents to live and work in Arlington. [Policy ED-1.3]
- Promote a strong, diversified, and sustainable local and regional economy. [Goal ED-2]
- Plan for adequate land capacity to support commercial and industrial uses and to provide sufficient employment meeting the 20-year employment targets for Arlington. [Policy ED-2.1]
- Plan for adequate retail sales base (i.e., commercial land base) to provide financial support for the services the City provides. [Policy ED-2.2]
- Provide sufficient and proactive investments in public infrastructure to improve the City's economic base and accommodate overall growth. [Policy ED-2.4]
- Leverage Arlington's visibility from Interstate-5 and encourage the development and enhancement of the city's gateways to attract additional consumer base. [Policy ED-2.5]
- Recognize the contributions and support the growth of Arlington's and the surrounding area's culturally and ethnically diverse communities, including the Stillaguamish Tribe, to assist in the continued expansion of the local and regional economic base. [Policy ED-2.6]
- Coordinate economic development plans with the City's transportation, housing, and land use policies and plans, and the Regional Growth Strategy, to support economic development that is compatible citywide. [Policy ED-2.7]
- Maintain land use patterns and available infrastructure to allow for a high jobs-to-housing ratio. [Policy ED-2.8]
- Actively cooperate with other agencies and local businesses to support economic development. [Goal ED-3]
- Collaborate with businesses to identify specialized infrastructure, building design, transportation, or other needs required to maintain business operations. [Policy ED-3.2]
- Provide opportunities to include local business owners and associations in economic development plans, strategies, and decision-making processes. [Policy ED-3.5]

- Strive to equitably allocate the cost of growth by utilizing mitigation and impact fees to provide funds for necessary infrastructure improvements. [Policy ED-3.6]
- Coordinate with Snohomish County on potential tourism grants to support citywide and regional tourism efforts. [Policy ED-3.7]
- Guide economic development practices within the city that protect and support the natural environment. [Goal ED-6]
- Encourage the development of existing and emerging industries and services that promote environmental sustainability, particularly those addressing climate change and resilience. [Policy ED-6.1]
- Encourage economic development activities that take into consideration the capacities of the area's natural resources, public services, and facilities. [Policy ED-6.2]
- Support the expeditious processing of development applications. Continue requiring development activities to meet all applicable environmental protection, land use, and other applicable provisions and standards. [Policy ED-6.5]
- Encourage the development of unique economic hubs at various scales throughout the city to adequately serve residents and the region. [Goal ED-7]
- Promote the viability of Old-Town Business District, Smokey Point Boulevard, the Cascade Industrial Center, and Island Crossing as regional economic draws, while maintaining and improving upon smaller neighborhood hubs to serve local residents. [Policy ED-7.1]
- Develop economic development strategies to differentiate and enhance the different subarea of the city. [Policy ED-7.7]
- Invest in transportation and other infrastructure needed to support and provide connections the various commercial centers throughout the city. [Policy ED-7.8]
- Support economic development activities that enhance the quality of life for Arlington residents. [Goal ED-8]
- Encourage businesses that process and sell locally produced resources, particularly healthy food products. [Policy ED-8.2]
- Develop a variety of strategies aimed at enhancing the diversity of Arlington's tourism base, with particular focus on agritourism, farm-to-table, and local crafts industry products. [Policy ED-8.3]
- Ensure the equity and availability of potential funding streams and provide transportation improvements consistent with the Capital Improvement Plan in prioritizing and financing. Prioritize programs and projects that provide access to opportunities while preventing or mitigating negative impacts to people of color, people with low incomes, and people with special transportation needs. [Goal P-2]

- Identify desirable lands within the Urban Growth Area for parks, trails, and open space, and pursue acquisition through dedication and purchase. [Policy P-2.1]
- Develop at least one community park within each subarea and provide a new central community park within the Smokey Point neighborhood. [Policy P-2.2]
- Utilize the parks and recreation system to protect unique environmental qualities, natural amenities, wildlife habitats, forest lands, and scenic areas within the city. [Goal P-5]
- Enhance the resilience of the parks and recreation system by assessing and addressing climate hazards and impacts. [Policy P-5.1]
- Locate, plan, and manage parks and recreation facilities so they enhance wildlife habitat, minimize erosion impacts, and complement the natural site features. [Policy P-5.2]
- Enhance and preserve scenic viewpoints for public enjoyment when siting parks and recreation facilities. [Policy P-5.5]
- Ensure capital facilities and utilities achieve efficient delivery of services, support equitable distribution of services, minimize environmental impacts, and maximize value for the community. [Goal T-1]
- Minimize and mitigate the adverse impacts of transportation facilities including culverts, bridges, or other road crossing on designated critical areas, resource lands, cultural resources, or parks through the implementation of performance standards and design guidelines in accordance with WDFW current Fish Passage, and WSDOT Cultural Resources and Archaeology guidelines. [Policy T-1.1]
- Ensure the equity and availability of potential funding streams and provide transportation improvements consistent with the Capital Improvement Plan in prioritizing and financing. Prioritize programs and projects that provide access to opportunities while preventing or mitigating negative impacts to people of color, people with low incomes, and people with special transportation needs. [Goal T-2]
- Require developers to construct those streets directly serving new development and to pay a proportionate share of the costs for specific off-site improvements necessary to mitigate any adverse impacts determined through the review to be created by the development. [Policy T-2.3]
- Implement Travel Demand Management and Transit Oriented Design to create a more walkable city. [Goal T-6]
- Encourage transit-oriented development and multi modal planning in new developments through the permitting process. [Policy T-6.3]
- Encourage and plan for “pedestrian-scale” neighborhoods and centers to enhance access and mobility for active transportation users. [Policy T-6.5]

- Create a resilient transportation system, minimize environmental impacts caused by the transportation system, and promote energy conservation by developing incentives and/or requirements for energy saving transportation, land development patterns and practices, and building construction and operation methods and materials. [Goal T-7]
- Retrofit existing roadways to meet or exceed current stormwater requirements where possible. [Policy T-7.6]
- Provide for the efficient movement of traffic through advanced traffic control measures, intelligent transportation systems (ITS) technologies, speed management, access management, channelization improvements and multimodal design features. Use advanced technologies to better manage traffic volumes on major arterials and improve the efficiency and coordination of traffic signals. Aggressively pursue improvements to the state highways through or near Arlington. [Policy T-7.9]
- Require installation of electric vehicle charging facilities with new multifamily and commercial developments. [Policy T-7.10]
- Assess and plan for adaptive transportation responses to potential threats and hazards arising from climate change. [Policy T-7.14]
- Plan, develop, and maintain a balanced multimodal transportation system for the efficient movement of people, goods, and services within the City and between the community and other activity centers in the region. [Goal T-8]
- Ensure that safe, convenient, and efficient multimodal transportation facilities are provided for all residents and visitors to the City, including accessibility improvements to existing facilities as well as improvements to serve growth areas. [Policy T-8.1]
- Design the street system to enable walkability. Encourage alternatives to single-occupancy vehicle trips and distribute vehicle trips along appropriate corridors. [Policy T-8.2]
- Implement the adopted Complete Streets Program to ensure that all transportation projects include safe and appropriate facilities for pedestrians, bicyclists, transit users accommodating persons of all ages and abilities. [Policy T-8.4]
- Maintain a safe, convenient, and efficient multimodal transportation system for people and freight that allows freight to support the continued growth in goods movement and the growing needs of global trade and state, regional and local distribution of goods and services. [Policy T-8.5]
- Maintain and enhance the safety of the transportation system, including non-motorized networks, and reduce the chance of accidents. [Goal T-10]
- Prioritize sidewalk and shoulder improvements in areas of high traffic volumes or pedestrian activity to improve safety. [Policy T-10.4]

- Coordinate the planning and implementation of the City’s multimodal transportation system with adjacent and regional jurisdictions and agencies. [Goal T-12]
- Work with WSDOT, Snohomish County and Marysville in planning transportation-related facilities within and adjacent to the UGA. [Policy T-12.1]
- Review impacts to the City created by the actions of other agencies. Actively solicit action by the State of Washington and Snohomish County to implement those improvements necessary to their respective facilities to maintain the level of service standards adopted by the City. [Policy T-12.2]
- Consider the special needs of subarea transportation facilities including appearance and safety. [Goal T-13]
- Improving the appearance of existing corridors shall be a priority and primary objective in designing and maintaining the street system in Arlington. Appropriate design standards, including landscape requirements, for the construction of new streets shall be maintained. [Policy T-13.2]
- Consider adopting alternative road standards for built neighborhoods, where necessary, to preserve the character of neighborhoods and provide safe alternative modes of travel. [Policy T-13.3]
- Ensure capital facilities and utilities are provided consistent with Growth Management Act provisions and the concurrency management system provides public facilities through public and private development activities in a manner that is compatible with the fiscal resources of the City. [Goal CFU-3]
- Any infrastructure improvements needed to serve a proposed development should be installed prior to the issuance of the related building permit. [Policy CFU-3.2]
- The City of Arlington should not issue any development permits that result in a reduction of the transportation level-of-service standards for the public facilities identified in the Capital Facilities Book without mitigation. [Policy CFU-3.3]
- Require that new developments mitigate traffic impacts through at least two of the following methods as deemed acceptable by the City or as many as are deemed necessary through the permitting process and supporting traffic analysis: dedication of right-of-way, frontage improvements, or traffic mitigation fees. [Policy CFU-3.4]
- Plan for growth and development to be consistent with the City’s most recently adopted Capital Facilities Plan for providing public facilities including streets, sidewalks, lighting systems, traffic signals, water, storm and sanitary sewer, and parks and recreation facilities. [Policy CFU-3.5]

- Any costs associated with water extensions or system requirements necessary to provide that water, shall be borne by the person(s) requesting such service. [Policy CFU-3.12]
- Promote the use of renewable energy resources to meet Arlington’s energy needs. [Goal CFU-6]
- Promote the use and investment in renewable and alternative energy sources to meet energy needs. [Policy CFU-6.2]
- Support electric vehicle charging infrastructure to help reduce carbon emissions of the transportation sector. [Policy CFU-6.3]
- Support permitting processes related to energy efficiency upgrades. [Policy CFU-6.5]
- Manage stormwater pursuant to the Stormwater Management Manual for Western Washington as adopted by Arlington, preserving and supplementing, as necessary, the natural drainage ways and other natural hydraulic systems to minimize runoff impacts from development. [Goal CFU-7]
- Utilize Low Impact Development standards that provide stormwater benefits and support naturally occurring functions simultaneously. [Policy CFU-7.5]
- Enforce stormwater utility regulations. [Policy CFU-7.7]
- Meet or exceed sewer service standards in providing ongoing services to customers. [Goal CFU-10]
- Permit new development in urban areas only when sanitary sewers are available. [Policy CFU-10.5]

*Exhibit 1, Staff Report, pages 4 through 8.*

9. City staff also identified the following countywide planning goals as relevant to the proposed subarea plan:<sup>2</sup>

- The cities, towns, and Snohomish County will provide livable communities for all residents by directing growth into designated urban areas to create urban places that are equitable, walkable, compact, and transit oriented, preserve and create open space, and protect rural and resource lands. [Countywide Development Patterns Goal]
- Cities, towns, and Snohomish County government will encourage coordinated, sustainable economic growth by building on the strengths of the county’s economic base and diversifying it through strategic investments in infrastructure, education and training, and sound

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<sup>2</sup> In addition to the goals listed below, the City identified the following countywide planning policies as relevant to the proposal: GF-3, GF-4, GF-5, GF-6, JP-3, JP-5, DP-5, DP-12, DP-15, DP-16, DP-33, DP-34, DP-37, DP-40, DP-41, ED-2, ED-5, ED-6, ED-8, ED-9, ED-10, ED 12, ED-13, ED-15, TR-1, TR-2, TR-3, TR-4, TR-5, TR-6, TR-7, TR-8, TR-12, Env-1, Env-2, Env-4, Env-5, Env-7, CC-7, PS-1, PS-2, PS-4, PS-11, PS 15, PS-16, and PS-19. *Exhibit 1, Staff Report, pages 8 and 9.*

management of land and natural resources. [Countywide Economic Development and Employment Goal]

- The County and cities will work proactively with transportation planning agencies and service providers to plan, finance, and implement an efficient, affordable, equitable, inclusive, and safe multi-modal transportation system that supports state-level planning, the Regional Growth Strategy, and local comprehensive plans and promotes economic vitality, environment sustainability, and human health. [Countywide Transportation Goal]
- Snohomish County and local jurisdictions will act as a steward of the natural environment in an effort to project and restore natural systems and public health and mitigate climate change. This will be achieved through natural resource and habitat conservation, water quality improvement, and air pollutant and greenhouse gas emissions reduction. Planning for the future will include addressing climate change and resilience at local and regional levels of government to protect the natural environment and meet the economic and social needs of all residents. [Countywide Natural Environment and Climate Change Goal]
- Snohomish County and its cities will coordinate and develop and provide adequate and efficient public facilities and services to ensure the health, safety, conservation of resources, and economic vitality of our communities and all residents. [Countywide Public Service and Facilities Goal]

In addition, City staff identified the following multi-county planning goals as relevant to the proposed subarea plan:<sup>3</sup>

- The region plans collaboratively for a healthy environment, thriving communities, and opportunities for all. [Multi-County Regional Collaboration Goal]
- The region accommodates growth in urban areas, focused in designated centers and near transit stations, to create healthy, equitable, vibrant communities well-served by infrastructure and services. Rural and resource lands continue to be vital parts of the region that regain important cultural, economic, and rural lifestyle opportunities over the long term. [Multi-County Regional Growth Strategy Goal]

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<sup>3</sup> In addition to the goals listed below, the City identified the following multi-county planning policies as relevant to the proposal: MPP-RC-1, MPP-RGS-2, MPP-RGS-4, MPP-RGS-5, MPP-RGS-13, MPP-En-2, MPP-En-5, MPP-En-6, MPP-En-9, MPP-En-11, MPP-En-18, MPP-DP-3, MPP-DP-5, MPP-DP-9, MPP-DP-10, MPP-DP-12, MPP-DP-14, MPP-DP-15, MPP-DP-20, MPP-DP-36, MPP-DP-42, MPP-DP-52, MPP-DP-53, MPP-DP-54, MPP-Ec-1, MPP-Ec-7, MPP-Ec-9, MPP-Ec-13, MPP-Ec-14, MPP-Ec-18, MPP-T-1, MPP-T-4, MPP-T-8, MPP-T-9, MPP-T-10, MPP-T-11, MPP-T-16, MPP-T-17, MPP-T-21, MPP-T-25, MPP-T-32, MPP-PS-1, MPP-PS-3, MPP-PS-7, MPP-PS-10, MPP-PS-11, and MPP-PS-13. *Exhibit 1, Staff Report, page 9.*

- The region cares for the natural environment by protecting and restoring natural systems, conserving habitat, improving water quality, and reducing air pollutants. The health of all residents and the economy is connected to the health of the environment. Planning at all levels considers the impacts of land use, development, and transportation on the ecosystem. [Multi-County Environment Goal]
- The region creates healthy, walkable, compact, and equitable transit-oriented communities that maintain unique character and local culture, while conserving rural areas and creating and preserving open space and natural areas. [Multi-County Development Patterns Goal]
- The region has a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people and their health, sustaining environmental quality, and creating great central places, diverse communities, and high quality of life. [Multi-County Economy Goal]
- The region has a sustainable, equitable, affordable, safe, and efficient multimodal transportation system, with specific emphasis on an integrated regional transit network that supports the Regional Growth Strategy and promotes vitality of the economy, environment, and health. [Multi-County Transportation Goal]
- The region supports development with adequate public facilities and services in a timely, coordinated, efficient, and cost-effective manner that supports local and regional growth planning objectives. [Multi-County Public Services Goal]

*Exhibit 1, Staff Report, pages 8 and 9.*

#### Proposed Subarea Plan

10. The stated purpose of the proposed Island Crossing Subarea Plan is as follows:  
The Island Crossing subarea encompasses approximately 87 acres in northwest Arlington, nestled within the agricultural and natural land of the Stillaguamish River Valley. This location serves as a vital transition point between the urban fabric of Arlington and the surrounding rural and tribal lands.

The Island Crossing Subarea Plan is a proactive effort to shape the future of this area by balancing flooding resilience, agricultural protection, environmental stewardship, community needs, and economic development. The plan identifies a long-term vision for development, an SR 530 design concept, addresses infrastructure needs, and recommends strategies to achieve the vision. It creates a framework that encourages the subarea to thrive while respecting its agricultural roots, natural resources, and cultural significance.

*Exhibit 2, page 11.*

11. Appendix A of the proposed Island Crossing Subarea plan contains a detailed existing conditions report, which describes the subarea's current conditions related to the natural environment, land use, transportation, public services and utilities, and market and real estate. As summarized in the proposed subarea plan, these conditions include:
- Natural Environment:
    - Stillaguamish River flooding routinely impacts SR 530 and private properties, posing safety and property protection challenges.
    - Preliminary analysis suggests that river modifications alone will not sufficiently reduce flooding risks. Raising the highway, SR 530 culvert expansion, and additional compensatory floodwater storage areas— and mitigation measures for any of these potential projects—should be explored to prevent routine inundation.
    - Snohomish County's and Arlington's Critical Areas Ordinances will restrict development around protected fish species.
  - Land Use:
    - Highway-oriented commercial land uses are clustered around SR 530. Agricultural land surrounds Island Crossing, and some is within the subarea.
    - Island Crossing is zoned Highway Commercial, allowing a broad range of commercial activities and is intended for employment growth.
    - While most community members agree on the desire to protect the viability of agricultural land in the valley and reduce flooding, there are conflicting visions for future land uses in the subarea.
    - Island Crossing's position at the urban-rural transition presents an opportunity to leverage agri- and recreational tourism.
    - The floodplain and flood mitigation requirements present significant development feasibility constraints in the subarea.
  - Transportation:
    - SR 530, a strategic freight corridor, and Smokey Point Blvd are the two roadways within Island Crossing.
    - Safety issues along SR 530 are related to lack of access control, numerous driveways, and congestion along the corridor.
    - Planned growth will increase traffic volumes, resulting in increased congestion and the I-5/SR 530 interchange operating below its level of service (LOS) standard.
    - The Transportation Master Plan (TMP) update has identified a need for pedestrian and bicycle facilities on SR 530 and Smokey Point Blvd.
    - SR 530 street design should consider access control and driveway consolidation, safety and comfort improvements for active modes,

gateway and scenic view celebration, the floodplain, and the Olympic Gas Pipeline.

- Public Services and Utilities:
  - The critical Olympic Gas Pipeline runs diagonally through the subarea, crossing beneath SR 530 near the topographical low point which floods frequently, posing a risk to the pipeline.
  - SR 530 street design and options relating to grade changes and any work within the pipeline's easement must include coordination with the Olympic Pipeline Company.
- Market and Real Estate:
  - Island Crossing's location on major transportation routes and as the city's northwest gateway, combined with several vacant or redevelopable parcels, present opportunities for strategic investment to catalyze desired economic activity and support a gateway concept.
  - Retail trade is the dominant industry in the subarea, accounting for about 40% of all jobs. Gas stations represent one third of all businesses in Island Crossing, a significantly higher share than the city and county.
  - Arlington's industrial and multifamily sector growth, along with office demand, may create spillover effects in Island Crossing, including support for retail, food, or businesses that support those uses. Retail growth in Arlington has been slow and steady, but less stable than Snohomish County.
  - Agriculture is a key legacy industry in the region. The subarea's proximity to agricultural land in unincorporated Snohomish County presents an opportunity to capture revenue and support local businesses in this sector. Research to assess the viability and opportunities to support agricultural and/or agritourism uses should be pursued.

*Exhibit 2, pages 13 and 14.*

12. In consideration of the existing conditions of the subarea and the priorities for the subarea expressed by community members during the engagement activities associated with the subarea plan's development, the proposed Island Crossing Subarea Plan provides a vision to accomplish several guiding principles, including: (1) protecting life and property from flooding hazards; (2) supporting viability of surrounding agricultural lands; (3) promoting a safe, well-connected, multimodal transportation system; (4) celebrating the scenic landscape; (5) leveraging Island Crossing's setting and transportation for economic prosperity; and (6) enhancing the natural environment's health.

The proposed subarea plan also contains a framework plan to achieve this vision, with the following expressed as the top priorities for supporting “Island Crossing’s evolution from a convenience stop into a celebrated, safe gateway into the Stillaguamish Valley:”

- **Invest in a regional compensatory storage facility**  
To address existing flooding challenges and make development more feasible throughout the subarea, especially along SR 530, and support agricultural viability. Design it to double as floodable recreational fields and a community gathering place.
- **Improve SR 530**  
To elevate the highway out of flood risk, expand the culvert, and add a median, roundabouts, landscape strips, sidewalks, and gateway features to improve safety, flood resilience, and aesthetics.
- **Update zoning and design standards**  
For coordinated development that aligns with the community vision for a welcoming entry into Arlington and the Stillaguamish Valley and an economic hub to support agri- and recreational tourism.
- **Attract desired businesses**  
Emphasizing agritourism, such as distillery, restaurants, large farm-oriented retailer, and hotel.

*Exhibit 2, pages 17 and 18.*

Testimony<sup>4</sup>

13. City Community and Economic Development Director Amy Rusko testified generally about the proposed subarea plan and associated zoning code changes, new development standards, and planned action ordinance, and how they would be consistent with the City Comprehensive Plan and with the priorities and vision for the subarea as determined by advisors, City staff, members of the public, and other stakeholders during various engagement activities leading to the draft subarea plan’s creation. She provided a detailed description of the subarea, its current conditions, and the proposed subarea plan’s conceptual redevelopment vision for the subarea. Director Rusko noted that the proposed subarea plan focuses on four key priorities, which include: (1) adopting zoning and design standards to ensure new development reflects community values and strengthens neighborhood identity; (2) coordinating with property owners and setting a funding strategy for a regional compensatory storage facility to support flood resilience; (3) coordinating with WSDOT to secure funding and implement SR 530 improvements; and (4) attracting desired businesses through proactive relationship building with developers, property owners, and businesses. She described how the proposed subarea plan is

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<sup>4</sup> Due to technical issues, the recording of the hearing does not contain any audio. Accordingly, the testimony findings are based on the Hearing Examiner’s notes and recollection.

organized, noting that Chapters 1 and 2 provide the background, purpose, and overarching vision for the Island Crossing Subarea; that Chapters 3 through 6 outline strategies to achieve the subarea plan's goals; and that Chapter 7 outlines critical first steps, summarizes recommended actions, and identifies responsible parties, timing, potential funding sources, and relationships between actions.

Director Rusko also described the zoning changes that would be associated with the proposed subarea plan, noting that the current Highway Commercial (HC) zoning of the subarea allows primarily automobile-oriented uses, such as gas stations, and that the proposed rezoning of the subarea would create three subdistricts: (1) IC-1, which would accommodate highway-oriented commercial activities along I-5 in the northwest portion of the subarea; (2) IC-2, which would promote low- to mid-intensity commercial activities, including agri-commercial activities, in the northeast portion of the subarea; and (3) IC-3, which would accommodate general commercial uses, including car and heavy equipment sales uses, in the southern portion of the subarea. She noted that, under the zoning changes, gas stations would no longer be an allowed use in the subarea, but she noted that existing gas stations would be allowed to remain and would be allowed to redevelop at existing service levels when such redevelopment is in association with elevating property above the floodplain.

Director Rusko provided a detailed description of the proposed subarea plan's concept for a new street design for SR 530 and explained how the street design would address flooding and traffic issues for the subarea, as well as accommodate safe pedestrian travel. Regarding concerns raised in written comments about the zoning changes that would occur with the proposal, she noted that the commentor desires to develop property with a truck stop, which is a use that is not currently addressed by the City's zoning code. Director Rusko noted that the City Planning Commission had provided technical revisions to the proposed new development standards included as Appendix D of the subarea plan, which the Hearing Examiner admitted as Exhibit 20. *Testimony of Amy Rusko.*

14. Hydraulic Engineer Jeff Parsons testified that he worked with the City's consultant team on the regional compensatory storage facility components of the subarea plan. In response to concerns raised by members of the public prior to the hearing regarding the proposed location of the storage facility and about its feasibility to address flooding issues in the subarea, he stated that the proposed facility is only conceptual at this stage of planning and that design issues could be addressed when specific development projects are initiated. *Testimony of Jeff Parsons.*
15. David Toyer, of Toyer Strategic Advisors, Inc., on behalf of Papé Properties, Inc., reiterated the concerns he raised in his written comments that there has not been sufficient analysis about an alternative compensatory flood storage facility to the south of SR 530. He noted that the Papé site in the southern portion of the subarea has been

studied and designed to accommodate compensatory flood storage for the region and could be utilized by the City for this purpose. Mr. Toyer stated that the proposed subarea plan's vision for a compensatory storage facility to the north of SR 520 is not supported by a hydraulic analysis and does not adequately address flooding issues in the southern portion of the subarea. He also noted that he shares the concerns raised by the Stillaguamish Tribe of Indians that, absent additional hydraulic analysis, further development in the subarea as envisioned in the subarea plan could adversely impact floodplain habitat for Chinook Salmon. *Testimony of David Toyer.*

16. Kory Glover testified that he has concerns that there has not been sufficient analysis to determine whether the proposed regional compensatory storage facility would adequately address flooding issues in the area, and he inquired about whether there would be additional funding in the future to support a more detailed analysis prior to new development. *Testimony of Kory Glover.*
17. In response to the concerns raised at the hearing, Mr. Parsons stressed that the focus has been on addressing flooding in the northern portion of the subarea along SR 530 and that funding limitations at the planning stage have prevented extensive analysis of flood mitigation potential in the southern portion of the subarea. He also stressed that a more extensive analysis of flood impacts would be addressed with future development and that such development would be required to comply with all applicable floodplain and stormwater regulations. *Testimony of Mr. Parsons.*
18. Director Rusko noted her agreement with Mr. Parsons' testimony, stressing that the focus has been on compensatory flood mitigation for properties along SR 530, an area where flooding issues have created traffic safety issues and where there is more intense development on smaller lots, whereas larger lots in the southern portion of the subarea are more suitable for providing flood mitigation on-site. *Testimony of Amy Rusko.*

#### Staff Recommendation

19. City staff, having determined that the proposal would comply with the City Comprehensive Plan and all applicable procedural and substantive requirements for development of a subarea plan, recommends that the Hearing Examiner forward a recommendation of approval to the City Council. *Exhibit 1, Staff Report, pages 11 through 15; Testimony of Amy Rusko.*

### **CONCLUSIONS**

#### Jurisdiction

The Hearing Examiner is granted the authority to hear and to provide a recommendation to the City Council on adoption of a city-initiated subarea plan. *AMC 20.44.032.*

### Criteria for Review

The municipal code does not provide any specific criteria upon which the Hearing Examiner is to rely in forwarding a recommendation to the City Council on adoption of a city-initiated subarea plan. In the absence of such specific review criteria, the Hearing Examiner determines that the role of the Hearing Examiner is to review the proposal for compliance with applicable procedural and substantive requirements of the municipal code and state law and to provide guidance to the City Council with respect to concerns raised by members of the public and interested agencies and tribes.

### Conclusions Based on Findings

**The proposed Island Crossing Subarea Plan complies with all procedural and substantive requirements of the municipal code and state law and sufficiently addresses community concerns.** The municipal code's supplemental use regulations provide a framework for development of a subarea plan. *AMC 20.44.032*. In accordance with this framework, the City produced a proposed subarea plan for the entire Island Crossing subarea, which contains specific policies to guide future land development in a coordinated and effective manner. *AMC 20.44.032(a)-(c)*. The City's proposed subarea plan also contains proposed development standards specific to the subarea, which include elements of form-based code addressing building placement, building design, creation of blocks, and street frontage improvements that would provide a predictable design and development pattern for the Island Crossing subarea. *AMC 20.44.032(d),(i)*. In developing the proposed subarea plan and establishing a vision for future development and infrastructure improvements in the Island Crossing Subarea, the City and its consultants hosted several engagement activities providing opportunities for input from members of the public and other interested stakeholders.

After completing the proposed subarea plan, the City provided reasonable notice of the application and opportunity to comment on the proposal. The City received several comments on the proposed subarea plan and associated environmental review from members of the public, WSDOT, and the Stillaguamish Tribe of Indians, and members of the public testified at the associated open record hearing. Comments and testimony on the proposed subarea plan generally raised concerns about the zoning changes that would occur through the plan's implementation and about the location and feasibility of a conceptual compensatory flood mitigation facility to address flooding issues in the area. With regard to the change in zoning, City staff notes that the concerns raised were in association with a desire to develop a truck stop in the subarea, a use that is not currently included under the City's existing zoning code. The Hearing Examiner determines that the zoning changes associated with the proposed subarea plan, which have been designed to transform the current automobile-oriented uses of the subarea to commercial uses supporting nearby agricultural lands, were developed through a process providing extensive opportunity for community input and that these proposed zoning changes are responsive to the vision and priorities for the subarea that were established through this process. Regarding the subarea plan's vision for a future compensatory flood mitigation facility, City staff and its consultants have reasonably focused its attention on the northern portion of the subarea surrounding SR 530, which experiences flooding events causing safety and traffic concerns

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along this corridor. The proposed subarea plan's vision for a future compensatory flood mitigation facility is purely conceptual at this point for planning purposes, and the feasibility of such a facility to address flooding issues would be further explored with future development projects that would be required to comply with all applicable regulations for development within the floodplain and for stormwater management.

Following its issuance of the DNS, and in accordance with the environmental review requirements of AMC 20.44.032(e) and chapter 43.21C RCW, the City issued a Draft Planned Action EIS on August 1, 2025. Although the City had received comments regarding the scoping of the forthcoming Draft EIS from members of the public and the Stillaguamish Tribe of Indians during the consolidated comment period, the City received only one comment on the completed Draft Planned Action EIS from a member of the public, which did not raise any specific concerns about the Draft EIS but, rather, noted the need for an access connection between the commenter's property and SR 530. Although not pertinent to the Draft EIS, the Hearing Examiner notes that the proposed subarea plan contains goals and policies addressing street connectivity and requiring inter-site connections with new development. City staff anticipate completion of a Final Planned Action EIS prior to City Council's consideration of the proposal.

RCW 36.70A.080(2) requires that subarea plans are consistent with the City Comprehensive Plan. City staff determined that the proposed subarea plan would be consistent with numerous goals and policies of the Comprehensive Plan, including goals and policies of the environmental; land use; economic development; parks, recreation, and open space; transportation; and capital facilities and utilities elements of the Comprehensive Plan. City staff further determined that the proposed subarea plan would be consistent with numerous countywide and multi-county planning goals and policies. The Hearing Examiner concurs with City staff's assessment and determines that the proposed subarea plan would be consistent with the Comprehensive Plan, as required under the State Growth Management Act. Following approval of the subarea plan by City Council, the approved subarea plan would be required to be recorded with the Snohomish County Auditor, in accordance with AMC 20.44.032(j), and, following recordation, all future development within the Island Crossing Subarea would be required to comply with the subarea plan and associated Planned Action Ordinance and development regulations under chapter 20.119 AMC, in accordance with AMC 20.44.032(k).

Because the City-initiated subarea plan for the Island Crossing Subarea complies with all procedural and substantive requirements under state law and the municipal code, and because the plan was developed through a process providing the opportunity for extensive input from members of the public and other stakeholders and adequately addresses community concerns, the Hearing Examiner recommends that the City Council **APPROVE** the subarea plan as proposed.  
*Findings 1 – 19.*

**RECOMMENDATION**

Based upon the preceding findings and conclusions, the Hearing Examiner recommends that the City Council **APPROVE** the proposed subarea plan for the Island Crossing Subarea Plan.

RECOMMENDED this 30<sup>th</sup> day of September 2025.

A handwritten signature in black ink, appearing to read "Peregrin Sorter". The signature is written in a cursive, flowing style with a horizontal line underneath it.

PEREGRIN K. SORTER  
Hearing Examiner  
Laminar Law, PLLC