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OFFICE OF THE HEARING EXAMINER
IN AND FOR THE CITY OF SEQUIM

PARKWOOD MANUFACTURED
HOUSING COMMUNITY, LLC, a
Washington Limited Liability Company,

Appellant,

vs.

City of Sequim, a Washington Municipal
Corporation,

Respondent.

File No. CDR20-001

NOTICE OF APPEAL

I. INTRODUCTION

Parkwood Manufactured Housing Community, LLC, appeals the Staff Report and Director’s Decision, issued May 15, 2020, by the Department of Community Development for the City of Sequim. This matter concerns the application for the proposed development of what has been rebranded as the “Jamestown S’Klallam Tribe Outpatient Clinic” on real property located in Sequim’s RREOA district commonly known as 526 S. 9th Ave., Sequim, Washington 98382. Parkwood has previously appealed the threshold determination made in this matter, entitled the “Notice of Determination of Procedure Type for File No. CDR20-001” on February

1 7, 2020. Both appeals are made pursuant to Sequim Municipal Code (“SMC”) §§20.01.030 and
2 20.01.240, and the entirety of that earlier appeal, including all exhibits, are incorporated herein
3 by reference.

4 II. DECISION BEING APPEALED

5 As provided above, the substantive decision being appealed is the Director of Community
6 Development’s “Staff Report and Director’s Decision” dated May 15, 2020, concerning the
7 “Jamestown S’Klallam Tribe Outpatient Clinic” Design Review Application filed under City of
8 Sequim File No. CDR 20.001, including all attachments therein (“Director’s Decision”).
9 Parkwood has also appealed the Notice of Determination of Procedure Type for File No.
10 CDR20-001 Jamestown S’Klallam Tribe MAT Clinic Building Permit, SEPA & Design Review,
11 dated January 24, 2020.

13 III. APPELLANT INFORMATION

14 **Parkwood Manufactured Housing Community, LLC**
15 **Manager/Governor: Jon Gibson**
16 c/o McMAHON LAW GROUP, PLLC
17 Attn: Michael D. McLaughlin
1103 Shaw Road
Puyallup, WA 98372

18 Appellant Parkwood Manufactured Housing Community, LLC (hereinafter “Parkwood”)
19 is a Washington Limited Liability Corporation in good standing in the State of Washington.
20 Located at 261520 Highway 101, Sequim, WA 98382, Parkwood is a 55+ community providing
21 quality affordable housing to its close community of residents, approximately 360 residents in
22 209 homes, located less than three (3) miles from the proposed site for the MAT center in
23 Sequim. Parkwood, concerned about the health, safety, and welfare of its community residents,
24 has participated extensively in the public process regarding this project since learning about the
25 proposal after its announcement. Mr. Gibson, on Parkwood’s behalf, met with city
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1 representatives on January 8, 2020, and thereafter submitted written comments concerning this
2 proposed development on January 22, 2020. As a local property owner and party of record with
3 legal responsibility to protect the safety and well-being of its residents, Parkwood is an
4 “aggrieved party” prejudiced by this decision’s failure to consider the imposition of reasonable
5 conditions to mitigate the impact of this project on Sequim’s residents. Parkwood is not fully
6 opposed to the development of a drug treatment facility for service to the local community;
7 however, Parkwood believes that the approval to develop at the proposed location is erroneous
8 for the reasons set forth in this appeal. All administrative remedies have been exhausted to date.
9

10 **IV. SPECIFIC REASONS WHY THE DECISION WAS WRONG**

11 A. The A-2 permitting process was inappropriately applied to this development application.

12 The Notice of Determination erroneously applies the A-2 classification where the
13 applicable provisions of the Sequim Municipal Code require that this application proceed under
14 the C-2 process. Legal analysis explaining the errors in the Procedural Determination are set
15 forth in Parkwood’s February 7, 2020, appeal filed with the city challenging the Director’s
16 decision determining the project is subject to an A-2 process, and is fully incorporated herein by
17 reference.
18

19 Respondent continues to ignore the phased development of the property, which will
20 include the development of a 16-bed inpatient evaluation and treatment psych hospital and
21 increase the footprint of the development to upwards of 25,000 square feet. Upon information
22 and belief, funding for Phase II of the project has already been approved and secured. An
23 inpatient hospital is not a permitted use for the RREOA District under SMC 18.33.031.
24

25 The characterization of the proposed development as a simple “medical clinic” by the
26 City in the May 15, 2020, Director’s Decision and earlier in the Procedural Determination is

1 inaccurate and erroneous. It is far more than a simple ambulatory or outpatient clinic. “The
2 medical clinic will provide medication assisted treatment program which offers FDA approved
3 dosing, primary care services, consulting services, dental health services and childwatch services
4 while clients are seen.” (Director’s Decision, p.1) In addition to the services described above,
5 the record substantiates the applicant’s intent to place an inpatient treatment facility on the
6 property in Phase II. Respondent further erred by considering the proposed development in
7 piecemeal fashion here where the applicant has demonstrated a series of interrelated steps,
8 including funding, that constitute an integrated plan to develop the property into something far
9 more robust than a simple ambulatory or outpatient clinic.
10

11 This project should be classified as a proposal to develop an Essential Public Facility.
12 RCW 36.70A.200 defines essential public facilities to include inpatient facilities, including
13 substance abuse facilities and mental health facilities. The application proposes to develop a
14 treatment facility for substance abuse, supportive services such as mental health treatment, and
15 will later include the siting of an inpatient hospital. WAC 365-196-550 also defines essential
16 public facilities to include “in-patient facilities; including substance abuse facilities” and “mental
17 health facilities.” Local essential public facilities are a conditional use in the City’s RREOA
18 District under SMC 18.33.031. Pursuant to 18.33.030(A)(2), conditional uses require a Type C-
19 2 discretionary use review through the process set forth in SMC 20.01.100 governing conditional
20 uses.
21

22 SMC 20.01.020 defines an A-2 process as one requiring the exercise of limited discretion
23 and limited public interest. The C-2 process applies where the exercise of substantial discretion
24 is required and there is broad public interest. Applying the A-2 process to the siting of a drug
25 rehabilitation center with phased development of an inpatient facility is erroneous. The C-2
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1 procedures are what the code requires for processing this application given the proposed use for
2 the site. According to SCM 20.01.030 Table 1, the City Council is the final decision-making
3 body on C-2 projects.

4 B. The project as applied for fails to satisfy the necessary criteria to site an Essential Public
5 Facility in the City of Sequim.

6 Pursuant to SMC 18.56.060, a special property use permit to site an essential public facility is
7 subject to the following criteria:

8 A. There shall be a demonstrated need for the essential public facilities and/or special use
9 within the community at large which shall not be contrary to the public interest.

10 B. The essential public facility and/or special use shall be consistent with the goals and
11 policies of the comprehensive plan, and applicable ordinances of the city.

12 C. The council shall find that the essential public facility and/or special use shall be located,
13 planned and developed in such a manner that the essential public facility and/or special use is not
14 inconsistent with the health, safety, convenience or general welfare of persons residing or
15 working in the city. The council's findings shall address, but not be limited to the following:

16 1. The generation of noise, noxious or offensive emissions, or other nuisances which may
17 be injurious or detrimental to a significant portion of the city.

18 2. The availability of public services which may be necessary or desirable for the support
19 of the special use. These may include, but shall not be limited to, availability of utilities,
20 transportation systems, including vehicular, pedestrian, and public transit systems, and
21 education, police and fire facilities, and social and health services.

22 3. The adequacy of landscaping, screening, yard setbacks, open spaces or other
23 development characteristics necessary to mitigate the impact of the special use upon
24 neighboring properties.

25 4. Proposed uses which exceed the bulk, dimensional, height, density and/or use
26 standards of the zoning district within which they propose to locate, must demonstrate that
the proposed variance is essential to the establishment of the public facility and/or special
use; i.e., a variance in height may be granted for a water tower, but not to provide an
architectural element.

21 The City has erred because the application fails to demonstrate a need for the project within the
22 community at large that it not contrary to the public interest. Respondent has not evaluated
23 whether the proposed services to be provided by applicant already exist sufficiently to address
24 the needs of the local community. As the intended use for the site far exceeds an outpatient or
25 ambulatory clinic, the City erred by finding that the project is consistent with the Comprehensive
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1 Plan and applicable City ordinances. Finally, the City has committed additional error by finding
2 that the project is not inconsistent with the health, safety, convenience or general welfare of
3 persons residing or working in the city.

4
5 C. The Revised Mitigated Determination of Non-Significance is erroneous and addresses only
6 Phase I of the proposed development.

7 In support of its decision to approve the application, the Director's Decision provides
8 SEPA mitigation measures imposed on the project to mitigate potential environmental impacts
9 resulting from the development and intended usage of the facility. However, the City's
10 conclusions that the proposed mitigation efforts will accomplish the purported goal of mitigating
11 the environmental impact of this development are erroneous and incomplete. The City failed to
12 consider the environmental impact of Phase II on public services in the Sequim area and the
13 impact that siting an inpatient hospital at the facility creates. It is erroneous to consider the
14 project's impact in piecemeal form, and the MDNS should be reconsidered and revised to
15 address the entirety of the project's probable significant adverse environmental impacts on the
16 City and community.

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18 **V. DESIRED OUTCOME OR CHANGES TO THE DECISION**

19 Appellant respectfully prays for relief from the Examiner as follows:

- 20 1. For an Order striking the Procedural Determination issued by the Director of Community
21 Development on January 24, 2020, as invalid and ultra vires.
- 22 2. For an Order remanding the Procedural Determination back to the City commanding
23 Respondent to process this application under the appropriate C-2 permitting process.
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- 1 3. For and Order finding that the proposed project described in the application is for an
2 Essential Public Facility, as defined in RCW 36.70A.200(1), and not an “ambulatory” or
3 “outpatient care services” clinic.
- 4 4. For an Order finding that the project fails to qualify as a permitted use in the City’s
5 RREOA District.
- 6 5. For an Order finding that, to proceed, the application must obtain an “Essential Public
7 Facilities and Special Property Use Permit” from the Sequim City Council pursuant to
8 SMC 18.56.060.
- 9 6. For an Order finding that the proposed MDNS conditions fail to satisfy the impacts of the
10 project on the City’s public services.
- 11 7. For any other relief that the Examiner deems just and equitable.

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14 DATED this 4th day of June 2020.

15 McMAHON LAW GROUP, PLLC

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18 By 
19 Michael D. McLaughlin, WSBA #47341
20 Attorney for Appellant
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