Exhibit 25



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memorandum

date

February 7, 2019

to

Christi Amrine and Tom Rogers, City of Mill Creek

from

Jessica Redman and Margaret Clancy

subject

Farm at Mill Creek - Revised Critical Areas Report and Conceptual Mitigation Plan Review

(versions revised January 24, 2019)

At the request of the City of Mill Creek (City), ESA reviewed the Farm at Mill Creek – Site Development and Conceptual Mitigation Plan (revised January 24, 2019 and hereinafter referred to as the Revised Mitigation Plan), and the Farm at Mill Creek – Existing Conditions Report (revised January 24, 2019) prepared by Talasaea Consultants, Inc. for the properties located at 3830 and 4008 132nd Street SE in Mill Creek, Washington. The property is a 17.4-acre assemblage of Snohomish County Tax Parcels 28053300200200 and 28053300200300. The applicant has submitted an application for The Farm at Mill Creek (Project), which will consist of 10 buildings with mixed residential-commercial uses, including a parking garage. The proposed development will occur over 12.6 acres of the 17.4-acre site. The remaining 5 acres will be retained as a Native Growth Protection Area. ESA has reviewed critical areas at this site before, including previous versions of the Project's critical areas report. Previous findings are discussed in the technical memorandums titled Eastgate Village Property - Wetland Boundary and Rating Review (dated August 2, 2017); Farm at Mill Creek - Critical Areas Report and Conceptual Mitigation Plan Review (dated April 24, 2018); and three memoranda titled Farm at Mill Creek -Critical Areas Report and Conceptual Mitigation Plan Review (dated August 24, 2018, November 16, 2018, and January 10, 2019). In response to ESA's January 10, 2019 memorandum, Talasaea provided a letter titled Response to Farm at Mill Creek – Revised Critical Areas Report and Conceptual Mitigation Plan Revised from ESA (dated January 29, 2019). The response letter is also part of this review.

Document Summary

Revised Mitigation Plan

According to the Revised Mitigation Plan, one wetland (Wetland A) was identified on the property. Wetland A is part of a large wetland complex that continues off site to the west and south to Thomas Lake. Penny Creek flows north to south, offsite and adjacent to 35th Avenue SE, connecting several portions of this wetland complex. Beaver activity within Penny Creek has led to inundation across most of the wetland complex. For purposes of rating, Talasaea split the wetland complex into two rating units based on changes in volume and flow. Wetland Rating Unit 1 includes the portion of Wetland A that is located on the Project site. Talasaea rated this unit a

Category II wetland. Per Mill Creek Municipal Code (MCMC) 18.06.930 a Category II wetland in an area of high impact land use requires a 200-foot buffer.

The applicant is proposing a reduced buffer width that averages approximately 54 feet but is as little as five feet in some areas. The applicant is proposing to treat the reduction of the buffer as "wetland as buffer" or "paper fill" and will therefore, mitigate for the reduced buffer as if it were direct wetland impact. To compensate for the "conversion" of 106,099 square feet (SF) of wetland to buffer, the applicant is proposing on- and off-site mitigation, including the donation and preservation of a 61-acre site (Mitigation Site) located south of the project site. The applicant is proposing 250,000 SF of habitat and vegetative enhancements at the Mitigation Site, as well as creating 5,500 linear feet of trail with interpretative signage. 211,008 SF of habitat and vegetative enhancements are also proposed at the onsite portion of the wetland. Taking both on- and off-site mitigation into account, the applicant is proposing the buffer reduction will meet MCMC 18.06.930.H, which states a buffer may be reduced if it "is adjacent to a critical area that is being significantly restored through a City-approved mitigation plan that has regional benefit to critical area functions as determined by the director."

The Revised Report also includes a Credit-Debit Analysis using *Ecology's Calculating Credits and Debits for Compensatory Mitigation in Wetlands of Western Washington* (March 2012). The analysis shows that 25.62 acrepoints (credits) are required to offset the impacts (debits) to habitat function in Wetland A, due to the reduced buffer. The report also shows that the project will provide sufficient credits via the onsite enhancement and preservation of the upland and wetland areas at the Mitigation Site to compensate for the impact. In fact, the Mitigation will yield a net increase of 38.54 acre-points (credits).

Review Findings and Recommendations

We have determined that the Farm at Mill Creek project is consistent with MCMC 18.06 – *Environmentally Critical Areas*. Based on several reviews of the property, the Credit-Debit Analysis, and multiple site visits, we agree that the proposed wetland and buffer enhancements on- and off-site, as well as the preservation of 61-acres at the Mitigation Site, will result in an ecological functional lift compared to current conditions and offset any loss of buffer area as a result of the development. Furthermore, we agree that the Farm at Mill Creek project is consistent with and meets the requirements for buffer reduction under the "Regional Benefit" criteria per MCMC 18.06.930.H