

**DEPARTMENT OF DEFENSE
DEPARTMENT OF THE NAVY**

FINDING OF NO SIGNIFICANT IMPACT (FONSI) FOR THE ENVIRONMENTAL ASSESSMENT (EA) FOR THE PUBLIC-PRIVATE VENTURE MILITARY HOUSING AT NAVY FAMILY SUPPORT COMPLEX SMOKEY POINT, MARYSVILLE, WASHINGTON

Pursuant to the National Environmental Policy Act (NEPA, 42 U.S.C. § 4321 et seq.) and applicable federal NEPA implementing regulations in place at the time the Environmental Assessment (EA) was initiated, the Department of the Navy (Navy) gives notice that an EA has been prepared and an Environmental Impact Statement (EIS) is not required for Public-Private Venture (PPV) Military Housing at Navy Family Support Complex (NFSC) Smokey Point at Marysville, Washington. This action will be implemented as set out in the Preferred Alternative.

Proposed Action: The Navy proposes the execution of a real estate agreement and several construction, demolition, and renovation actions at NFSC Smokey Point to develop two new residential neighborhoods that include parks, a community center, a leasing office, and nature trails. The proposed expansion would add up to 108 low-rise multifamily housing units by constructing 88 townhomes surrounding the existing NFSC and converting a former 72-room hotel into 20 housing units. The proposed additional housing units would support an estimated 250-350 new residents. Construction will begin no earlier than May 2026.

Purpose and Need: The purpose of the Proposed Action is to provide affordable rental housing for junior enlisted military families. The Proposed Action is needed because affordable housing is scarce at Naval Station Everett and the surrounding area.

Alternatives Analyzed: The EA analyzes the potential environmental impacts of the following alternatives: Proposed Action (NFSC Smokey Point) and the No Action Alternative.

Potential alternatives were evaluated against the following screening factors:

- availability of developable land on Navy-owned property
- access to established amenities to provide quality of life support and services (such as the Navy Exchange, Commissary, and Fleet and Family Support Center)
- availability of existing utilities at the site
- maximum commuting distance of 1 hour to Naval Station Everett

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- the ability to meet projected construction and development timelines (completion by Summer 2027)

Under the No Action Alternative, the Proposed Action would not occur and no new housing would be constructed. Junior enlisted military families assigned to commands at Naval Station Everett would continue to seek off-site accommodations in private sector housing that may not be within a 1-hour commute, and the 8-12 month wait list for existing PPV family housing would grow. The No Action Alternative would not meet the purpose and need for the Proposed Action but represents the baseline condition against which potential environmental consequences of the Proposed Action can be compared.

The Preferred Alternative is the Proposed Action as described above and includes lease of the site at NSFC Smokey Point to Pacific Northwest Communities, LLC, to allow for construction, demolition and renovation activities to develop two new residential neighborhoods. Development of PPV family housing at NSFC Smokey Point was the only action alternative found to meet the purpose and need for the Proposed Action and to satisfy all of the screening factors considered during the course of developing reasonable alternatives.

The Navy considered several other alternatives but did not carry them forward for detailed analysis in the EA because they did not meet the purpose and need for the Proposed Action or satisfy the screening factors for reasonable alternatives. Alternatives considered but not carried forward for detailed analysis in this EA were development at a Marysville Site, Mount Vernon location, and Naval Air Station Whidbey Island.

Environmental Effects: No significant direct, indirect, or cumulative environmental impacts would occur from implementing the Proposed Action. Certain environmental resources (i.e., airspace, geological resources, hazardous materials and waste, noise, public health and safety, socioeconomics, and visual resources) were not analyzed in detail in the EA because implementation of the Proposed Action would not be likely to result in any potential environmental impacts on those resources or impacts would be negligible. Potential environmental impacts on water resources, biological resources, air quality, cultural resources, American Indian traditional resources, land use, infrastructure and transportation are summarized here:

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Water Resources. Water resources at NFSC Smokey Point include groundwater, surface water, wetlands, and floodplains. The study area for water resources consists of the NFSC Smokey Point facility and downstream creeks that receive stormwater runoff discharges from the Proposed Action site; no groundwater resources or floodplains will be affected by the Proposed Action. Stormwater leaving the project site enters Hayho Creek, which flows into Middle Fork Quilceda Creek and then into the mainstem of Quilceda Creek about a mile downstream from the facility. Implementation of appropriate stormwater infrastructure, best management practices (BMPs), and compliance with Municipal Separate Storm Sewer System (MS4) permit conditions under the Proposed Action will result in minor, long-term improvements to water quality. Therefore, the Proposed Action will not result in significant impacts to water resources.

Biological Resources. The Navy consulted on the potential effects to certain listed species pursuant to the Endangered Species Act. The Navy determined that the Proposed Action may affect, but is not likely to adversely affect Puget Sound Chinook, Puget Sound steelhead, and bull trout, and that it may affect, but is not likely to adversely affect critical habitat for Puget Sound Chinook, Puget Sound steelhead and bull trout in the mainstem Quilceda Creek. The Navy consulted with U.S. Fish and Wildlife Service and received a letter on June 25, 2025, concurring with the Navy's determination that the proposed action is not likely to result in adverse effects to bull trout or their designated critical habitat. The Navy received a Biological Opinion from National Marine Fisheries Service (NMFS) on January 16, 2026, stating that the proposed action is not likely to jeopardize the continued existence of Puget Sound Chinook and steelhead and would not adversely modify their designated critical habitat. The Navy will comply with the Terms and Conditions provided by NMFS in the Biological Opinion. The Proposed Action will result in a slight increase in maintained landscaped areas relative to the existing condition and minimal change to the quality of the terrestrial habitat at the site. Implementation of the Proposed Action will have no significant impacts on terrestrial wildlife, and temporary foraging disruptions due to short-term construction noise is not expected to substantially affect bald eagles and other migratory birds. Therefore, the Proposed Action will not result in significant impacts to biological resources.

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Air Quality. The Proposed Action will result in short-term, air quality impacts during construction. Emissions of all criteria pollutants are expected to remain below General Conformity de minimis thresholds, with their impacts considered minor. For greenhouse gas (GHG) emissions, the operational-related emissions (e.g., energy use, vehicle use) are projected at approximately 2,225 tons of GHG annually, which remains below the reporting threshold of 10,000 metric tons per year. Therefore, the proposed action will not result in significant impacts to air quality.

Cultural Resources. There are no historic properties within the project site. The Navy consulted with the State Historic Preservation Officer, the Tulalip Tribes of Washington and the Stillaguamish Tribe in accordance with Section 106 of the National Historic Preservation Act. Archaeological monitoring will occur during construction and a Discovery Plan will be developed prior to construction. Therefore, the Proposed Action will not result in impacts to cultural resources.

American Indian Traditional Resources. In accordance with Department of Defense and Navy policy, the Navy invited government-to-government consultation with the Tulalip Tribes of Washington on the Proposed Action. The Navy met with tribal staff to discuss the project, as requested, on May 30, 2025. During the meeting and through email correspondence dated June 30, 2025, tribal staff expressed interest in the project, provided feedback, and requested continued correspondence.

The Proposed Action will occur on Navy land and will not alter the existing access to Tribal fishing areas. With implementation of BMPs and appropriate stormwater infrastructure, the Proposed Action may result in minor, long-term improvements to water quality in fishing areas important to the Tribes. Therefore, the Proposed Action will not result in significant impacts to American Indian traditional resources.

Land Use. The Proposed Action is compatible with existing adjacent land uses. The Navy is currently updating the Naval Station Everett Installation Development Plan, an internal planning document used to guide physical development of the installation. The update will identify residential uses in the project area. The Proposed Action will have no effect on coastal resources or land use.

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Infrastructure. The Proposed Action will not require any new public utility infrastructure, and there will be no significant impact to utility capacity because existing and planned utility capacity exists to serve the proposed project in addition to other anticipated population growth in the area. Renovation and demolition activities associated with the Proposed Action will not affect the Navy's mission or operations, as use of these existing facilities is low. Therefore, the Proposed Action will not result in significant impacts to infrastructure.

Transportation. The Proposed Action will contribute to minor reductions in level of service (LOS) at some study intersections, which result primarily from natural baseline traffic volume increases. Construction traffic will not have a significant impact to LOS or existing roadway conditions. Therefore, the Proposed Action will not result in significant impacts to transportation.

Public Involvement: A Notice of Availability (NOA) of the Draft EA was published on May 15, 2025 in the Everett Daily Herald. The Draft EA was made available for public review on the NAVFAC Northwest NEPA website at <https://pacific.navy.mil/NWNEPA/>. The public comment period for the Draft EA was from May 15, 2025 to June 14, 2025 and two public comments were received. City of Marysville Public Works Department submitted comments regarding the traffic analysis. The Tulalip Tribes Tribal Historic Preservation Officer submitted a comment requesting continued coordination through the National Historic Preservation Act Section 106 and Government-to-Government processes. These comments were thoroughly analyzed, and where appropriate, changes were incorporated into the Final EA.

Finding: Based on the analysis presented in the EA, which has been prepared in accordance with the requirements of NEPA and applicable federal implementing regulations in place at the time of the EA's initiation, and in coordination with U.S. Fish and Wildlife Service, National Marine Fisheries Service, Washington State Historic Preservation Officer, and Tulalip Tribes of Washington, the Navy finds that implementation of the Proposed Action will not significantly impact the quality of the human environment. Therefore, an Environmental Impact Statement will not be prepared.

The EA prepared by the Navy addressing this action is on file and interested parties may obtain a copy by downloading the EA

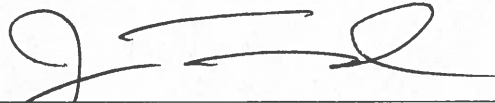
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from the project website:

<https://pacific.navfac.navy.mil/NWNEPA/>. Electronic copies of the Final EA and FONSI may be obtained by written request to: Smokey Point PPV Project Manager, Naval Facilities Engineering Systems Command Northwest, 1101 Tautog Cir, Silverdale, WA 98315.

5/12/26

Date



J.R. Townsend

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Commander, Navy Region Northwest

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