

**RECORD OF THE PROCEEDINGS
SKAGIT COUNTY BOARD OF COMMISSIONERS
TUESDAY, MARCH 17, 2009**

I. CALL TO ORDER:

Chairman Dahlstedt called the proceedings to order at 8:03 a.m.

II. PLEDGE OF ALLEGIANCE:

Chairman Dahlstedt led the gallery in the flag salute.

III. AGENDA:

A. 8:00 a.m. - 9:00 a.m. Planning & Development Services - Gary Christensen, Director

Director Gary Christensen and Deputy Director Bill Dowe were present to introduce formal agenda items for Tuesday, March 17, 2009.

1. Discussion/Possible Action - Proposed Changes to the Fee Schedule for Planning & Development Services and the Public Health Department

Mr. Dowe summarized proposed changes to the fee schedule for Planning and Development Services and the Health Department.

The purpose of revising the fee schedule is to reflect costs of provided services and a recovery rate that will approximately equal the cost of providing the services and programs.

The Commissioners have expressed their desire to not subsidize private projects with General Fund money, and to set user fees at a level sufficient to recover the cost of providing certain services.

Commissioner Wesen asked if the Department has been in the practice of charging mileage. Mr. Dowe indicated the Department wasn't doing so at this time. Commissioner Wesen said the technology is available to track mileage and perhaps the County should take advantage of that.

Commissioner Wesen also indicated he wasn't in favor of the fee hike due to the economic downturn.

Commissioner Dillon said she understands the directive given to departments several years ago regarding subsidizing projects from the General Fund. She feels the need to move forward with the proposed fee schedule even though she doesn't care for it.

Mr. Christensen said the fee increase would not take effect until March 30, 2009.

A motion was made by Commissioner Dillon to approve a Resolution

adopting 2009 Permit and Development Fee Amendments as proposed by Skagit County Planning and Development Services and the Skagit County Health Department. Commissioner Wesen voted against the proposal. Chairman Dahlstedt seconded the motion, which passed unanimously.

2. Discussion/Possible Action - Nookachamps Mitigation Bank Project

Betsy Stevenson, Senior Planner, provided introductory comments summarizing wetland mitigation banks. According to Ms. Stevenson, Skagit County has completed its local review of the proposed Nookachamps Wetland Mitigation Bank and finds the proposal for the portion of the project that lies within County jurisdiction met the requirements set forth in Skagit County Code, Titles 14 and 15, at the time the project was vested.

Commissioner Wesen indicated he toured the site on Friday and had some initial concerns, but now feels his questions have been answered.

Commissioner Dillon also visited the site and said although this was imposed upon us, everyone followed the law. She said it was done legally, and; therefore, feels it can not be rejected. However, she does have a concern about a breach of the berm.

Commissioner Wesen also stated he doesn't like the way the rules were set up, nor does he like the fact that the decision was placed on Skagit County.

Chairman Dahlstedt indicated more information has become available, but it's a frustrating situation for the County to be in.

Commissioner Dillon said she wants assurance that money will be set aside for repairs to the pond, the creek and the berm.

Sandy Mackey with the firm of Perkins Coie and attorney for the wildlands said the program with wetland mitigation banking provides funds to make sure the property is properly monitored and works the way it is suppose to. As signatory to the mitigation banking instrument, the Commissioners are also part of that supervision to the extent that if there was a problem, they would be able to raise it as a signator.

A motion was made by Commissioner Dillon to approve Skagit County authorizing certification of the Nookachamps Wetland Mitigation Bank and the signing of the mitigation banking instrument for said bank. Commissioner Wesen voted against the proposal. Chairman Dahlstedt seconded the motion, which passed unanimously.

3. Discussion/Possible Action - 2009 Department Long Range/Legislative Work Program

Mr. Christensen stated the Department recommends the 2009 Long Range/Legislative Work Program receive priority status and the County appropriate the necessary resources to show substantial progress and/or complete the work. By

committing to a focused list of major projects, the Department seeks to avoid creating false hope or expectations that other projects are being worked on.

Mr. Christensen went on to say that projects may have to be re-prioritized, delayed or additional resources sought to address the added work load. The current economic climate and financial times require the County to be prudent and use its resources wisely. When major projects are completed, new projects can be added to the Department's long term work program, provided the necessary resources exist or provisions are made for appropriate allocations.

A matrix of the Long Range/Legislative Work Program for 2009 was reviewed. According to Mr. Christensen, the following items will likely come before the Planning Commission in 2009, with the exception of Alternative Futures:

Bayview Ridge Urban Growth Area (UGA) Implementation
Miscellaneous Development Code Amendments
UGA Open Space and Greenbelt Plan
2008-09 Comprehensive Plan Amendment Docket
Sanfi Acres Settlement Agreement
Ag-NRL Code Amendments Addressing Wetland Mitigation Banks
Alternative Futures
Forest Practices Code Amendments
NPDES Phase II Permit.

Commissioner Dillon said she believes in the philosophy of setting goals and she applauds the concept.

Commissioner Wesen stated last year three projects were on the Program and this year there are nine. He would like to see a reasonable goal that can be achieved.

Mr. Christensen replied that it is a lofty goal, but the Department believes all items can be accomplished and will proceed accordingly.

Chairman Dahlstedt concurred with Commissioner Wesen's remarks.

A motion was made by Commissioner Wesen to approve the 2009 Department Long Range/Legislative Work Program as presented. Commissioner Dillon seconded the motion, which passed unanimously.

4. Miscellaneous

There were no miscellaneous items to discuss.

B. 9:00 a.m. - 11:00 a.m. Public Hearing - To Consider Testimony Regarding Interim Ordinance No. O20090001, Which Adopted a Moratorium on Applications For Wetland Mitigation Banks

Mr. Christensen noted that comments were due yesterday, March 16, 2009; however, the Commissioners do have the option of extending the comment period.

Chief Civil Deputy Will Honea said this public hearing is being held to accept

testimony regarding provisions of Interim Ordinance No. O20090001.

Mr. Honea said quite a bit of testimony has been submitted supporting the moratorium; however, no written comments were received opposing the moratorium.

Chairman Dahlstedt opened the public hearing.

The following citizens spoke in favor of supporting a moratorium on all wetland mitigation banks:

Gene Derig; Marilyn Wells Derig; Diane Freethy; Ellen Bynum; Tim Knue; June Kite; Tom Glade; Tim Minter; Mary Heinrich; Andrea Xaver; Carolyn Kelly; Phyllis Dolph; Robert Hilton; Jenny Darvill; and Fred DeVries.

There being no further public testimony forthcoming, Commissioner Wesen motioned to close the public hearing. Commissioner Dillon seconded the motion, and the public hearing was closed.

It was noted that the public comment period will be extended to Friday, March 20, 2009, at 4:30 p.m.

- C. 11:00 a.m. - 11:30 a.m. Decision - Closed Record Hearing No. PL09-0068 to Review the Hearing Examiner's Decision to Approve Special Use Permit Application No. PL07-0407 for the Redevelopment and Expansion of the Existing Hillside Motel per Skagit County Code (SCC) 14.16.150 (4)(d) (Hearing Was Held on March 3, 2009)

Chairman Dahlstedt reconvened the proceedings at 11:03 a.m.

Brandon Black, Senior Planner and Michele Szafran, Associate Planner with Planning and Development Services, were present.

Commissioner Dillon stated it is important to recognize that the project applicant is seeking to expand an existing hotel that was in operation prior to the Growth Management Act. The County's code allows reasonable expansion of existing businesses in rural areas, under its Rural Business zoning code. Commissioner Dillon made it clear that Skagit County's land use code does not, generally speaking, allow for new hotels in rural areas.

With that in mind, the question presented to the Board is whether this application represents a permissible expansion under the County's Rural Business code.

This matter was remanded back to the Hearing Examiner as his decision did not make findings or conclusions as to the approval criteria set forth in Skagit County Code 14.16.150(4)(d).

Commissioner Dillon went on to say from the Commissioners' perspective; it is not their role to tell business owners how to run their businesses, or to create unnecessary layers of regulation. They are concerned about protecting the rural character of the community, which is consistent with the Growth Management Act.

One of the principal approval criteria in this code section is whether the expansion

is visually compatible with the surrounding neighborhood and rural area.

After the Board's initial remand back to the Hearing Examiner, the project applicant substantially redesigned the project to address this and other approval criteria.

The Hearing Examiner made specific findings to this effect in his January 2, 2009, decision. In particular, the Commissioners note Findings 8, 9, 10, and 11. These Findings of Fact note, among other things, that the redesigned project would be screened by trees. The project applicant's architect, Peter Carletti, presented an artist's rendering of a project at that hearing, which the Hearing Examiner called "attractive." The rendering of the project, according to the Hearing Examiner's findings "will tend to make the building look like a series of structures." According to the Hearing Examiner, "shed roofs, river rock facing and exposed beams will contribute to the residential appearance."

Based on these findings, the Hearing Examiner found that the project met the criteria in the County's code and granted the approval of the project. However, the Hearing Examiner's decision does not seem to include conditions that would make these findings a mandatory component of the project.

From the Board's standpoint, this is problematic. Commissioner Wesen said it is the Board's intention and expectation that the project applicant will be required to make this project "visually compatible with the surrounding neighborhood and rural area," as the County's code requires. It was clearly erroneous for the Hearing Examiner to fail to include conditions cited in his findings to be binding project requirements.

According to Commissioner Wesen, the Hearing Examiner's decision as to other aspects of this appeal was clearly erroneous.

A motion was made by Commissioner Wesen to approve finding the Hearing Examiner's decision to be clearly erroneous on grounds that his decision failed to include conditions to assure compliance with Findings of Fact 8 through 11 and 16 through 18. It is further moved that the Board prepare and adopt its own findings, conclusions and decisions based on the record. Commissioner Dillon seconded the motion, which passed unanimously.

A motion was made by Commissioner Dillon to approve a Resolution pertaining to the closed record appeal regarding a Special Use Permit Application No. PL07-0407 for Hillside Motel. Commissioner Dillon seconded the motion, which passed unanimously.

D. 11:30 a.m. - 11:45 a.m. Public Comment Period

No one was present for the Public Comment period.

E. 11:45 a.m. - 12:00 p.m. Certification - 2009 Fixed Asset Inventory

Chris Stamey with the Budget and Finance Department presented the 2008 Fixed Asset Inventory for certification.

The Commissioners thanked Mr. Stamey for handling the task of compiling the information.

A motion was made by Commissioner Dillon to approve certification as presented. Commissioner Wesen seconded the motion, which passed unanimously.

F. 1:30 p.m. - 2:00 p.m. Public Hearing - To Consider Testimony Regarding Adoption of the Skagit County Public Health Department Schedule of Charges

Public Health Department Director Peter Browning explained the proposed updated fee schedule, which is typically reviewed every year or two to keep from having any dramatic increases.

Chairman Dahlstedt opened the public hearing, however, no one was present to give testimony, so the public hearing was closed.

A motion was made by Commissioner Wesen to approve a Resolution to update the Skagit County Public Health Department Schedule of Charges. Commissioner Dillon seconded the motion, which passed unanimously.

G. 2:00 p.m. - 2:30 p.m. Presentation - Certificates of Appreciation for Three Former Members of the Skagit County Planning Commission: Bill Schmidt, Jan Ellingson and Herb Goldston

Gary Christensen, Planning and Development Services Director, thanked all those in attendance to publicly acknowledge Bill Schmidt, Jan Ellingson and Herb Goldston, former members of the Planning Commission, for their efforts in planning Skagit County.

Commissioner Dillon thanked the three of them, not only for the hours devoted to the Planning Commission, but for undertaking some of the huge issues Skagit County has been faced with.

Commissioner Wesen also expressed his appreciation for all they have done on the Planning Commission over the years in helping to decide the future of Skagit County.

Chairman Dahlstedt echoed those sentiments and personally thanked the three of them for their huge commitment.

The Commissioners then presented appreciation plaques to each member.

H. 2:30 p.m. - 3:00 p.m. Presentation - David Bauermeister, Executive Director of the Northwest Agriculture Business Center, Regarding a Feasibility Study Conducted to Explore a Regional Processing Facility

Chairman Dahlstedt reconvened the proceedings at 3:33 p.m.

David Bauermeister, Director of the Northwest Agriculture Business Center, gave an overview of a Planning and Feasibility Study prepared for the Port of Skagit County for a regional food processing and product development facility in Skagit County.

Funds in the amount of \$45,000 were provided by a grant from the Washington State Department of Community, Trade and Economic Development (CTED).

Mr. Bauermeister indicated that if the facility were built, it would provide 40 full time jobs.

Commissioner Dillon said she thinks this is a wonderful idea and a great way to keep farmers farming.

Commissioner Wesen and Chairman Dahlstedt added that the citizens of Skagit County need to support local growers.

IV. ADJOURNMENT:

Chairman Dahlstedt adjourned the proceedings at 3:05 p.m.

**BOARD OF COMMISSIONERS
SKAGIT COUNTY, WASHINGTON**

Kenneth A. Dahlstedt, Chairman

Sharon D. Dillon, Commissioner

Ron Wesen, Commissioner

ATTEST:

JoAnne Giesbrecht, Clerk of the Board
Skagit County Board of Commissioners