



# Comprehensive Plan Policy or Development Regulation Amendment Suggestion

Planning & Development Services · 1800 Continental Place · Mount Vernon WA 98273  
voice 360-416-1320 · www.skagitcounty.net/planning

Per RCW 36.70A.470(2), this form is intended for use by any interested person, including applicants, citizens, hearing examiners, and staff of other agencies, to suggest amendments to Skagit County’s Comprehensive Plan policies or its development regulations, which are contained in Skagit County Code Title 14. Please do not combine multiple unrelated Comprehensive Plan policy or development regulation amendments on a single form. This form is for policy or development regulation amendments; use the Comprehensive Plan Map Amendment Request form for changes to the land use/zoning map.

## Submitted By

Name	<u>Bill Sygitowicz</u>	Organization	<u>Skagit Partners LLC</u>	
Address	<u>PO Box 29840</u>	City, State	<u>Bellingham, WA</u>	Zip <u>98228</u>
Email	<u>BillSyg@VineDev.com</u>	Phone	<u>(360) 739-4089</u>	

## Proposal Description

Please answer all of the questions below that are applicable to your suggestion.

1. Describe your proposed amendment.

Skagit Partners LLC (“Skagit Partners”) proposes amendments to the Countywide Planning Policies (“CPPs”), the Skagit County Comprehensive Plan (“SCCP”), and the Skagit County development regulations. Collectively, these amendments are to establish a community reserve population and to establish policies and project review procedures for Fully Contained Communities (“FCCs”). A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

2. Describe the reasons your proposed amendment is needed or important.

The proposed amendment is needed and important for the following reasons:

- The growth trends in Skagit County are resulting in a failure to meet the target established in Countywide Planning Policy 1.2 and SCCP Policy 3A-2.2 that 80 percent of new growth should locate in urban areas.
- The rural area of Skagit County is growing at a rate that will exceed the 2036 population forecast by 3,658 people.
- The UGAs of Skagit County are growing at rates that will not meet the 2036 population forecast by 10,636 people.
- The monitoring of growth in urban and rural areas required by CPP 1.9, Step 3 in CPP Appendix B, and SCCP Policy 3A-1.1 has not identified these growth trends. As a result, there has been no action by the County and cities/towns to take corrective measures to comply with the CPPs and SCCP.
- These growth trends are resulting in inappropriate levels of growth in the rural portions of the County, causing loss of agricultural resource lands and rural character, increased use of individual wells, and higher costs of providing services and infrastructure by the County.
- These growth trends are resulting in an affordable housing crisis in the County, since development and population growth in UGAs is occurring at rates that are significantly below what is necessary to meet the 2036 targets. The supply of new housing at urban densities is inadequate to meet demand, which increases housing prices at much higher rates than growth in household incomes. Growth in multifamily development is particularly weak, and this is generally the most affordable housing type.

Please see attached Exhibit A for additional details.

3. If you are suggesting revision to a particular section of the Comprehensive Plan, please identify which section(s):

Skagit Partners proposes revisions to the following CPPs:

- 1.1, 1.2, 1.3, 1.4, 1.7, 1.10, 2.1, 2.9, 2.10, 4.3, 4.7, Appendix A, and Appendix B.

Skagit Partners proposes revisions to the following sections of the SCCP:

- Narrative text amendments on Pages 24, 27, 32, 33, 34, 35, 60, 64, 342, and 353.
- Amendments to Goals 2A-1 and 7C and Policies 2A-1.5, 2G-1.2, 7C-1.1, and 8A-3.4.

- Addition of new Policies 2A-1.7 and 7A-1.9.

Please see attached exhibits for additional details.

4. *If you are suggesting revision to the Comprehensive Plan, would the revision create inconsistencies with existing sections of the Comprehensive Plan? If so, please list those sections:*

No. The proposed amendments to the Comprehensive Plan have been identified and drafted to resolve all inconsistencies. Please see attached exhibits for additional details.

5. *If you are suggesting revision to the Comprehensive Plan, would the revision require corresponding amendments to the County's development regulations?*

Yes. Skagit Partners is proposing revisions to the County's development regulations to establish project review procedures for FCCs. Please see attached exhibits for additional details.

6. *If you are suggesting revision to a particular section of Skagit County Code Title 14, please identify which section(s).*

Skagit Partners proposes adding a new SCC Chapter 14.22 and amendments to SCC Sec. 14.02.050 and 14.06.050. Please see attached exhibits for additional details.

7. *If you are suggesting this development regulation amendment as a result of a particular project or permit application, please identify which project or application:*

The proposed amendments to the CPPs, Comprehensive Plan and development regulations are not for a specific project or permit application. The proposed amendments are non-project, policy revisions to establish a community reserve population and to establish policies and project review procedures for FCCs. A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

8. *If you are suggesting specific language as part of your amendment, please attach that specific language. Specific language is not required.*

Specific language is proposed. Please see attached exhibits for additional details.

9. *Describe why existing Comprehensive Plan policies should not continue to be in effect or why they no longer apply.*

The existing CPPs, Comprehensive Plan and development regulations should not continue to be in effect in order to address the reasons identified in Question 2 above. Please see attached Exhibit A for additional details.

10. *Describe how the amendment complies with the Comprehensive Plan's community vision statements, goals, objectives, and policy directives.*

The proposed amendments to the CPPs, Comprehensive Plan and development regulations are based on the following Comprehensive Plan policies:

*Policy 3A-1.1: Analyze development trends to determine if changes in land use designations are necessary or additional regulatory techniques or measures are needed to assure compliance with targeted urban/rural population distribution goals.*

*Policy 3A-2.2: The rate of development in rural and resource areas should be in accordance with adopted Countywide Planning Policies stating that urban areas should accommodate 80 percent of new population growth, with the remaining 20 percent locating in non-urban areas. Monitor the pace of development in conjunction with the maintenance of data describing the inventory of available buildable land.*

Please see attached exhibits for additional details.

11. *Describe the anticipated impacts to be caused by the change, including geographic area affected and issues presented.*

There will be no impacts caused by the proposed revisions. The proposed revisions will provide the County with additional growth management tools to address the trends that are resulting in significantly higher population and development in the rural areas outside of the UGAs. The County may use these and other tools to take future action as necessary, including establishing, in the future, an FCC to implement and be consistent with the CWP and SCCP.

12. *Describe how adopted functional plans and Capital Facilities Plans support the change.*

The proposed amendments to the CPPs, Comprehensive Plan and development regulations are not for a specific project or permit application. No infrastructure or services are required for the proposed amendments. As such, there are no effects on adopted functional plans or Capital Facilities Plans. Any future project-specific FCC or population would be required to evaluate consistency with adopted functional plans or Capital Facilities Plans.

13. Describe any public review of the request that has already occurred.

Skagit Partners applied for comprehensive plan, countywide planning policies, and comprehensive plan map amendments to allow the development of Avalon, a project-specific FCC, in prior years. A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

## Notices

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**Fees.** No fees are required for a policy or code change suggestion, per SCC 14.08.020(6).

**Docketing.** SCC Chapter 14.08 governs the process for docketing of Comprehensive Plan amendments; suggestions for changes to the development regulations are docketed following the same process. Docketing of a suggestion is procedural only and does not constitute a decision by the Board of County Commissioners as to whether the amendment will ultimately be approved. Amendments are usually concluded by the end of the year following the request. State law generally prohibits the County from amending its Comprehensive Plan more than once per year.

**Submission deadline.** Suggestions must be received by the last business day of July for docketing. Suggestions received after that date will not be considered until the following year's docket.

**How to Submit.** Submit your suggestion via email (preferred) to [pdscomments@co.skagit.wa.us](mailto:pdscomments@co.skagit.wa.us) or to Planning & Development Services at the address above.

**EXHIBIT A:**  
***Comprehensive Plan Policy or Development Regulation Amendment Suggestion***  
***Application Supplement***

Proposal Description:

**1. Describe your proposed amendment.**

Skagit Partners LLC (“Skagit Partners”) proposes amendments to the Countywide Planning Policies (“CPPs”), the Skagit County Comprehensive Plan (“SCCP”), and the Skagit County development regulations. Collectively, these amendments are to establish a community reserve population and to establish policies and project review procedures for Fully Contained Communities (“FCCs”). A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

**2. Describe the reasons your proposed amendment is needed or important.**

The proposed amendment is needed and important for the following reasons:

- The growth trends in Skagit County are resulting in a failure to meet the target established in Countywide Planning Policy 1.2 and SCCP Policy 3A-2.2 that 80 percent of new growth should locate in urban areas.
- The rural area of Skagit County is growing at a rate that will exceed the 2036 population forecast by 3,658 people.
- The UGAs of Skagit County are growing at rates that will not meet the 2036 population forecast by 10,636 people.
- The monitoring of growth in urban and rural areas required by CPP 1.9, Step 3 in CPP Appendix B, and SCCP Policy 3A-1.1 has not identified these growth trends. As a result, no action by the County and cities/towns to take corrective measures to comply with the CPPs and SCCP.
- These growth trends are resulting in inappropriate levels of growth in rural portions of the County, causing loss of agricultural resource land and rural character, increased use of individual wells, and higher costs of providing services and infrastructure by the County.
- These growth trends are resulting in an affordable housing crisis in the County, since development and population growth in cities/towns is occurring at rates that are significantly below what is necessary to meet the 2036 targets. The supply of new housing at urban densities is inadequate to meet demand, which increases housing prices at much higher rates than growth in household incomes. Growth in multifamily development is particularly weak, and this is generally the most affordable housing type.

Exhibit B is a spreadsheet that analyzes population growth in the Skagit County UGAs and rural areas from 2000 to 2018. The data source for the spreadsheet is the Washington State Office of Financial Management (“OFM”) Small Area Estimates Program (“SAEP”), Estimates of Total Population for Counties and Estimates of Total Population for Census 2010 Urban Growth Areas.

Analysis of this data shows two periods in Skagit County with distinctly different growth trends: the first from 2000 – 2010 and the second from 2010 to the present.

In the period from 2000 – 2010, growth in the County was higher in the UGAs and lower in the rural area. This is consistent with the longstanding goals of the CWP and SCCP to locate 80 percent of new growth in the UGAs. During this period, 75.7% of population growth in the County occurred in the UGAs. This is reflected in the average annual population growth rate from 2000 – 2010 of 1.4% in the major UGAs (Anacortes, Burlington, Mount Vernon and Sedro Woolley) and 0.9% in the rural area. In 2000, the percentage of County population in the UGAs was 66.4%. By 2010, this percentage had increased to 67.5%. The goals and policies of the CWP and SCCP, and those of the cities and towns, were working to reduce growth in rural area and the associated sprawl.

In the period from 2010 to the present, these trends have reversed and are now actively eroding the effective planning outcomes of the previous decade. During this period, only 65.5% of population growth in the County has occurred in the UGAs. The percentage of County population in the UGAs has decreased from 67.5% in 2010 to 67.4% in 2018, with a corresponding increase of rural population from 32.5% to 32.6%. The average annual population growth rate in the major UGAs has reduced by 0.5% to 0.9% from 2010 – 2018, while the rate in the rural area has remained constant at 0.9%. The goals and policies of the CWP and SCCP, and those of the cities and towns, are no longer working to reduce growth in rural area and the associated sprawl.

When these trends are projected forward to 2036, the major UGAs will not meet their population targets established by CWP Policy 1.1 and CWP Appendix A, while the rural areas will significantly exceed their population target. The following table summarizes this analysis:

**Table A: 2036 Population Targets Compared to 2036 Population Projections from 2000 – 2018 and 2010 – 2018 Growth Rates**

Major UGA	2036 Population Target	2000 – 2018 Growth Rate		2010 – 2018 Growth Rate	
		2036 Population Projection	Surplus/ (Deficit) from Target	2036 Population Projection	Surplus/ (Deficit) from Target
Anacortes	22,293	19,499	(2,794)	20,055	(2,238)
Burlington	14,272	14,120	(152)	12,342	(1,930)
Mount Vernon	47,403	48,156	753	45,923	(1,480)
Sedro Woolley	17,069	15,574	(1,495)	12,920	(4,149)
Major UGA Total (Four UGAs Above)	101,037	97,113	(3,924)	90,951	(10,086)
All UGAs Total	109,787 70.6%	104,801 68.8%	(4,986)	99,151 64.7%	(10,636)
Rural Area	45,665 29.4%	47,535 31.2%	1,870	49,323 36.7%	3,658

Using the 2000 – 2018 growth rate to project the 2036 populations, the Skagit County UGAs will fall short by 4,986, or 4.5% of their population target. In contrast, the rural area will exceed its

population target by 1,870, or 4.1%.

The 2010 – 2018 growth rates produce a more significant divergence. The Skagit County UGAs will fall short by 10,636, or 9.7% of their population target. The major UGAs will fall short of their population targets by 10.0%. In contrast, the rural area will exceed its population target by 3,658, or 8.0%.

In 2036, this would result in 66.8% of the County population in UGAs and 33.2% in the rural area. This represents a decrease of 0.6% from the 2018 UGA population percentage of 67.4%, with a corresponding increase of 0.6% from the 2018 rural area population percentage of 32.6%. This is the opposite outcome intended by the goals and policies of the CWP and SCCP, and those of the cities and towns.

The monitoring program implemented by the Growth Management Act Steering Committee (“GMASC”) through the Skagit Council of Governments (“SCOG”) has not identified these growth trends as required by the following CPP and SCCP policies:

*CPP 1.7: The baseline for 20-year countywide population forecasts shall be the official Growth Management Act Population Projections from the State of Washington’s Office of Financial Management. The Growth Management Act Technical Advisory Committee (“Planners Committee”) shall recommend the process for allocating forecasted population and employment, which shall be cooperatively reviewed by the Growth Management Act Steering Committee (GMASC), consistent with the “2002 Framework Agreement.” Final growth allocations will be ratified by each government’s legislative body. The growth allocation process shall use the procedures in Appendix B, which calls for the following steps:*

- a. Initial Growth Allocations;*
- b. Reconciliation;*
- c. Long Term Monitoring; and*
- d. Allocation Adjustment.*

*CWP 1.9: The County and cities/towns will establish a common method to monitor urban development to evaluate the rate of growth and maintain an inventory of the amount of buildable land remaining. The Planners Committee shall develop a monitoring process, prepare annual monitoring reports and present the reports to the Growth Management Act Steering Committee annually.*

*SCCP Policy 3A-1.1: Monitor rural growth in relation to the target established in Countywide Planning Policy 1.2 that 80 percent of new growth should locate in urban areas. Analyze development trends to determine if changes in land use designations are necessary or additional regulatory techniques or measures are needed to assure compliance with targeted urban/rural population distribution goals.*

*SCCP Policy 3A-2.2: The rate of development in rural and resource areas should be in accordance with adopted Countywide Planning Policies stating that urban areas should accommodate 80 percent of new population growth, with the remaining 20 percent locating in non-urban areas. Monitor the pace of development in conjunction with the maintenance of data describing the inventory of available buildable land.*

The impacts of these growth trends and higher than forecasted population growth and development in the rural area is having significant impacts that are inconsistent with the goals and

policies of the SCCP. The result is a rural development pattern that is converting agricultural resource land and private open space to sprawling, low density residential use. These new residential uses rely on individual wells and septic systems, which pressure finite groundwater resources at much higher rates than those analyzed under the SCCP Environmental Impact Statement (“EIS”). This development pattern also increases the County and special districts costs to maintain infrastructure and provide services to rural residents and businesses.

These growth trends are also a significant cause of the County’s well documented affordable housing crisis. This crisis is well documented in studies and documents, including the 2015 Skagit County Affordable Housing Needs Local Community Housing Profiles, the 2016 Building A Skagit Housing Affordability Strategy prepared by Skagit County Public Health, the 2017 Skagit County Action Plan, the 2018-2022 Skagit County HOME Consortium Tri-County Consolidated Plan, and the 2019 Skagit County HOME Consortium Annual Plan.

The data in these studies and documents indicate that more than 50% of renter households in Skagit County are cost burdened, and 25% of renter households pay more than 50% of their income for housing. The average rent in Skagit County increased by \$127 from 2017 -2019, far greater than inflation or wage growth. The average rents in Skagit County are currently \$1,150 a month for a one-bedroom unit, \$1,350 for a two bedroom and \$1,795 for a three-bedroom, which is between \$50 and \$75 more than comparable units in Whatcom County. Skagit County rents are 126% to 148% of what the federal Department of Housing and Urban Development calculates as a fair market rent.

According to data from the University of Washington Runstad Center for Real Estate Research, the median home price in Skagit County was \$203,400 in 2010<sup>1</sup>. That increased to \$349,900 in 2018, an annual increase of 7.0% for that period. While it is easy to dismiss this data as an anomaly due to the recovery of the housing market following the Great Recession, increased demand in Skagit County is a significant factor. The fastest growth in the region continues to be farther out from King County than expected. Median prices in Skagit County prices grew by 14.0 percent (from 2016 to 2017). This indicates that some of the demand for housing is likely moving farther away from downtown Seattle in search of more affordable prices.<sup>2</sup>

A fundamental cause of the increase in Skagit County housing costs is a mismatch between increasing demand for housing and slow growth in the supply of housing. A recent Runstad Center report identified the Skagit County rental housing market as tied for the worst in the state based on vacancy rates. Rental markets with a rate of below 5% vacancy are considered tight, according to the report. The County’s vacancy rate, the percentage of rental units that are vacant at a given time, was 0.4%. That number is down from 0.9% in the same period of 2018. In the same period, the statewide vacancy rate rose from 2.7% to 4.3%.<sup>3</sup>

Despite the signals that the housing market is sending – low vacancy rates, increased median sales prices, and increased rents – demand continues to outpace supply and housing production in Skagit County remains slow. Single family inventory increased by 1.4% from Spring, 2018 to Spring, 2019. As shown above, much of the increased population growth from new single family inventory is occurring in the rural area. By contrast, multi-family inventory increased only 1.0% during the same period. Based on Comprehensive Plan policies and zoning regulations, almost all

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<sup>1</sup> Washington State Housing Market, Spring 2019. Runstad Center for Real Estate Research, May 2019.

<sup>2</sup> “Washington State House Prices Up 12.1 Percent Compared To The First Quarter Of Last Year.” James Young, Runstad Center for Real Estate Research, May 18, 2017.

<sup>3</sup> Washington State Apartment Market Report, Spring 2019. Runstad Center for Real Estate Research, June 2019.

of this multi-family development is occurring in the UGAs. When compared to the rates of increase in multi-family inventory in other fast growing counties, such as King (3.5%), Kittitas (2.5%), Pierce (1.8%) and Spokane (2.7%), Skagit County's housing market lags significantly. Even its adjoining counties, Snohomish (1.1%) and Whatcom (1.4%), have higher rates of increased multi-family inventory.

Additional multi-family development of significant scale is imperative to solving the County's affordable housing crisis. As previously mentioned, this type of development can generally occur only in the UGAs. There are multiple challenges to developing multi-family at significant scale in any of the Skagit County major UGAs. There is not a sufficient inventory of undeveloped or underdeveloped property that can be assembled to develop projects with over 50 units. Many of the parcels with the necessary zoning are too small or have constraints, such as critical areas. The zoning standards for the highest density multi-family zones in the major UGAs do not allow sufficient densities or intensities to produce multi-family development at a scale necessary to be affordable. Maximum densities range from 15 to 28 dwelling units per acre. Maximum heights range from 35 to 45 feet. Sedro Woolley has a maximum of 12 units per building. Mount Vernon has a maximum building coverage of 40%, and any project greater than 75 units is a conditional use. Burlington has a maximum building size of 8,000 square feet. These are not modern urban zoning standards; they are suburban standards from decades ago.

It is difficult for these cities to update their zoning standards to accommodate larger projects at higher densities. There is pressure to protect the character of their communities to ensure that higher density zones are located properly to allow transitions to lower density zones and are supported with a full set of urban services. Most of the higher density zones are in developed areas in these cities, and infill projects at high densities are challenging and controversial. Infill projects often require improvements to infrastructure and transportation systems, which increases costs.

As a solution to these trends and challenges, Skagit Partners proposes that the County take action that will reduce development in the rural areas to the 2036 population target while increasing opportunities to add housing inventory at scale in a contained area of urban growth. The proposed amendments to the CPPs, SCCP, and development regulations will accomplish the following:

- Create a community population reserve of 3,658. This is the project amount by which the population of the rural area will exceed the 2036 population target.
- Reduce the population allocations to the rural area, the UGAs, or a combination of the rural area and the UGAs by 3,658 to meet the 2036 population target of 155,452 for the County as a whole. Skagit Partners proposes to reduce the population allocations to each UGA and the rural area in an amount proportional to its allocated 2036 population growth to achieve the total reduction of 3,658. This methodology is proposed because it is consistent with CPP 1.2 and SCCP Policy 3A-2.2 that 80 percent of new growth should locate in urban areas. However, other methodologies to reduce the population allocations to meet the 2036 County population target of 155,452 would be acceptable to Skagit Partners. Possible other methodologies include reducing just the rural allocation, just the UGA allocations, or a proportional split between the UGA and rural allocations. The reductions can be based on the proportion of future population growth for each area, the proportion of the population shortfall based on the projections from the 2010 – 2018 growth rates, other quantitative approaches, or qualitative criteria. The final

methodology to reduce the population allocation will be determined by the GMASC consistent with the process required under the 2002 Framework Agreement.

- Establish the policy framework for an FCC.
- Establish the procedures to designate and allocate the population reserve to an FCC.

Within the context of the growth trends in Skagit County, the benefits of an FCC are as follows:

- An FCC will be a defined urban area within which urban growth is contained, preventing sprawl and inappropriate conversion of rural and resource land. Like a UGA, the boundary around an FCC functions to prohibit urban growth outside of it. Rural and resource uses outside of an FCC will continue as planned by the SCCP and as permitted by the development regulations.
- An FCC will be master planned to accommodate a full range of housing types, including a sufficient supply of high density multi-family to address the county's affordable housing needs. Because it is master planned, an FCC does not have the constraints of the existing major UGAs for accommodating larger, high density developments as infill projects. These types of projects have the internal economics to produce housing at more affordable levels and at a scale that can add sufficient supply to the housing inventory to alleviate projected shortfalls.
- An FCC will provide affordable housing through the designation process and associated contractual commitments in a development agreement. Through the review and entitlement process, affordable housing requirements and procedures can be established for an FCC. This can include a range of strategies, including inclusionary zoning. Other techniques could include land dedication to regional non-profit housing developers or public-private partnerships to develop housing using the Low Income Housing Tax Credit program through the Washington State Housing Finance Commission.
- Because it is master planned, an FCC will be designed to be transit oriented. Density and walkable design support transit use, and an FCC can locate higher density and intensity land uses at nodes that are supported by a full range of transportation infrastructure for all modes.
- An FCC is designed to include a range of urban land uses to provide jobs and services to residents, including schools and health care. Typically, a sufficient critical mass of residential use is required to be in place to support commercial and services uses. The plan for an FCC reserves areas for commercial and job creating uses, which are usually part of later phases of the project.
- An FCC includes a full range of amenities, including parks, open space and recreational facilities. These features can be used to provide a central organizing principal and community identity through the master planning process. Open space functions to buffer surrounding rural uses from the urban uses within an FCC. Pedestrian and bicycle features provide linkages to different neighborhoods within an FCC, reducing internal vehicular trips.
- An FCC can provide higher water quality treatment to urban stormwater runoff than an existing UGA that uses infrastructure that is often decades old and does not comply with current standards. An FCC will be served by a full range of urban infrastructure, including sewer and stormwater systems that meet current regulations. The resulting impacts to

groundwater resources and agricultural uses are reduced when compared to rural development that relies on individual wells and septic.

- An FCC can be a receiving area for a transfer of development rights (“TDR”) program. This is a zoning technique that conserves agricultural or other sensitive land by redirecting development that would otherwise occur on that land, the sending area, to a receiving area more suitable for denser development. In the past, a TDR program in Skagit County was not successful, in part because the receiving areas were not sufficiently dense to offer sufficient returns to the sending areas. An FCC can be designed to receive additional density through a TDR program.

Examples of FCCs and other master planned communities in Washington include the following:

- Tehaleh/Cascadia in Pierce County;
- Birchfield in Lewis County;
- Redmond Ridge in King County;
- Issaquah Highlands in King County; and,
- Snoqualmie Ridge in King County.

One of these examples, Birchfield, was not successful. The remaining four examples have achieved their long term goals, while acknowledging that Tehaleh, Issaquah Highlands and Snoqualmie Ridge are not fully built out and are still in the development process. As discussed above, commercial and services uses, typically occur in the later stages of an FCC. These job creating uses require a critical mass of residents to be economically viable. However, it can be possible to locate a commercial use in earlier phases through partnerships with local economic development agencies. Depending on the location of an FCC, it may be possible that it could offer benefits to a large commercial or institutional use that cannot be accommodated within an existing UGA.

**3. If you are suggesting revision to a particular section of the Comprehensive Plan, please identify which section(s):**

Skagit Partners proposes revisions to the following CPPs:

- 1.1, 1.2, 1.3, 1.4, 1.7, 1.10, 2.1, 2.9, 2.10, 4.3, 4.7, Appendix A, and Appendix B.

Skagit Partners proposes revisions to the following sections of the SCCP:

- Narrative text amendments on Pages 24, 27, 32, 33, 34, 35, 60, 64, 342, and 353.
- Amendments to Goals 2A-1 and 7C and Policies 2A-1.5, 2G-1.2, 7C-1.1, and 8A-3.4.
- Addition of new Policies 2A-1.7 and 7A-1.9.

Please see attached Exhibits B, C and D for the specific language proposed for the amendments to the CPPs and SCCP.

**4. If you are suggesting revision to the Comprehensive Plan, would the revision create inconsistencies with existing sections of the Comprehensive Plan? If so, please list those sections:**

No. The proposed amendments to the Comprehensive Plan have been identified and drafted to resolve all inconsistencies.

**5. If you are suggesting revision to the Comprehensive Plan, would the revision require corresponding amendments to the County's development regulations?**

Yes. Skagit Partners is proposing revisions to the County's development regulations to establish project review procedures for FCCs.

**6. If you are suggesting revision to a particular section of Skagit County Code Title 14, please identify which section(s).**

Skagit Partners proposes adding a new SCC Chapter 14.22 and amendments to SCC Sec. 14.02.050 and 14.06.050. Please see attached Exhibit D for the specific language proposed for the amendments to the development regulations.

**7. If you are suggesting this development regulation amendment as a result of a particular project or permit application, please identify which project or application:**

The proposed amendments to the CPPs, Comprehensive Plan and development regulations are not for a specific project or permit application. The proposed amendments are non-project, policy revisions to establish a community reserve population and to establish policies and project review procedures for Fully Contained Communities ("FCCs"). A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

**8. If you are suggesting specific language as part of your amendment, please attach that specific language. Specific language is not required.**

Specific language is proposed. Please see attached Exhibits B, C and D for the specific language proposed for the amendments to the CPPs, SCCP, and development regulations respectively.

**9. Describe why existing Comprehensive Plan policies should not continue to be in effect or why they no longer apply.**

The existing CPPs, Comprehensive Plan and development regulations should not continue to be in effect for the reasons discussed in Question No. 2 above. An FCC is a growth management tool available to Skagit County to reduce development in the rural areas to the 2036 population target while increasing opportunities to add housing inventory at scale in a contained area of urban growth.

**10. Describe how the amendment complies with the Comprehensive Plan's community vision statements, goals, objectives, and policy directives.**

The proposed amendments are consistent with the following CPPs and goals and policies of the SCCP:

**County Wide Planning Policies:**

*CPP 1.2: Cities and towns and their urban growth areas, and non-municipal urban growth areas designated pursuant to CPP 1.1, shall include areas and densities sufficient to accommodate as a target 80% of the county's 20 year population projection*

*CPP 1.4: Urban growth areas shall include greenbelt[s], open space, and encourage the preservation of wildlife habitat areas.*

*CPP 1.3: Urban growth areas shall provide for urban densities of mixed uses and shall direct development of neighborhoods which provide adequate and accessible urban governmental services concurrent with development. The GMA defines urban governmental services as those*

*governmental services historically and typically delivered by cities, including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with nonurban areas.*

*CPP 1.4: Urban growth areas shall include greenbelts and open space, and encourage the preservation of wildlife habitat areas.*

*CPP 1.7: The baseline for 20-year countywide population forecasts shall be the official Growth Management Act Population Projections from the State of Washington's Office of Financial Management. The Growth Management Act Technical Advisory Committee ("Planners Committee") shall recommend the process for allocating forecasted population and employment, which shall be cooperatively reviewed by the Growth Management Act Steering Committee (GMASC), consistent with the "2002 Framework Agreement." Final growth allocations will be ratified by each government's legislative body. The growth allocation process shall use the procedures in Appendix B, which calls for the following steps:*

- a. Initial Growth Allocations;*
- b. Reconciliation;*
- c. Long Term Monitoring; and*
- d. Allocation Adjustment.*

*CPP 1.9: The County and cities/towns will establish a common method to monitor urban development to evaluate the rate of growth and maintain an inventory of the amount of buildable land remaining. The Planners Committee shall develop a monitoring process, prepare annual monitoring reports and present the reports to the Growth Management Act Steering Committee annually.*

*CPP 1.10: All growth outside the urban growth boundary shall be rural in nature as defined in the Rural Element, not requiring urban governmental services, except in those limited circumstances shown to be necessary to the satisfaction of both the County and the affected city to protect basic public health, safety and the environment, and when such services are financially supportable at rural densities and do not permit urban development.*

*CPP 2.1: Contiguous and orderly development and provision of urban services to such development within urban growth boundaries shall be required.*

*CPP 4.1: Local governments shall allow for an adequate supply of land use options to provide housing for a wide range of incomes, housing types and densities.*

*CPP 4.3: The Comprehensive Plan should support innovative land use management techniques, including, but not limited to, density bonuses, cluster housing, planned unit developments and the transfer of development rights.*

*CPP 5.15: The Comprehensive Plan shall support and encourage economic development and employment to provide opportunities for prosperity.*

*CPP 9.1: Open space corridors within and between urban growth areas shall be identified. These areas shall include lands useful for recreation, fish and wildlife habitat, trails, and connection of critical areas.*

Response: The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to reduce

development in the rural areas to the 2036 population target while increasing opportunities to add housing inventory at scale in a contained area of urban growth. To manage forecasted growth in the rural area above the 2036 population target, the proposed amendments would create the new population reserve. Since the population reserve does not increase the 20-year population projection for the County as a whole, it must come from the existing urban allocation, the existing rural allocation, or a combination of the two. In no case does it increase the population allocation for the rural area. Once established, the population reserve could be allocated to a new FCC through a future Comprehensive Plan Amendment. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project, and it would fully comply with all of the CPPs regarding urban growth and preservation of rural areas.

The proposed amendments to the CPPs, SCCP and development regulations are necessary to address the growth trends and associated impacts that are discussed in Question 2 of this application. The monitoring program implemented by the Growth Management Act Steering Committee (“GMASC”) through the Skagit Council of Governments (“SCOG”) has not identified these growth trends and to take action to adjust population allocations as required by the CPPs 1.7 and 1.9. Not only do the proposed amendments to the CPPs, SCCP and development regulations comply with these CPPs, but they help ensure that the County remains in compliance with its CPPs and Comprehensive Plan.

**Major Themes of the Community Vision (Pg. 14-17):**

*Theme: Support economic opportunities. (Pg. 15)*

Response: An FCC must contain a mix of housing types, densities, services, jobs, and recreation served by urban infrastructure pursuant to the requirements of RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations. The design of an FCC would include a range of urban land uses to provide jobs and services to residents, including schools and health care. Typically, a sufficient critical mass of residential use is required to be in place to support commercial and services uses. Depending on the location of the FCC, it could be designed to include commercial and industrial land uses that in sufficient supply in other UGAs and areas of urban growth in the County, which would allow for expansion and diversification of the economic and employment base.

*Theme: Increase the housing choices for all residents. (Pg. 15)*

Response: As required by RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations, an FCC will be master planned to accommodate a full range of housing types, including a supply of high density multi-family able to address affordable housing needs in Skagit County. Because it is master planned, an FCC does not have the constraints of the major UGAs for accommodating larger, high density developments as infill projects. These types of projects have the internal economics to produce housing at more affordable levels and at a scale that can add sufficient supply to the housing inventory to alleviate the current affordable housing crisis and projected population shortfalls based on the 2010 – 2018 growth trends.

*Theme: Balance urban uses and environmental protection. (Pg. 16)*

Response: An FCC must provide environmental protection, urban infrastructure, and transit

oriented development pursuant to the requirements of RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations. As a new master planned development, an FCC can provide higher water quality treatment to urban stormwater runoff than an existing UGA that uses infrastructure that is often decades old and does not comply with current standards. An FCC will be served by a full range of urban infrastructure, including sewer and stormwater systems that meet current regulations.

The allocation of 3,658 to a population reserve and the potential future designation of an FCC is the best way possible to address the current growth trend that is resulting in higher than projected growth in the rural area. The impacts of an FCC to groundwater resources and agricultural uses are reduced when compared to rural development that relies on individual wells and septic. An FCC also provides for greater density, a mix of uses and a more diverse range of transportation modes, reducing internal trips and encouraging transit use for external trips.

*Theme: Protect and retain rural lifestyles. (Pg. 16)*

Response: As required by RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations, an FCC will be a defined urban area within which urban growth is contained, preventing sprawl and inappropriate conversion of rural and resource land. As a UGA, the boundary around an FCC prohibits urban growth outside of it. Rural and resource uses outside of an FCC will continue as planned by the SCCP and as permitted by the development regulations. The allocation of 3,658 to a population reserve and the potential future designation of an FCC is the best way possible to address the current growth trend that is resulting in higher than projected growth in the rural area. This sprawling rural development pattern is causing conversion of agricultural land and private open space and putting unsustainable demands on finite groundwater resources.

*Theme: Protect and conserve the environment and ecologically sensitive areas, and preclude development and land uses which are incompatible with critical areas. (Pg. 16)*

Response: As required by RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations, an FCC will comply with all applicable County environmental regulations, including preservation and conservation of critical areas.

*Theme: Respect property rights. (Pg. 16-17)*

Response: The proposed amendments to the CPPs, SCCP and development regulations will not require any taking of private property without compensation and are consistent with all federal, state and local regulations.

*Theme: Encourage citizen participation and involvement: (Pg. 17)*

Response: The proposed amendments to the CPPs, SCCP and development regulations will be subject to all applicable Skagit County noticing and public hearing requirements.

**Update Themes (Pg. 26 - 28):**

*Theme: Housing needs (Pg. 27)*

Response: As required by RCW 36.70A.350 and the proposed amendments to the CPPs, SCCP and development regulations, an FCC will be master planned to accommodate a full range of housing types, including a supply of high density multi-family able to address affordable housing needs in Skagit County. Because it is master planned, an FCC does not have the constraints of the major UGAs for accommodating larger, high density developments as infill projects. These types of projects have the internal economics to produce housing at more affordable levels and at a scale that can add sufficient supply to the housing inventory to alleviate the current affordable housing crisis and projected population shortfalls based on the 2010 – 2018 growth trends.

*Theme: More and better incentives (Pg. 28)*

Response: The proposed amendments to the CPPs, SCCP and development regulations establish a policy framework and procedures for the County to consider future designation of an FCC. This is an additional available strategy in the toolbox of methods for achieving the County's growth management goals for the preservation of resource lands, protection of critical areas, and preservation of property rights should be expanded.

**Chapter 2: Urban, Open Space and Land Use Profile**

*Goal 2A, Urban Growth Areas - Guide most future development into concentrated urban growth areas where adequate public facilities, utilities, and services can be provided consistent with the Countywide Planning Policies.*

*Goal 2A-1, Urban Growth Area Designation - Establish Urban Growth Areas in which urban development will be encouraged and outside of which growth can occur only if it is rural in character.*

Response: The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to reduce development in the rural areas to the 2036 population target by establishing a new FCC, which is a contained area of urban growth as required by GMA 36.70A.350. To manage forecasted growth in the rural area above the 2036 population target, the proposed amendments would create the new population reserve. Since the population reserve does not increase the total 20-year population projection for the County as a whole, it must come from the existing urban allocation, the existing rural allocation, or a combination of the two. In no case does it increase the population allocation for the rural area. The population reserve could be allocated to a new FCC through a future Comprehensive Plan Amendment. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project, and it would fully comply with all of the SCCP goals and policies regarding urban growth and preservation of rural areas.

*Policy 2A-1.1 - Work with local jurisdictions to designate and maintain Urban Growth Areas (UGAs) of sufficient size to accommodate the County's 20-year urban population and employment allocations. Areas proposed for UGA designation shall meet the following criteria:*

- a) Compact development can be accomplished through infill or expansion, while minimizing*

*the fiscal and environmental impacts of growth and assuring opportunities for housing, jobs, and commerce.*

- b) A range of governmental facilities and services presently exists or can be economically and efficiently provided at urban levels of service. These services include sewer, water, storm drainage, transportation improvements, fire and law enforcement protection, and parks and recreation.*
- c) The area has a physical identity or social connection to an existing urban environment.*
- d) Natural features and land characteristics are capable of supporting urban development without significant environmental degradation.*
- e) The land does not have long-term, commercially significant value for agriculture, forestry, or mineral production and that can accommodate additional development without conflicting with activities on nearby natural resource lands.*

*Policy 2A-1.2 - Urban Growth Area expansion proposals shall demonstrate that expansion is necessary within the 20-year planning period, that public facilities and services can be provided concurrent with development, and that reasonable efforts have been made to encourage infill and redevelopment within existing Urban Growth Area boundaries before those boundaries can be expanded.*

Response: The proposed amendments to the CPPs, SCCP and development regulations are necessary to address the growth trends and associated impacts that are discussed in Question 2 of this application. The monitoring program implemented by the Growth Management Act Steering Committee (“GMASC”) through the Skagit Council of Governments (“SCOG”) has not identified these growth trends. As a result, no action is being taken by the GMASC or the cities and towns to adjust population allocations to reduce the significantly higher rate of population growth in the rural area. Despite the reasonable efforts made by the cities and towns to encourage infill and redevelopment within existing Urban Growth Area boundaries, the UGAs are growing at the same rate as the rural area, which is not consistent with the 80% of growth required by the CPPs and SCCP. This proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to address these issues.

*Policy 2A-1.5 - Overall residential densities within Urban Growth Areas shall be a minimum of four (4) dwelling units per net acre, when urban services are provided. “Net density” is what results when only the area of the residential lots is counted, not roads, open spaces, drainage facilities, or other site uses that are not residential.*

Response: As a new master planned development, an FCC can provide higher residential densities than an existing UGA that must manage constraints associated with infill, such as compatibility with adjacent low density uses, limited infrastructure capacity, and critical areas. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project. The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC that would be consistent with, and would allow substantive implementation of, the minimum net density of four (4) dwelling units per acre.

*Goal 2A-2, Concurrency - Adequate urban public facilities and services shall be provided concurrently with urban development, as appropriate for each type of designated land use in the Urban Growth Area.*

*Policy 2A-2.1 - Encourage growth in areas already characterized by urban development or where the appropriate levels of urban public facilities and services are established in adopted capital facilities plans.*

*a) Ensure that adequate urban public facilities and services are provided in Urban Growth Areas concurrent with urban development.*

Response: As a new master planned development, an FCC can provide higher quality infrastructure and levels of service than an existing UGA that uses infrastructure that is often many decades old and does not comply with current standards. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project. The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC that would be consistent with, and would allow substantive implementation of, the concurrency goal and policy.

*Goal 2A-3, Urban Services - Within the designated Urban Growth Areas, coordinate with the respective local jurisdictions and other service providers within the Urban Growth Areas to ensure that growth and development are timed, phased, and consistent with adopted urban level of service standards.*

*Policy 2A-3.1 - Urban public facilities include: improved streets, roads, highways, sidewalks, road lighting systems and traffic signals; urban level domestic water systems, sanitary sewer systems, storm sewer systems, park and recreational facilities and schools as defined in the Capital Facilities Element with adopted level of service standards.*

*Policy 2A-3.2 - Urban public services include fire protection and suppression; emergency medical services; public safety; public health; education; recreation; environmental protection; and other services as identified in the Capital Facilities Element with adopted level of service standards.*

Response: As a new master planned development, an FCC can provide higher quality infrastructure and public services than an existing UGA that uses infrastructure and service delivery systems that are often many decades old and do not comply with current standards. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project. The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC that would be consistent with, and would allow substantive implementation of, the urban services goal and policies.

*Goal 2A-5, Commercial Development - Encourage commercial and industrial development to locate in well- defined centers within the Urban Growth Areas. Prohibit new zoning that furthers the continuation of strip commercial development.*

*Policy 2A-5.1 - Plan for compact commercial and industrial centers in the Urban Growth Areas and provide infrastructure accordingly.*

*Policy 2A-5.2 - Attract commerce and industry to designated areas within Urban Growth Areas by*

*ensuring an adequate supply of land with adequate urban public facilities and services.*

Response: As a new master planned development, an FCC can provide more compact, pedestrian- and transit-oriented development than an existing UGA that has infrastructure that is often many decades old and was designed for auto oriented strip development. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project. The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC that would be consistent with, and would allow substantive implementation of, the commercial development goal and policies.

*Goal 2A-6, Quality of Life – Ensure a high quality of life within Urban Growth Areas.*

*Policy 2A-6.1 Foster development within Urban Growth Areas that creates and maintains safe, healthy and diverse communities. These communities should contain a range of affordable housing and employment opportunities, and school and recreational facilities, and be designed to protect the natural environment and significant cultural resources.*

*Policy 2A-6.2 Adopt plans, policies, codes and development standards that promote public health by increasing opportunities for residents to be more physically active. Such actions include: concentrating growth into Urban Growth Areas, promoting more compact urban development, allowing mixed-use developments, and adding pedestrian and non-motorized linkages where appropriate.*

*Policy 2A-6.3 Concentrate facilities and services within Urban Growth Areas, using urban design principles, to make them desirable places to live, work, and play; increase the opportunities for walking and biking within the community; use existing infrastructure capacity more efficiently; and reduce the long-term costs of infrastructure maintenance.*

Response: As a new master planned development, an FCC can provide a higher level of service for parks, recreation and non-motorized transportation modes than an existing UGA that has to address and retrofit neighborhoods that were developed without these features. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project. The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC that would be consistent with, and would allow substantive implementation of, the quality of life goal and policies.

### **Chapter 3: Rural Element**

*Goal 3A, Protect the rural landscape, character and lifestyle by:*

- a) Defining and identifying rural lands for long-term use and conservation;*
- b) Providing for a variety of rural densities and housing opportunities;*
- c) Maintaining the character and historic and cultural roles of existing rural communities;*
- d) Allowing land uses which are compatible and in keeping with the protection of important rural landscape features, resources, and values;*
- e) Encouraging economic prosperity for rural areas; and*
- f) Ensuring that appropriate and adequate rural levels of service are provided.*

*Policy 3A-1.1- Analyze development trends to determine if changes in land use designations are*

*necessary or additional regulatory techniques or measures are needed to assure compliance with targeted urban/rural population distribution goals.*

*Policy 3A-2.2 - The rate of development in rural and resource areas should be in accordance with adopted Countywide Planning Policies stating that urban areas should accommodate 80 percent of new population growth, with the remaining 20 percent locating in non-urban areas. Monitor the pace of development in conjunction with the maintenance of data describing the inventory of available buildable land.*

**Response:** The proposed amendments to the CPPs, SCCP and development regulations are necessary to address the growth trends and associated impacts that are discussed in Question 2 of this application. The UGAs are growing at the same rate as the rural area, which is not consistent with the target of 80% of new growth in urban areas as required by the CPPs and SCCP. This is resulting in population growth in the rural area that will significantly exceed the 2036 population target.

The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to manage forecasted growth in the rural area above the 2036 population target, the proposed amendments would create the new population reserve. Since the population reserve does not increase the total population forecast for the County as a whole, it must come from the existing urban allocation, the existing rural allocation, or a combination of the two. In no case does it increase the population allocation for the rural area. The population reserve could be allocated to a new FCC through a future Comprehensive Plan Amendment. Immediately upon approval of a future new FCC, an urban growth area is established encompassing the project, and it would fully comply with all of the SCCP goals and policies regarding urban growth and preservation of rural areas.

The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC to reduce development in the rural areas to the 2036 population target. These actions are consistent with, and would allow substantive implementation of, the goals and policies of the Rural Element.

## **Chapter 7: Housing Element**

*Goal 7A, Housing Quantity – Ensure that the supply of housing and sufficient land capacity keep pace with population growth in the County.*

*Policy 7A-1.1 - Work with housing producers and stakeholders in urban and rural areas to apply creative solutions to infill and development using techniques such as attached dwelling units, co-housing, home-sharing, accessory dwelling units, clustering, planned unit developments and lot size averaging, consistent with the community’s vision for urban growth areas and rural character.*

*Policy 7A-1.4 - Ensure zoning and subdivision regulations provide for the efficient use of lands for residential development where appropriate to increase available land supply and opportunities for affordable housing to match the demographic and economic housing needs of the County’s current and projected population.*

*Policy 7B-1.3 - Establish development standards and design guidelines for Urban Growth Areas, Rural Villages, and large CaRD developments, to promote efficient, pedestrian friendly, and attractive communities.*

*Goal 7C, Housing Distribution and Accessibility - Strive to ensure that a variety of housing types,*

*densities, and values can be produced in the rural area, Urban Growth Areas, and Rural Villages appropriate to the character of the individual communities. Additionally, ensure sufficient infrastructure capacity is available to accommodate growth and provide housing opportunities for all economic segments of the population.*

*Policy 7C-1.1 Allow mixed residential and commercial uses in Urban Growth Areas and Rural Village commercial districts to promote housing affordability and availability.*

Response: The proposed amendments to the CPPs, SCCP and development regulations are necessary to address the growth trends and resulting inadequate supply of affordable housing that are discussed in Question 2 of this application. Despite the signals that the housing market is sending – low vacancy rates, increased median sales prices, and increased rents – demand continues to outpace supply and housing production in Skagit County remains slow. Additional multi-family development of significant scale is imperative to solving the County’s affordable housing crisis.

An FCC will be master planned to accommodate a full range of housing types, including a sufficient supply of high density multi-family to address the county’s affordable housing needs. Because it is master planned, an FCC does not have the constraints of the existing major UGAs for accommodating larger, high density developments as infill projects. These types of projects have the internal economics to produce housing at more affordable levels and at a scale that can add sufficient supply to the housing inventory to alleviate projected shortfalls.

An FCC will provide affordable housing through the designation process and associated contractual commitments in a development agreement. Through the review and entitlement process, affordable housing requirements and procedures can be established for an FCC. This can include a range of strategies, including inclusionary zoning. Other techniques could include land dedication to regional non-profit housing developers or public-private partnerships to develop housing using the Low Income Housing Tax Credit program through the Washington State Housing Finance Commission.

The proposed amendments to the CPPs, SCCP and development regulations provide the County with a policy and procedural framework to consider taking future action to designate a new FCC to address the inadequate supply of affordable housing. These actions are consistent with, and would allow substantive implementation of, the goals and policies of the Housing Element

**11. Describe the anticipated impacts to be caused by the change, including geographic area affected and issues presented.**

There will be no impacts caused by the proposed revisions to the CPPs, SCCP and development regulations. The proposed revisions will provide the County with additional growth management tools to address the trends that are resulting in significantly higher population and development in the rural areas outside of the UGAs. The County may use these and other tools to take future action as necessary to implement and be consistent with the CWP and SCCP.

**12. Describe how adopted functional plans and Capital Facilities Plans support the change.**

The proposed amendments to the CPPs, Comprehensive Plan and development regulations are not for a specific project or permit application. No infrastructure or services are required for the proposed amendments. As such, there are no effects on adopted functional plans or Capital

Facilities Plans. Any future project-specific FCC or population would be required to evaluate consistency with adopted functional plans or Capital Facilities Plans.

**13. Describe any public review of the request that has already occurred.**

Skagit Partners applied for comprehensive plan, countywide planning policies, and comprehensive plan map amendments to allow the development of Avalon, a project-specific FCC, in 2016, 2017 and 2018. A project-specific FCC or population allocation is not proposed by these amendments and would be considered in the future based on a subsequent application pursuant to the adopted FCC project review procedures.

**EXHIBIT B:**

**Population Growth in the Skagit County UGAs and rural area: 2000 to 2018**

Data Source: Washington State Office of Financial Management ("OFM") Small Area Estimates Program ("SAEP"), Estimates of Total Population for Counties and Estimates of Total Population for Census 2010 Urban Growth Area

		Anacortes	Bayview Ridge	Burlington	Concrete	Hamilton	La Conner	Lyman	Mount Vernon	Sedro-Woolley	Swinomish	Skagit (UGAs)	Urban Percentage	Skagit (Rural)	Rural Percentage	Skagit (Total)	Skagit (Major UGAs)	
Estimated Total Population Per Calendar Year	2000	14,671	1,736	8,482	930	318	765	411	28,430	10,428	2,247	68,417	66.4%	34,562	33.6%	102,979	62,011	
	2001	14,772	1,740	8,654	922	316	776	413	28,919	10,606	2,267	69,387	66.6%	34,859	33.4%	104,246	62,952	
	2002	14,923	1,750	8,856	918	316	791	417	29,506	10,819	2,294	70,589	66.7%	35,272	33.3%	105,861	64,104	
	2003	14,957	1,746	8,988	906	313	799	417	29,860	10,948	2,303	71,238	66.8%	35,409	33.2%	106,647	64,753	
	2004	15,139	1,760	9,209	904	314	815	422	30,512	11,185	2,335	72,595	66.9%	35,899	33.1%	108,494	66,046	
	2005	15,271	1,768	9,400	898	313	828	425	31,061	11,385	2,359	73,709	67.0%	36,268	33.0%	109,977	67,118	
	2006	15,493	1,786	9,647	898	314	846	430	31,797	11,653	2,398	75,262	67.1%	36,851	32.9%	112,113	68,590	
	2007	15,664	1,798	9,864	894	314	862	434	32,431	11,885	2,428	76,575	67.2%	37,315	32.8%	113,890	69,844	
	2008	15,802	1,806	10,060	889	313	876	438	32,997	12,090	2,453	77,723	67.3%	37,699	32.7%	115,422	70,949	
	2009	15,892	1,809	10,226	881	312	887	439	33,464	12,260	2,471	78,642	67.4%	37,970	32.6%	116,612	71,843	
	2010	15,861	1,798	10,312	866	308	891	438	33,672	12,335	2,470	78,951	67.5%	37,950	32.5%	116,901	72,180	
	2011	15,943	1,795	10,342	869	307	885	440	33,863	12,363	2,472	79,279	67.5%	38,121	32.5%	117,400	72,510	
	2012	16,043	1,797	10,358	875	307	895	440	34,174	12,388	2,478	79,754	67.6%	38,196	32.4%	117,950	72,962	
	2013	16,163	1,793	10,365	870	311	890	440	34,635	12,387	2,484	80,339	67.7%	38,261	32.3%	118,600	73,551	
	2014	16,273	1,800	10,369	880	312	895	445	35,112	12,393	2,495	80,974	67.8%	38,526	32.2%	119,500	74,147	
	2015	16,394	1,817	10,420	891	312	895	445	35,490	12,481	2,521	81,666	67.7%	38,954	32.3%	120,620	74,785	
	2016	16,666	1,857	10,643	902	312	905	450	35,734	12,366	2,577	82,412	67.4%	39,858	32.6%	122,270	75,409	
	2017	16,867	1,892	10,714	910	307	925	455	36,385	12,305	2,631	83,391	67.2%	40,709	32.8%	124,100	76,271	
	2018	17,078	1,923	11,042	911	307	940	455	37,230	12,709	2,660	85,255	67.4%	41,265	32.6%	126,520	78,059	
2000 - 2018	Total Change	Population	2,407	187	2,560	-19	-10	175	44	8,800	2,281	413	16,838	0	6,703	0	23,541	16,048
		Percent	16.4%	10.8%	30.2%	-2.0%	-3.3%	22.9%	10.7%	31.0%	21.9%	18.4%	24.6%	1.4%	19.4%	-2.8%	22.9%	25.9%
	Annual Growth Rate	0.8%	0.5%	1.4%	-0.1%	-0.2%	1.1%	0.5%	1.4%	1.0%	0.9%	1.2%	0.1%	0.9%	-0.2%	1.1%	1.2%	

**EXHIBIT B:  
Population Growth in the Skagit County UGAs and rural area: 2000 to 2018**

Data Source: Washington State Office of Financial Management ("OFM") Small Area Estimates Program ("SAEP"), Estimates of Total Population for Counties and Estimates of Total Population for Census 2010 Urban Growth Area

		Anacortes	Bayview Ridge	Burlington	Concrete	Hamilton	La Conner	Lyman	Mount Vernon	Sedro-Woolley	Swinomish	Skagit (UGAs)	Urban Percentage	Skagit (Rural)	Rural Percentage	Skagit (Total)	Skagit (Major UGAs)	
2000 - 2018	Total Change	Population	2,407	187	2,560	-19	-10	175	44	8,800	2,281	413	16,838	71.5%	6,703	28.5%	23,541	16,048
		Percent	16.4%	10.8%	30.2%	-2.0%	-3.3%	22.9%	10.7%	31.0%	21.9%	18.4%	24.6%		19.4%		22.9%	25.9%
	Annual Growth Rate	0.8%	0.5%	1.4%	-0.1%	-0.2%	1.1%	0.5%	1.4%	1.0%	0.9%	1.2%		0.9%		1.1%	1.2%	
2000 - 2010	Total Change	Numeric	1,190	62	1,830	-64	-10	126	27	5,242	1,907	223	10,534	75.7%	3,388	24.3%	13,922	10,169
		Percent	8.11%	3.56%	21.58%	-6.87%	-3.04%	16.52%	6.52%	18.44%	18.29%	9.92%	15.40%		9.44%		12.83%	16.4%
	Annual Growth Rate	0.71%	0.32%	1.79%	-0.65%	-0.28%	1.40%	0.58%	1.55%	1.54%	0.86%	1.3%		0.9%		1.2%	1.4%	
2010 - 2018	Total Change	Population	1,217	125	730	45	-1	49	17	3,558	374	190	6,304	65.5%	3,315	34.5%	9,619	5,879
		Percent	7.7%	7.0%	7.1%	5.2%	-0.3%	5.5%	3.9%	10.6%	3.0%	7.7%	8.0%		8.7%		8.2%	8.1%
	Annual Growth Rate	0.8%	0.7%	0.8%	0.6%	0.0%	0.6%	0.4%	1.1%	0.3%	0.8%	0.9%		0.9%		0.9%	0.9%	
2036	2036 Total Population Target		22,293	1,883	14,272	1,193	427	1,226	605	47,403	17,069	3,416	109,787	70.6%	45,665	29.4%	155,452	101,037
	2036 Population Growth Target		5,895	72	3,808	320	114	329	162	12,434	4,555	912	28,601	80.0%	7,150	20.0%	35,751	26,692
	Remaining Population Growth 2019-2036		5,215	-40	3,230	282	120	286	150	10,173	4,360	756	24,532	84.8%	4400	15.2%	28932	22,978
	2036 Total Population Projected from 2000 - 2018 Growth Rate		19,499	2,017	14,120	856	300	1,136	503	48,156	15,574	3,051	104,801	68.8%	47,535	31.2%	152,241	97,113
	Projected from 2000 - 2018 Growth Rate		2,421	94	3,079	(55)	(7)	196	48	10,926	2,865	391	19,958	77.6%	6,270	24.4%	25,721	19,291
	Surplus/Deficit from 2036 Projection	Population	-2,794	134	-152	-337	-127	-90	-102	753	-1,495	-365	-4,986		1,870		-3,211	-3,924
		Percentage	-12.5%	7.1%	-1.1%	-28.2%	-29.8%	-7.3%	-16.9%	1.6%	-8.8%	-10.7%	-4.5%		4.1%		-2.1%	-3.9%
	2036 Total Population Projected from 2010 - 2018 Growth Rate		20,055	2,201	12,342	1,035	312	1,035	499	45,923	12,920	3,128	99,151	66.8%	49,323	33.2%	148,462	90,951
	Projected from 2010 - 2018 Growth Rate		2,977	278	1,300	124	5	95	44	8,693	211	468	14,195	64.7%	8,059	36.7%	21,942	13,180
	Surplus/Deficit from 2036 Projection	Population	-2,238	318	-1,930	-158	-115	-191	-106	-1,480	-4,149	-288	-10,636		3,658		-6,990	-10,086
Percentage		-10.0%	16.9%	-13.5%	-13.2%	-26.8%	-15.6%	-17.6%	-3.1%	-24.3%	-8.4%	-9.7%		8.0%		-4.5%	-10.0%	
Required Population Annual Growth Rate 2019 - 2036 to Reach 2036 Target		1.49%	-0.12%	1.44%	1.51%	1.85%	1.49%	1.60%	1.35%	1.65%	1.40%	1.41%		0.56%		1.15%	1.44%	
Increase/Decrease from 2000 - 2018 Annual Growth		0.69%	-0.66%	0.04%	1.62%	2.02%	0.39%	1.06%	-0.08%	0.61%	0.51%	0.25%		-0.37%		0.06%	0.23%	
Increase/Decrease from 2010 - 2018 Annual Growth		0.67%	-0.87%	0.67%	0.94%	1.88%	0.89%	1.17%	0.23%	1.32%	0.57%	0.56%		-0.37%		0.27%	0.57%	

**EXHIBIT C:  
PROPOSED AMENDMENTS TO CPP**

**1. Amend CPP 1.1 as follows:**

1.1 Urban growth shall be allowed only within cities and towns, their designated UGAs and within any non-municipal urban growth areas already characterized by urban growth, identified in the County Comprehensive Plan with a Capital Facilities Plan meeting urban standards. Urban growth may also be allowed outside of cities and towns in areas designated a fully contained community as defined by RCW 36.70A.350. Skagit County may designate and allocate population to a fully contained community from the population reserve shown in Appendix A in its sole discretion through a County Comprehensive Plan amendment. Population and employment allocations for each UGA and fully contained communities shall be consistent with those allocations shown in Appendix A.

(Underlined sections added.)

**2. Amend CPP 1.2 as follows:**

1.2 Cities and towns and their urban growth areas, and non-municipal urban growth areas and fully contained communities designated pursuant to CPP 1.1, shall include areas and densities sufficient to accommodate as a target 80% of the county's 20 year population projection.

(Underlined section added.)

**3. Amend CPP 1.3 as follows:**

1.3 Urban growth areas and fully contained communities shall provide for urban densities of mixed uses and shall direct development of neighborhoods which provide adequate and accessible urban governmental services concurrent with development. The GMA defines urban governmental services as those governmental services historically and typically delivered by cities, including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with nonurban areas.

(Underlined section added.)

**4. Amend CPP 1.4 as follows:**

1.4 Urban growth areas and fully contained communities shall include greenbelts and open space, and encourage the preservation of wildlife habitat areas.

(Underlined section added.)

**5. Amend CPP 1.7 as follows:**

1.7 The baseline for 20-year countywide population forecasts shall be the official Growth Management Act Population Projections from the State of Washington's Office of Financial Management. The Growth Management Act Technical Advisory Committee ("Planners Committee") shall recommend the process for allocating forecasted population and employment, which shall be cooperatively reviewed by the Growth Management Act Steering Committee (GMASC), consistent with the "2002 Framework Agreement." Final growth allocations will be ratified by each government's legislative body. Except for

designation and allocation of population to a fully contained community from the population reserve, tThe growth allocation process shall use the procedures in Appendix B, which calls for the following steps:

- a. Initial Growth Allocations;
- b. Reconciliation;
- c. Long Term Monitoring; and
- d. Allocation Adjustment.

(Underlined section added. ~~Strikethrough~~ section deleted.)

**6. Amend CPP 1.10 as follows:**

1.10 All growth outside the urban growth boundary and fully contained communities shall be rural in nature as defined in the Rural Element, not requiring urban governmental services, except in those limited circumstances shown to be necessary to the satisfaction of both the County and the affected city to protect basic public health, safety and the environment, and when such services are financially supportable at rural densities and do not permit urban development.

(Underlined section added.)

**7. Amend CPP 2.1 as follows:**

2.1 Contiguous and orderly development and provision of urban services to such development within urban growth boundaries and fully contained communities shall be required.

(Underlined section added.)

**8. Amend CPP 2.9 as follows:**

2.9 Urban commercial and urban industrial development, except development directly dependent on local agriculture, forestry, mining, aquatic and resource operations, and major industrial development which meets the criteria contained in RCW 36.70A.365, should be restricted to urban or urban growth areas and fully contained communities where adequate transportation networks and appropriate utility services are available.

The process to consider siting of specific major industrial developments outside of urban growth areas and fully contained communities shall follow the process included in the Memorandum of Understanding between the County and the cities for adoption of Countywide Planning Policies. Major industrial developments shall mean a master planned location for specific manufacturing, industrial, or commercial business that:

1. Requires a parcel of land so large that no suitable parcels are available within an urban growth area or a fully contained community; or
2. Is a natural resource-based industry requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent. The major industrial development shall not be for the purpose of retail commercial development or multi-tenant office park.

A major industrial development may be approved outside an urban growth area or fully contained community if the following criteria are met:

- 1 New infrastructure is provided for and/or applicable impact fees are paid;

2. Transit-oriented site planning and traffic demand management programs are implemented;
3. Buffers are provided between the major industrial development and adjacent non-urban areas;
4. Environmental protection including air and water quality has been addressed and provided for;
5. Development regulations are established to ensure that urban growth will not occur in adjacent non-urban areas;
6. Provision is made to mitigate adverse impacts on designated agricultural lands, forest lands, and mineral resource lands;
- ~~87~~. The plan for the major industrial development is consistent with the County's development regulations established for the protection of critical areas; and
- ~~98~~. An inventory of developable land has been conducted and the County has determined and entered findings that land suitable to site the major industrial development is unavailable within the urban growth area or fully contained community. Priority shall be given to applications for sites that are adjacent to or in close proximity to the urban growth areas or fully contained communities.

Final approval of an application for a major industrial development shall be considered an adopted amendment to the Comprehensive Plan adopted pursuant to RCW 36.70A.070 designating the major industrial development site on the land use map as an urban growth area. Final approval of the application shall not be considered an amendment to the Comprehensive Plan for the purposes of RCW 36.70A.130(2) and may be considered at any time.

(Underlined sections added. ~~Strikethrough~~ sections deleted.)

Note: The deleted enumeration is proposed only to correct the existing scrivener's error.)

**9. Amend CPP 2.10 as follows:**

- 2.10 Establishment or expansion of local improvement districts and special purpose taxing districts, except flood control, diking districts and other districts formed for the purpose of protecting water quality, in designated commercial forest resource lands shall be discouraged. New fully contained communities may be establish or expand local improvement districts and special purpose taxing districts during the designation process.

(Underlined sections added.)

**10. Amend CPP 4.3 as follows:**

- 4.3 The Comprehensive Plan should support innovative land use management techniques, including, but not limited to, density bonuses, cluster housing, planned unit developments, fully contained communities and the transfer of development rights.

(Underlined section added.)

**11. Amend CPP 4.7 as follows:**

4.7 Manufactured home parks shall be allowed only within fully contained communities and urban or urban growth boundary areas.

(Underlined section added.)

**12. Amend Appendix A as follows:**

<b>Table 1: 2036 Initial Growth Allocations</b>				
<b>Urban Growth Areas</b>	<b>2015 – 2036 Forecast Population Growth</b>	<b>Total 2036 Population</b>	<b>2015 – 2026 Forecast Employment Growth</b>	<b>Total 2036 Employment</b>
Anacortes	<del>5,895</del> <u>5,292</u>	<del>22,293</del> <u>21,690</u>	2,076	10,480
Burlington	<del>3,808</del> <u>3,418</u>	<del>14,272</del> <u>13,882</u>	3,516	13,412
Mount Vernon	<del>12,434</del> <u>11,162</u>	<del>47,403</del> <u>46,131</u>	4,785	21,288
Sedro-Woolley	<del>4,555</del> <u>4,089</u>	<del>17,069</del> <u>16,603</u>	4,427	9,179
Concrete	<del>320</del> <u>287</u>	<del>1,193</del> <u>1,160</u>	109	467
Hamilton	<del>114</del> <u>102</u>	<del>427</del> <u>415</u>	66	288
La Conner	<del>329</del> <u>295</u>	<del>1,226</del> <u>1,192</u>	329	1,420
Lyman	<del>162</del> <u>145</u>	<del>605</del> <u>588</u>	9	38
Bayview Ridge	<del>72</del> <u>65</u>	<del>1,883</del> <u>1,876</u>	1,799	3,455
Swinomish	<del>912</del> <u>819</u>	<del>3,416</del> <u>3,323</u>	290	1,247
<b>UGAs Subtotal</b>	<del><b>28,601</b></del> <b><u>25,674</u></b>	<del><b>109,787</b></del> <b><u>106,830</u></b>	<b>17,406</b>	<b>61,274</b>
Rural (outside UGAs)	<del>7,150</del> <u>6,418</u>	<del>45,665</del> <u>44,933</u>	1,447	9,343
Population Reserve	<u>3,658</u>	<u>3,658</u>		
<b>County Total</b>	<b>35,751</b>	<b>155,452</b>	<b>18,853</b>	<b>70,617</b>

(Underlined sections added.)

Note: Underlined and italicized sections and ~~strikethrough and italicized~~ sections are based on the methodology proposed by Skagit Partners. The population allocations to the rural area, the UGAs, or a combination of the rural area and the UGAs must be reduced by 3,658 to meet the 2036 population target of 155,452 for the County as a whole. Skagit Partners proposes to reduce the population allocations to each UGA and the rural area in an amount proportional to the 2036 population growth to

achieve the total reduction of 3,658. This methodology is proposed because it is consistent with CPP 1.2 and SCCP Policy 3A-2.2 that 80 percent of new growth should locate in urban areas. However, other methodologies to reduce the population allocations to meet the 2036 County population target of 155,452 would be acceptable to Skagit Partners. Possible other methodologies include reducing just the rural allocation, just the UGA allocations, or a proportional split between the UGA and rural allocations. The reductions can be based on the proportion of future population growth for each area, the proportion of the population shortfall based on the projections from the 2010 – 2018 growth rates, other quantitative approaches, or qualitative criteria. The final methodology to reduce the population allocation will be determined by the GMASC consistent with the process required under the 2002 Framework Agreement.

**13. Amend Appendix B, Step 4 as follows:**

4. **Allocation Adjustment:** The GMASC may consider adjustments to the population and employment growth allocations contained in Appendix A of CPPs in the years between state-required updates. The following steps shall be used:
  - a. Based on the results of the long term monitoring process, the Planners Committee shall review and recommend to the GMASC an adjustment to the population and employment allocations.
  - b. The GMASC shall review the Planners Committee recommendation to adjust growth allocations and may recommend to the Board of County Commissioners an adjustment to the population and employment allocations. Adjustments to the growth allocations shall be based on the results of the monitoring program and shall be consistent with the GMA and the CPPs.
  - c. The Board of County Commissioners shall consider the recommendation of the GMASC and may amend the CPPs with adjusted population and employment allocations for cities, UGAs, fully contained communities, and rural areas.

(Underlined section added.)

**EXHIBIT D:  
PROPOSED AMENDMENTS TO SCCP**

**1. Chapter 1, Pg. 24: Amend language under the section, Growth Forecast as follows:**

“The adopted population allocations do not include population numbers for future fully contained communities or non-municipal UGAs such as Bayview Ridge (other than a minor population allocation to Bayview Ridge reflecting existing buildable residential lots). Based on review of historical data and local knowledge, the GMA Steering Committee concluded that new non-municipal UGAs or fully contained communities should not generally be necessary to accommodate future population growth within the 20-year planning period. However, analysis of population growth trends and resulting development patterns since 2010 indicates that the rural area is growing at a rate that is faster than anticipated. When these trends are projected forward, this may result in the rural area exceeding its 2036 population forecast by 3,658. In order to maintain the established balance of urban/rural growth, a population reserve of 3,658 has been established in the adopted population allocations. The total allocations to the UGAs and rural area have been reduced by a corresponding amount of 3,658. Future amendments to the population allocations may allocate the population reserve to UGAs, a new fully contained community, or the rural area.” [Continue as written]

(Underlined section added.)

**2. Chapter 1, Pg. 27: Amend language under the Update Themes section as follows:**

“At the same time, the GMA Steering Committee concluded that projected population growth could generally be accommodated within cities and towns and their Urban Growth Areas, without need for additional residential capacity in non-municipal urban growth areas such as Bayview Ridge or new fully contained communities. However, analysis of population growth trends and resulting development patterns since 2010 indicates that the rural area is growing at a rate that is faster than anticipated. When these trends are projected forward, this may result in the rural area exceeding its 2036 population forecast by 3,658. In order to maintain the established balance of urban/rural growth, a population reserve of 3,658 has been established in the adopted population allocations. The total allocations to the UGAs and rural area have been reduced by a corresponding amount of 3,658. Future amendments to the population allocations may allocate the population reserve to UGAs, a new fully contained community, or the rural area.”

(Underlined section added.)

**3. Chapter 2, Pg. 33: Amend language in the first paragraph under the Urban Growth Areas section as follows:**

‘Most new growth in Skagit County is encouraged to locate in Urban Growth Areas. These areas include the incorporated cities and towns and unincorporated land surrounding the incorporated areas that the County has determined to be necessary and appropriate for urban growth through the year 2036. Urban Growth Areas are designated in policy 2A-1.4. Each city or town in Skagit County has an Urban Growth Area (or UGA). The UGAs for the towns of La Conner and Lyman do not extend beyond their town limits, whereas the UGAs for the other municipalities include the incorporated area—the city or town itself—as well as additional land which may be added to the corporate limits through annexation. There are also two non-municipal Urban Growth Areas: the Bayview Ridge UGA, and the Swinomish UGA. New fully contained communities (or FCCs) may

also be designated for urban growth consistent with policy 2A-1.7. Only about three percent of all land in Skagit County is designated urban.

(Underlined section added.)

**4. Chapter 2, Pg. 34: Amend language in the first paragraph under the Bayview Ridge UGA section as follows:**

Amend the first sentence to read, “The only unincorporated Urban Growth Areas that are not expected to be annexed by a city or town are the Bayview Ridge UGA, ~~and~~ the Swinomish UGA., and new fully contained communities.

(Underlined section added.)

**5. Chapter 2, Pg. 35: Add a new section following the Swinomish UGA section as follows:**

**“New Fully Contained Community**

A new fully contained community (or FCC) is a master planned development intended for urban growth that may be approved outside of the UGAs. An FCC must contain a mix of housing types, densities, services, jobs, and recreation served by urban infrastructure pursuant to the requirements of RCW 36.70A.350. Large scale residential developments are not FCCs. A new FCC is an urban development that when initially proposed is located outside a UGA. If a new FCC is approved outside a UGA by the County, a proportionate amount of the population reserve from the Skagit County 20-year population projection must be allocated to the FCC through amendment to the County Comprehensive Plan. Immediately upon approval of a new fully contained community, an urban growth area is established encompassing the project.”

(Underlined section added.)

**6. Chapter 2, Pg. 39: Amend CPP 1.1 as follows:**

“Urban growth shall be allowed only within cities and towns, their designated UGAs and within any non-municipal urban growth areas already characterized by urban growth, identified in the County Comprehensive Plan with a Capital Facilities Plan meeting urban standards. Urban growth may also be allowed outside of cities and towns in areas designated a fully contained community as defined by RCW 36.70A.350. Population and employment allocations for each UGA and fully contained community shall be consistent with those allocations shown in Appendix A. (CPP 1.1)”

(Underlined sections added.)

7. Chapter 2, Pg. 39: Amend table as follows:

Urban Growth Areas	2015 – 2036 Forecast Population Growth	Total 2036 Population	2015 – 2026 Forecast Employment Growth	Total 2036 Employment
Anacortes	<del>5,895</del> <u>5,292</u>	<del>22,293</del> <u>21,690</u>	2,076	10,480
Burlington	<del>3,808</del> <u>3,418</u>	<del>14,272</del> <u>13,882</u>	3,516	13,412
Mount Vernon	<del>12,434</del> <u>11,162</u>	<del>47,403</del> <u>46,131</u>	4,785	21,288
Sedro-Woolley	<del>4,555</del> <u>4,089</u>	<del>17,069</del> <u>16,603</u>	4,427	9,179
Concrete	<del>320</del> <u>287</u>	<del>1,193</del> <u>1,160</u>	109	467
Hamilton	<del>114</del> <u>102</u>	<del>427</del> <u>415</u>	66	288
La Conner	<del>329</del> <u>295</u>	<del>1,226</del> <u>1,192</u>	329	1,420
Lyman	<del>162</del> <u>145</u>	<del>605</del> <u>588</u>	9	38
Bayview Ridge	<del>72</del> <u>65</u>	<del>1,883</del> <u>1,876</u>	1,799	3,455
Swinomish	<del>912</del> <u>819</u>	<del>3,416</del> <u>3,323</u>	290	1,247
<b>UGAs Subtotal</b>	<del><b>28,601</b></del> <u><b>25,674</b></u>	<del><b>109,787</b></del> <u><b>106,830</b></u>	<b>17,406</b>	<b>61,274</b>
Rural (non UGA)	<del>7,150</del> <u>6,418</u>	<del>45,665</del> <u>44,933</u>	1,447	9,343
Population Reserve	<u>3,658</u>	<u>3,658</u>		
<b>County Total</b>	<b>35,751</b>	<b>155,452</b>	<b>18,853</b>	<b>70,617</b>

(Underlined sections added.)

Note: Underlined and italicized sections and ~~strikethrough and italicized~~ sections are based on the methodology proposed by Skagit Partners. The population allocations to the rural area, the UGAs, or a combination of the rural area and the UGAs must be reduced by 3,658 to meet the 2036 population target of 155,452 for the County as a whole. Skagit Partners proposes to reduce the population allocations to each UGA and the rural area in an amount proportional to the 2036 population growth to achieve the total reduction of 3,658. This methodology is proposed because it is consistent with CPP 1.2 and SCCP Policy 3A-2.2 that 80 percent of new growth should locate in urban areas. However, other methodologies to reduce the population allocations to meet the 2036 County population target of 155,452 would be acceptable to Skagit Partners. Possible other methodologies include reducing just the rural allocation, just the UGA allocations, or a proportional split between the UGA and rural allocations. The reductions can be based on the proportion of future population growth for each area, the proportion of the population shortfall based on the projections from the 2010 – 2018 growth rates,

other quantitative approaches, or qualitative criteria. The final methodology to reduce the population allocation will be determined by the GMASC consistent with the process required under the 2002 Framework Agreement.

**8. Chapter 2, Pg. 39: Amend CPP 1.2 as follows:**

“Cities and towns and their urban growth areas, and non-municipal urban growth areas and fully contained communities designated pursuant to CPP 1.1, shall include areas and densities sufficient to accommodate as a target 80% of the county's 20 year population projection. (CPP 1.2)

(Underlined section added.)

**9. Chapter 2, Pg. 39-40: Amend CPP 1.3 as follows:**

Urban growth areas and fully contained communities shall provide for urban densities of mixed uses and shall direct development of neighborhoods which provide adequate and accessible urban governmental services concurrent with development. The GMA defines urban governmental services as those governmental services historically and typically delivered by cities, including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with nonurban areas.(CPP 1.3)

(Underlined section added.)

**10. Chapter 2, Pg. 40: Amend CPP 1.4 as follows:**

Urban growth areas and fully contained communities shall include greenbelts and open space, and encourage the preservation of wildlife habitat areas. (CPP 1.4)

(Underlined section added.)

**11. Chapter 2, Pg. 40: Amend CPP 1.7 as follows:**

The baseline for 20-year countywide population forecasts shall be the official Growth Management Act Population Projections from the State of Washington’s Office of Financial Management. The Growth Management Act Technical Advisory Committee (“Planners Committee”) shall recommend the process for allocating forecasted population and employment, which shall be cooperatively reviewed by the Growth Management Act Steering Committee (GMASC), consistent with the “2002 Framework Agreement.” Final growth allocations will be ratified by each government’s legislative body. Except for designation and allocation of population to a fully contained community from the population reserve, tThe growth allocation process shall use the procedures in Appendix B, which calls for the following steps:

- a. Initial Growth Allocations;
- b. Reconciliation;
- c. Long Term Monitoring; and
- d. Allocation Adjustment. (~~proposed~~ CPP 1.7)

(Underlined section added. ~~Strikethrough~~ section deleted.)

**12. Chapter 2, Pg. 41: Amend CPP 1.10 as follows:**

“All growth outside the urban growth boundary and fully contained communities shall be rural in nature as defined in the Rural Element, not requiring urban governmental services, except in those limited circumstances shown to be necessary to the satisfaction of both the County and the affected city to protect basic public health, safety and the environment, and when such services

are financially supportable at rural densities and do not permit urban development. (CPP 1.10)”  
(Underlined section added.)

**13. Chapter 2, Pg. 41: Amend CPP 2.1 as follows:**

“Contiguous and orderly development and provision of urban services to such development within urban growth boundaries and fully contained communities shall be required. (CPP 2.1)”  
(Underlined section added.)

**14. Chapter 2, Pg. 41: Amend CPP 2.9 as follows:**

**Chapter 3, Pg. 71: Amend CPP 2.9 as follows:**

“Urban commercial and urban industrial development, except development directly dependent on local agriculture, forestry, mining, aquatic and resource operations, and major industrial development which meets the criteria contained in RCW 36.70A.365, should be restricted to urban or urban growth areas and fully contained communities where adequate transportation networks and appropriate utility services are available.

The process to consider siting of specific major industrial developments outside of urban growth areas and fully contained communities shall follow the process included in the Memorandum of Understanding between the County and the cities for adoption of Countywide Planning Policies. Major industrial developments shall mean a master planned location for specific manufacturing, industrial, or commercial business that:

1. Requires a parcel of land so large that no suitable parcels are available within an urban growth area or fully contained community; or
2. Is a natural resource-based industry requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent. The major industrial development shall not be for the purpose of retail commercial development or multi-tenant office park.

A major industrial development may be approved outside an urban growth area or fully contained community if the following criteria are met:

1. New infrastructure is provided for and/or applicable impact fees are paid;
2. Transit-oriented site planning and traffic demand management programs are implemented;
3. Buffers are provided between the major industrial development and adjacent non-urban areas;
4. Environmental protection including air and water quality has been addressed and provided for;
5. Development regulations are established to ensure that urban growth will not occur in adjacent non-urban areas;
6. Provision is made to mitigate adverse impacts on designated agricultural lands, forest lands, and mineral resource lands;
- ~~87.~~ 87. The plan for the major industrial development is consistent with the County’s development regulations established for the protection of critical areas; and
- ~~98.~~ 98. An inventory of developable land has been conducted and the County has determined and entered findings that land suitable to site the major industrial development is unavailable within the urban growth area or fully contained community. Priority shall be given to

applications for sites that are adjacent to or in close proximity to the urban growth areas or fully contained communities.

Final approval of an application for a major industrial development shall be considered an adopted amendment to the Comprehensive Plan adopted pursuant to RCW 36.70A.070 designating the major industrial development site on the land use map as an urban growth area. Final approval of the application shall not be considered an amendment to the Comprehensive Plan for the purposes of RCW 36.70A.130(2) and may be considered at any time. (CPP 2.10)”

(Underlined sections added. ~~Strikethrough~~ sections deleted.)

Note: The deleted enumeration is proposed only to correct the existing scrivener’s error.)

**15. Chapter 2, Pg. 41: Amend CPP 4.3 as follows:**

**Chapter 7, Pg. 215: Amend CPP 4.3 as follows:**

4.3 The Comprehensive Plan should support innovative land use management techniques, including, but not limited to, density bonuses, cluster housing, planned unit developments, fully contained communities and the transfer of development rights.

(Underlined section added.)

**16. Chapter 2, Pg. 43: Amend Goal 2A-1 in the Urban Growth Areas section as follows:**

**“Urban Growth Area Designation**

**Goal 2A-1:** Establish Urban Growth Areas in which urban development will be encouraged and outside of which growth can occur only if it is rural in character or within a designated Fully Contained Community.”

(Underlined section added.)

**17. Chapter 2, Pg. 45: Amend Policy 2A-1.5 in the Urban Growth Areas section as follows:**

**“Policy 2A-1.5:** Overall residential densities within Urban Growth Areas and Fully Contained Communities shall be a minimum of four (4) dwelling units per net acre, when urban services are provided. “Net density” is what results when only the area of the residential lots is counted, not roads, open spaces, drainage facilities, or other site uses that are not residential.”

(Underlined section added.)

**18. Chapter 2, Pg. 46: Add a new policy 2A-1.7 in the Urban Growth Areas as follows:**

**“Policy 2A-1.7:** The County may establish a new Fully Contained Community within the rural area, as provided for by the GMA. Future amendments to the Countywide Planning Policies and the Comprehensive Plan should consider a new Fully Contained Community as an option to accommodate population growth and to allocate population reserve.”

(Underlined section added.)

**19. Chapter 2, Pg. 56: Amend Policy 2G-1.2 in the Land Division as follows:**

**“Policy 2G-1.2:** Planned Unit Developments and Planned Residential Developments shall be allowed only in Urban Growth Areas and Fully Contained Communities where public services and utilities are available or will be provided concurrent with development.”

(Underlined section added.)

**20. Chapter 3, Pg. 60: Amend the Table of Contents as follows:**

“Commercial and Industrial Uses Outside UGAs and FCCs ..... 64”

(Underlined section added.)

**21. Chapter 3, Pg. 64: Amend the Commercial and Industrial Use Outside UGAs section as follows:**

“**Commercial and Industrial Uses Outside UGAs and FCCs**”

(Underlined section added.)

**22. Chapter 7, Pg. 216: Amend CPP 4.7 as follows:**

4.7 Manufactured home parks shall be allowed only within fully contained communities and urban or urban growth boundary areas.

(Underlined section added.)

**23. Chapter 7, Pg. 217: Add a new Policy 7A-1.9 in the Affordable Housing section as follows:**

“**Policy 7A-1.9:** Require new Fully Contained Communities to provide a proportional share of affordable and attainable housing through flexible and innovative methods as part of the designation and approval process.”

(Underlined section added.)

**24. Chapter 7, Pg. 217: Amend Goal 7C and Policy 7C-1.1 in the Housing Distribution and Accessibility section as follows:**

“**Goal 7C:** Strive to ensure that a variety of housing types, densities, and values can be produced in the rural area, Urban Growth Areas, Fully Contained Communities and Rural Villages appropriate to the character of the individual communities. Additionally, ensure sufficient infrastructure capacity is available to accommodate growth and provide housing opportunities for all economic segments of the population.

**Policy 7C-1.1:** Allow mixed residential and commercial uses in Urban Growth Areas, Fully Contained Communities and Rural Village commercial districts to promote housing affordability and availability.”

(Underlined section added.)

**25. Chapter 8, Pg. 245: Amend Policy 8A-3.4 in the Public Transportation Coordination section to read:**

“**Policy 8A-3.4:** Encourage public transportation services to serve cities, towns, Fully Contained Communities, and Rural Villages, and to link with systems in adjoining counties, when financially feasible and supported by the public.”

(Underlined section added.)

**26. Appendix A, Pg. 342: Add a new acronym to the Acronyms section as follows:**

“**FCC** fully contained community”

(Underlined section added.)

27. **Appendix A, Pg. 353: Add a new definition to the Definitions section as follows:**

**“Fully Contained Community**

A fully contained community is a development proposed for location outside of the existing designated Urban Growth Areas which is characterized by urban densities, uses, services and infrastructure and meets the criteria of RCW 36.70A.350 and the Comprehensive Plan. New fully contained communities must be allocated a portion of the County’s population reserve in an amount proportionate to the community’s expected population.”

(Underlined section added.)

**EXHIBIT E:  
PROPOSED AMENDMENTS TO DEVELOPMENT REGULATIONS**

**NEW CHAPTER 14.22  
NEW FULLY CONTAINED COMMUNITY**

**14.22.010 Purpose and Definition**

A fully contained community is a master planned development intended for urban growth. A fully contained community must contain a mix of housing types, densities, services, jobs, and recreation pursuant to the requirements of RCW 36.70A.350. A new fully contained community is an urban development that when initially proposed is located outside an urban growth area. If a new fully contained community is approved outside an urban growth area, a proportionate amount of the population reserve from the Skagit County 20-year population projection shall be allocated to the fully contained community through amendment to the Comprehensive Plan. Immediately upon approval of a new fully contained community, an urban growth area is established encompassing the project.

**14.22.020 Review of New Fully Contained Communities**

- (1) A new fully contained community may be approved if the following criteria are met. The criteria may be met through conditions in a new fully contained community permit or an approved development agreement ensuring that:
  - (a) New urban infrastructure is provided for and impact fees are established consistent with the requirements of RCW 82.02.050;
  - (b) Transit-oriented site planning and traffic demand management programs are implemented;
  - (c) Buffers are provided between the new fully contained communities and adjacent urban development;
  - (d) A mix of uses is provided to offer jobs, housing, and services to the residents of the new community;
  - (e) Affordable housing is provided within the new community for a broad range of income levels, including income restricted housing;
  - (f) Environmental protection has been addressed and provided for;
  - (g) Development regulations are established to ensure urban growth will not occur in adjacent nonurban areas;
  - (h) Provision is made to mitigate impacts on designated agricultural lands, forest lands, and mineral resource lands, where appropriate;
  - (i) The plan for the new fully contained community is consistent with the development regulations established for the protection of critical areas by the county pursuant to RCW 36.70A.170; and
  - (j) The plan for the fully contained community is consistent with the Comprehensive Plan.
  
- (2) The proposed new fully contained community shall be within an area identified for such use in the Comprehensive Plan. A portion of the 20-year population forecast for Skagit County shall be allocated to the new fully contained community through amendment to the Comprehensive Plan prior to final approval. Final approval of an application for a new fully contained community shall be considered an adopted amendment to the Comprehensive Plan designating the new fully contained community as an urban growth area.

#### **14.22.030 Permitted Uses, Development Standards and Review Procedures**

Specific permitted uses in the new fully contained community shall be established through an approved development agreement, pursuant to SCC 14.22.050(1), which shall become the development code for the property, identifying uses, standards, and review procedures for project approval within the fully contained community, consistent with this chapter.

#### **14.22.040 Formal site-specific Comprehensive Plan amendment process**

A new fully contained community shall require site-specific amendment of the Comprehensive Plan Land Use Map to a Fully Contained Community land use designation, pursuant to the requirements of SCC 14.08.020. The Comprehensive Plan amendment may be processed by the County prior to or concurrent with an application for a fully contained community submitted pursuant to SCC 14.22.050.

#### **14.22.050 Application and Approval**

Proposals for development in a designated fully contained community shall be in the form of a complete application form provided by Planning and Development Services, with supporting documents as required below that contains sufficient information to determine compliance with adopted rules and regulations as outlined in Title 14 of the Skagit County Code, including the information listed below.

- (1) A registered engineer or a registered land surveyor shall prepare all required maps and legal descriptions. Maps and other documents shall be provided which contain the following information.
  - (a) The name and address of the owner or owners of the property to be planned, the developer, and the registered engineer or land surveyor preparing required maps.
  - (b) The legal description of the boundaries of property to be developed including all separate ownerships with the development area.
  - (c) A map or series of maps at a scale directed by the Planning Director showing:
    - (i) Boundaries of the designated fully contained community including depiction of the Section, Township, and Range;
    - (ii) Total acreage of the designated fully contained community and acreage of individual phases;
    - (iii) Boundaries of individual ownerships;
    - (iv) The date, scale (written and graphic), and a north arrow;
    - (v) Topographic contours at 5-foot intervals or as otherwise specified;
    - (vi) Scale shall be provided suitable to the size of the fully contained community and provide a clear illustration of proposed development activity and proposed land uses and structures;
    - (vii) Proposed location and dimensions of all open space or parks;
    - (viii) A vicinity sketch at a minimum scale of 2 inches = 1 mile;
    - (ix) Dedicated rights-of-way or easements over, across, and under the property;
    - (x) Existing and known proposed roads, highways, and driveways located on or abutting the site and within one-half mile of the site;
    - (xi) Property ownerships within one-half mile of the site;
    - (xii) Wells within the development area or within 1,000 feet of the boundary of the site, which are uses for domestic use and are identified through well log or water right

- records;
  - (xiii) A general identification and location of all critical areas on the site or within 1,000 feet of the site and the specific identification of all Type 1, 2, and 3 streams under WDF&W criteria, any streams or water bodies subject to jurisdiction under Chapter 90.58 RCW, the State Shoreline Management Act, and any floodway or floodplain lines;
  - (xiv) Location of existing land uses and activities, significant natural features and amenities, and vegetation types;
  - (xv) A land use plan showing proposed land use categories and areas, circulation, critical area buffers and open space.
- (2) A phasing plan which shows the proposed phases for development and how the phases are designed to assure the overall coordinated development of the site and its integration into the surrounding community, along with the proposed timetable for completion of each phase.
  - (3) A description and map showing the specific uses allowed in the new fully contained community.
  - (4) An environmental checklist or a request to proceed directly to scoping under SEPA. Any environmental review shall provide special studies as directed by the Planning Director, which address:
    - (a) On-site and off-site critical areas, issues, protection, and mitigation.
    - (b) Transportation. Present facilities and upgrades, new facilities and phasing, and on-site and off-site impact and mitigation required.
    - (c) Water, wastewater, stormwater facilities in place, facilities necessary to serve the new development by phase, and potential impact on off-site facilities, critical areas, or water resources.
  - (5) A descriptive narrative detailing the principles and standards used to develop the new fully contained community. Such text shall address how the proposal complies with Comprehensive Plan, the criteria established in Chapter 14.22 SCC, and RCW 36.70A.350.
  - (6) A draft development agreement that includes a development code for the fully contained community, identifying uses, standards, and procedures for project approval.

#### **14.22.060 Approval Process**

- (1) A new fully contained community shall require a Level III approval pursuant to SCC 14.06.050(1)(c). Approval shall be in the form of a development agreement pursuant to Chapter 14.14 SCC Development Agreements, and RCW 36.70B.170 through 36.70B.210.
- (2) Final approval of an application for a new fully contained community shall be considered an adopted amendment to the Comprehensive Plan designating the new fully contained community as an urban growth area.

#### **14.22.070 Modifications and amendments to Approved Fully Contained Communities**

Modifications to an approved fully contained community may be considered according to the following standards:

- (1) Minor Modifications. Minor modifications include minor changes to the timing of an approved development, minor shifting of the location of buildings, proposed streets, public ways, sewer, water, stormwater facilities, parking areas, landscaping, parks, open space or similar improvements. Minor modifications to a fully contained community shall be subject to a Level I review process.

- (2) Major Modifications. All other modifications to an adopted fully contained community, including but not necessarily limited to, uses not previously authorized in the fully contained community or a need for different or expanded facilities, shall be considered as major modifications and shall require an amendment to the fully contained community subject to a Level III review process.

#### **Amendment to SCC 14.02.050 on Vesting to Include Fully Contained Communities**

##### **14.02.050 Vesting of applications.**

- (1) An application for a building permit or land division vests at such time as a complete application is filed with Planning and Development Services and all required permit fees are paid, consistent with RCW 19.27.095(1) and 58.17.033(1). Unless vesting is modified through an approved development agreement, an application for a new fully contained community vests at such time as a complete application is filed with Planning and Development Services and all required fees are paid. An application is "complete" on the date a complete application is filed, as subsequently determined in the letter of completeness issued pursuant to SCC 14.06.100. An application vested under this Subsection is not subject to any laws or regulations which become effective after the date of vesting, except as provided below.

(Underlined section added).

#### **Amendment to SCC 14.06.050 on Permit Procedures Application Level**

##### **14.06.050 Application level.**

- (c) Level III. Level III applications are those applications that require an open record predecision hearing before the Hearing Examiner, and for which the Hearing Examiner makes only a recommendation. The Board of County Commissioners shall make the final decision after a closed record hearing.
- (i) Board of County Commissioners' variances pursuant to SCC 14.10.020(2) and 14.16.860, Agricultural land preservation.
  - (ii) Preliminary long subdivisions containing more than 50 lots, tracts or parcels on contiguous land under the same ownership pursuant to SCC Chapter 14.18.
  - (iii) Binding site plans that contain more than 50 lots, tracts, parcels or units pursuant to SCC Chapter 14.18.
  - (iv) Development agreements.
  - (v) Other recommendations as requested by the Board.
  - (vi) Regional essential public facilities per SCC 14.16.600.
  - (vii) Fully contained community.

(Underlined section added).