Memo

To: GMA Steering Committee From: Dale Pernula, AICP, Director

Date: September 8, 2015

Re: UGA Expansion Proposals for the County's 2015 Comprehensive Plan Amendments Docket

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Background

The Growth Management Act provides that "each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation" and requires Skagit County to annually accept petitions for amendments or revisions to our Comprehensive Plan policies or land use map. Skagit County implements this requirement through Skagit County Code Chapter 14.08, which describes the process for such amendments.

For the 2015 Comprehensive Plan Amendment docket, the County is considering several proposals to change various urban growth areas (UGAs):²

- 1. City of Sedro-Woolley UGA Expansion
- 2. City of Burlington UGA Expansion
- 3. Bayview Ridge UGA Expansion for Knutzen/Bouslog Parcels
- 4. Skagit Partners New Fully Contained Community at Butler Hill

¹ RCW 36.70A.130(1)(a).

² For more information, including the complete submissions, please visit the project website at www.skagitcounty.net/planning (click on "Comprehensive Plan Amendments 2015 Docket").

Pursuant to the 2002 Framework Agreement, the County must consult with the GMA Steering Committee ("GMASC") before the Board of County Commissioners can take action to docket, or not docket, a proposal to modify a UGA boundary.³

In July 2014, the GMASC approved preliminary population and employment forecasts and allocations to guide the 2016 Comprehensive Plan update process, and which will ultimately result in amendment of Countywide Planning Policy 1.1. The Department and the GMA Technical Committee ("GMATC"), composed of County and city planning directors, have both concluded that of the four UGA proposals, the Sedro-Woolley and Burlington proposals do not require allocation changes because they are consistent with the preliminary allocations approved by the GMASC in 2014.

That is not the case, in the view of both the Department and the GMATC, for either the Bayview Ridge or Butler Hill proposals. The threshold decision for the GMASC on those two proposals is whether it wants to modify the preliminary population forecast and allocations to allocate population needed to support and justify the Bayview Ridge and Butler Hill proposals. If there is no population allocation for one or the other of those proposals, they would not be supportable under the Growth Management Act and the UGA modification requirements found in Skagit County Code 14.08.020(5).

Protocol

The GMASC's decision-making process in sections 3 and 9 of the Framework Agreement is as follows:

- 1. Policy decisions, including decisions on modifying the Countywide Planning Policies (CPPs), should be arrived at by consensus.
- 2. If consensus can't be reached, then decisions shall be made by simple majority, *except* in the case of a recommendation on a CPP or CPP amendment where dispute resolution has been invoked.
- 3. Per Section 9: In the case of a dispute over a CPP issue, the disputing party or parties may invoke the dispute resolution process by providing the chairman with a written notice regarding the nature of the disagreement.
- 4. Parties shall seek to resolve any dispute through good faith efforts.
- 5. If good faith efforts don't succeed within 60 days, the disputing party may invoke non-binding Alternative Dispute Resolution procedures, including mediation as spelled out in the agreement.
- 6. If mediation doesn't result in acceptable settlement within 90 days, the GMASC is authorized to take a final binding vote following the population weighted voting procedures described in sections 3 and 9.

^{3 &}quot;2002 Framework Agreement among Skagit County, the City of Burlington, the City of Mount Vernon, the City of Anacortes, the City of Sedro-Woolley, and the Town of La Conner Regarding Coordinating Planning, Urban Services, and Countywide Planning Policies," Skagit County Contract C20020423 (November 27, 2002).

Next Steps

After the GMA Steering Committee makes a recommendation on the UGA proposals, the Department will finalize its docketing recommendation memo and release it and all the proposals for public comment. The Board of County Commissioners will hold a public hearing to allow applicants and the public to comment on the proposals and the recommendation, and the Board will decide which petitions to include in the docket at a subsequent meeting based on the adopted docketing criteria.⁴

The Board's decision to include a proposed amendment in the docket is procedural and does not constitute a decision as to whether the amendment will ultimately be approved. Similarly, a decision by the Board to exclude a petition terminates that petition without prejudice to the applicant or the proposal. The applicant may request a refund of the unused portion of any application fees, and may request the same or similar amendment be considered as part of a future amendment or review cycle.⁵

The petitions included in the docket then move forward for SEPA analysis, legal review, and subsequent review by the public, Planning Commission, and the Board through the County's public participation process.⁶

UGA Amendments That Do Not Require New Allocations

These first two proposals would not require the GMASC to modify its preliminary population or employment forecasts and allocations.

City of Sedro-Woolley: UGA Expansion

Summary

The proposal seeks to add sufficient land to the Sedro-Woolley UGA to accommodate Sedro-Woolley's projected employment and population growth over the 20-year planning horizon (2016 to 2036), as allocated by the GMA Steering Committee.

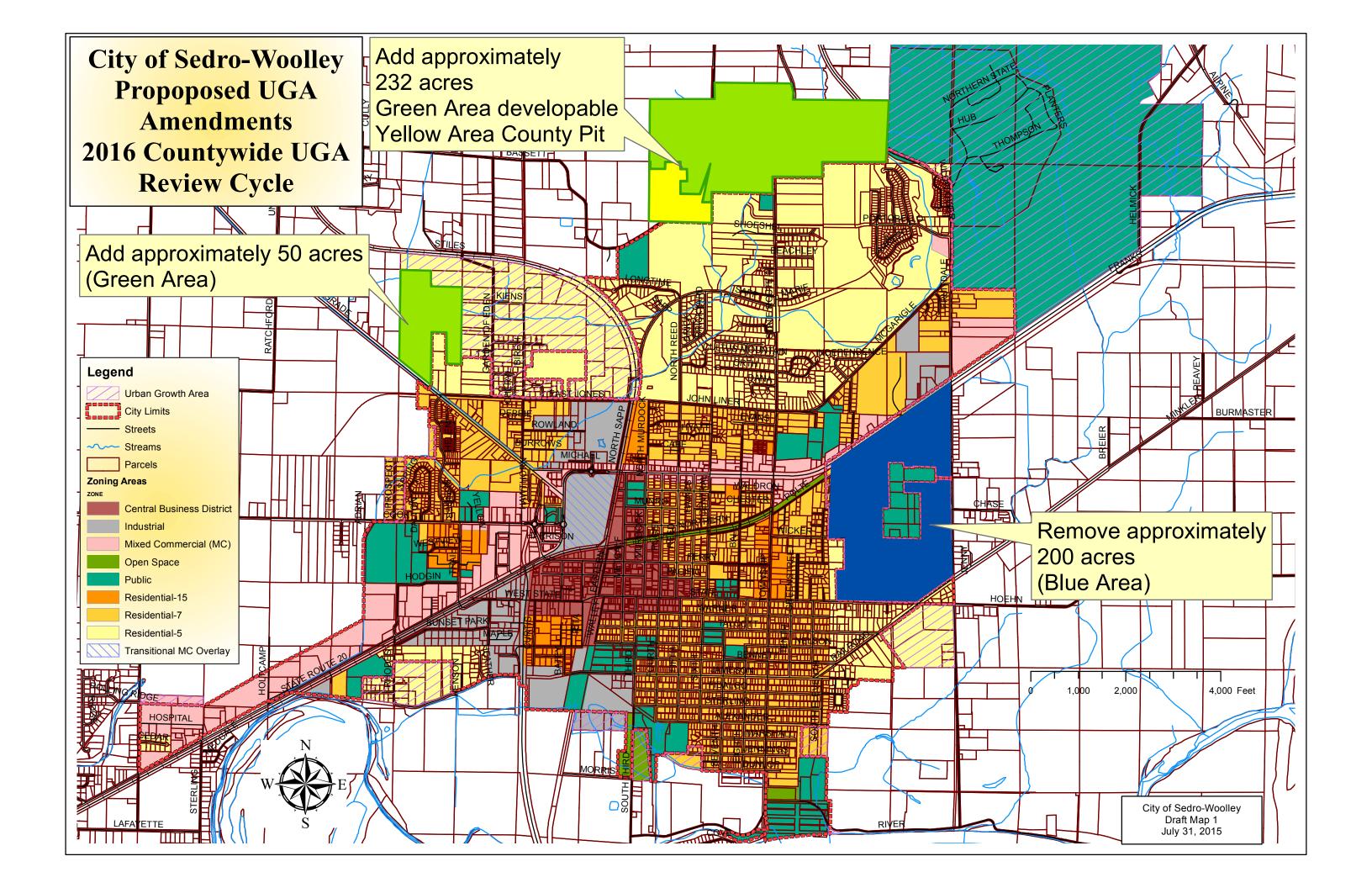
The City's proposal would potentially add as much as 282 acres of land to the UGA to accommodate these projected needs. The exact amount and location of the acres to be added would depend on policy decisions regarding the zoning and use of land currently within the city limits that still need to be made by the Sedro-Woolley City Council. The proposal would potentially remove as much as 200 acres of land currently within the city's UGA that the city believes cannot be further developed at urban densities and intensities.

Docketing the proposal would allow the County, in coordination with the City of Sedro-Woolley, and through the County's Comprehensive Plan Amendment process, to determine how much of the proposed land should be added to the UGA, how much should be removed, and how the acreages should be allocated among residential, commercial/industrial, and public uses.

⁴ SCC 14.08.030.

⁵ SCC 14.08.030(4)(a) and (b).

⁶ SCC 14.08.080-090.



The City of Sedro-Woolley has commissioned a Buildable Land & Land Capacity Analysis Report (BLA Report), prepared by E.D. Hovee & Company following the requirements of Skagit County Code, to determine how much land is available for development within city limits and if there is adequate land to accommodate the 20-year projections. The BLA Report appears to show that the City does *not* have an adequate inventory of industrial, commercial and residential land to accommodate the preliminary 20 year employment and population allocations approved by the GMASC. Specifically, the BLA Report indicates the City needs to accommodate an additional 359 jobs and 128 residents beyond what the existing UGA can accommodate.

Analysis

The Board of County Commissioners added portions of an earlier Sedro-Woolley UGA amendment proposal, PL13-0299, to the County's 2013 and 2014 Comprehensive Plan Amendment dockets. As docketed by the Board, that proposal would add to the UGA:

- Approximately 28 acres located north of the current city limits and generally west of SR 9 for residential development;
- Approximately 11 acres of city-owned land in the southern portion of the city for use as a city drainage facility; and
- Approximately 4.3 acres of city-owned land west of Janicki Fields for public use.

The County has not yet acted on that earlier proposal as it was waiting for the city's buildable lands analysis necessary for consideration of the proposed residential acreage.

With this latest UGA amendment proposal, Sedro-Woolley has provided the more detailed analysis the County needs to move forward. Most significantly, this includes submission of a buildable lands analysis that explains how the proposed UGA expansion and modification would be consistent with the City's 20-year projected population and employment allocations.

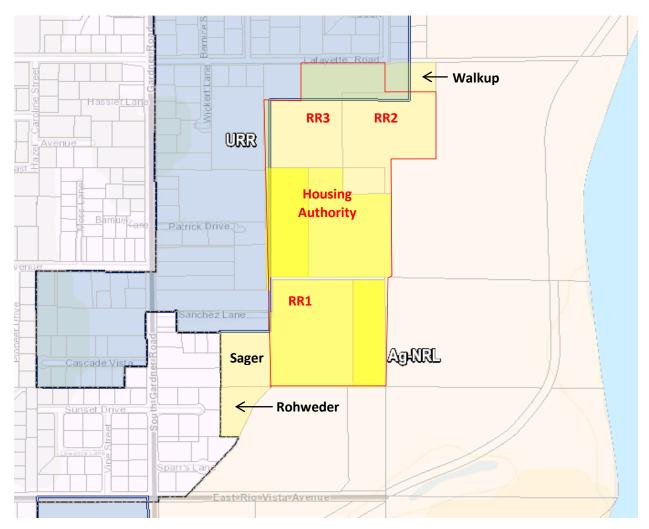
Now that the buildable lands analysis is available, the Department recommends including both the current amendment proposal in the docket, along with those portions of the City's earlier UGA amendment proposal that the Board included in the 2014 docket, for concurrent consideration.

City of Burlington: UGA Expansion

The County has proposed expanding the Burlington UGA to take in the adjacent properties owned by the Skagit Housing Authority known as Raspberry Ridge bounded on the west by Gardner Road and the north by Lafayette Road (see map). To form a logical boundary, two southern parcels, owned by the Sagers (2.1 acres) and Rohweders (1.4 acres), and one northern parcel that is currently bisected by the UGA boundary (0.6 acres), might also be included.

The two existing Raspberry Ridge multifamily housing developments are served by septic systems. The State Department of Health sent a letter in January 2012 to the Housing Authority expressing its determination that the repeated failures of the septic systems and the poor soil conditions made it unlikely the systems could be permanently repaired and declaring it "necessary for RR1 and RR2 to connect to the Burlington sanitary sewer system to protect basic public health and safety and the environment." City officials have also expressed concern that river floods could sweep effluent outside the property boundaries.

The Housing Authority is currently pursuing a phase three housing development, and has secured an appropriation of \$625,000 from the State Legislature to extend sewer to these three projects. In order for the Housing Authority to use the appropriation, it must build phase three; in order for the City of Burlington to connect phase three to sewer, phase three needs to be inside the UGA.



Map of Proposed Burlington UGA Expansion; affected parcels in yellow highlight

Burlington staff and the mayor have expressed support for the UGA expansion; the City Council has begun considering it but has not yet endorsed it. Because the property is largely already developed, the proposal is consistent with the preliminary population allocation provided to the City of Burlington by the GMASC in 2014.

UGA Amendments That Require New Allocations

The following two proposals would require the GMASC to modify its population forecast or allocations, or both.

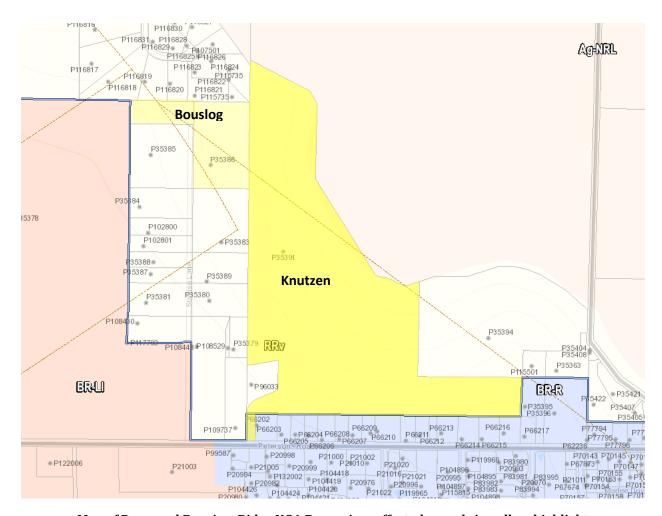
Bayview Ridge Expansion of Residential for Knutzen/Bouslog Parcels

Summary

The Board of County Commissioners has directed the Department to add expansion of the Bayview Ridge UGA to include parcel P35391, a 60-acre parcel owned by Knutzen Properties LP, to the list of proposals considered for docketing.

Since the Department received that direction from the Board, John Bouslog also indicated that if the Knutzen property is to be included, he would want the 6.78-acre parcel P35386, plus the 2-acre leg at the end of Sunrise Lane (a total of approximately 8.9 acres), to also be designated residential.

If the County also included all the other parcels between the Knutzen property and the existing BR-Light Industrial UGA zoning, that would be an additional 40.7 acres.



Map of Proposed Bayview Ridge UGA Expansion; affected parcels in yellow highlight

Analysis

All of the parcels identified above were zoned Bayview Ridge Residential prior to last year, when Skagit County comprehensively revised the Bayview Ridge Subarea Plan to eliminate almost all undeveloped residential zoning from the UGA and rezone the remaining undeveloped acreage to industrial. (A small portion in the south, bounded by the Country Club, remains. The GMASC-approved preliminary allocation provides only a minimal residential allocation for Bayview Ridge (72 new residents) to accommodate for infill of existing residential zoning, with no allocation for new residential development.

Skagit Partners New Fully Contained Community at Butler Hill

Summary

This proposal would redesignate approximately 1,200 acres of land bordered by Old Highway 99 on the west, Kelleher Rd. on the south, and F&S grade road on the west, to an unincorporated urban growth area, or fully contained community ("FCC"). See the map on the following page. The land is currently zoned predominantly Rural Resource-NRL (RRc-NRL) with a Mineral Resource Overlay; as well as Rural Reserve (approximately 49 acres) and Ag-NRL (approximately 7 acres).

The GMASC preliminary approved population projection for 2036 of 155,452 does not anticipate the need for, or include any urban residential allocation for, a new urban growth area such as Butler Hill. That proposal is requesting an increase in the overall County population projection of 10,000 new residents, all of which would be allocated to Butler Hill.

Approximately 600 acres of the site would be developed for residential use as well as a school, community center, parks and trails. The remainder would remain undeveloped and in open space. The proposal seeks an increase of 10,000 people to the proposed 20-year population allocation for Skagit County (from 155,452 to 165,452), with the entire increase allocated to the proposed Avalon UGA.

Analysis

RCW 36.70A.350 provides for new fully contained communities to be developed independent from existing urban growth areas so long as:

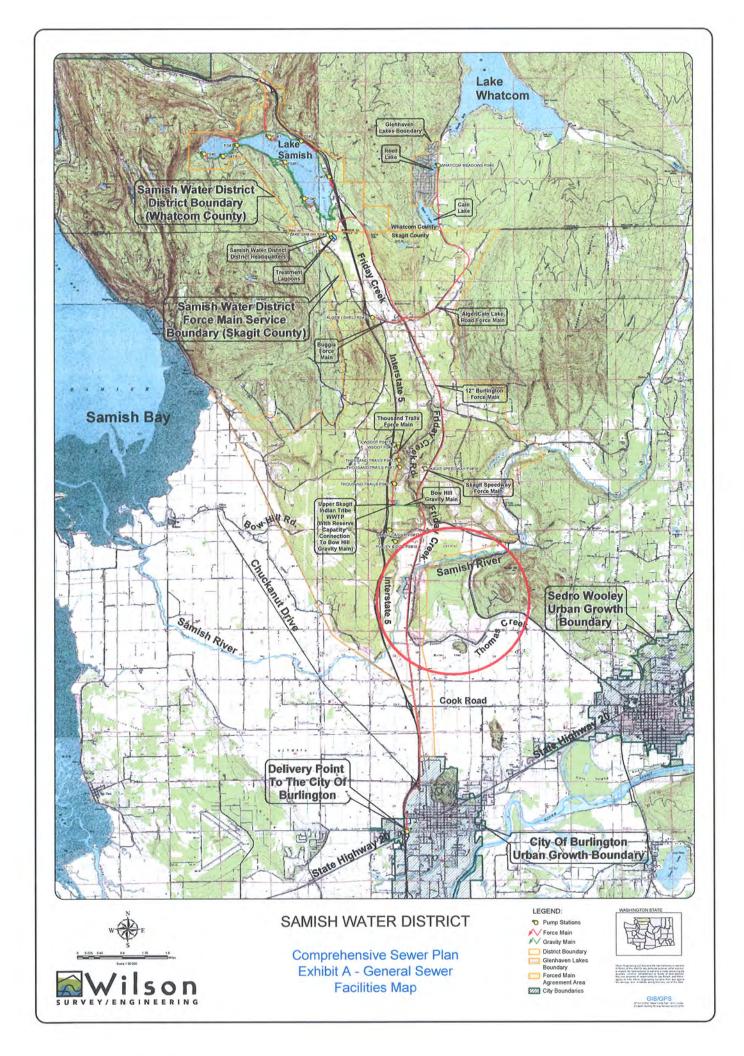
- (a) New infrastructure is provided for and impact fees are established consistent with the requirements of RCW 82.02.050;
- (b) Transit-oriented site planning and traffic demand management programs are implemented;
- (c) Buffers are provided between the new fully contained communities and adjacent 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;
- (f) Environmental protection has been addressed and provided for;

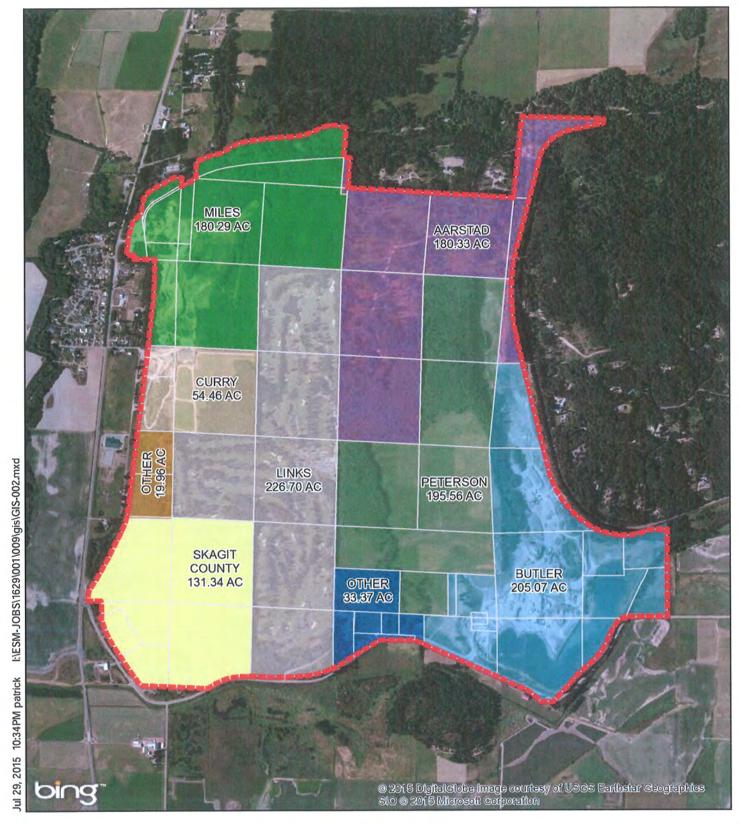
- (g) Development regulations are established to ensure urban growth will not occur in adjacent nonurban areas;
- (h) Provision is made to mitigate impacts on designated agricultural lands, forest lands, and mineral resource lands;
- (i) The plan for the new fully contained community is consistent with the development regulations established for the protection of critical areas by the county pursuant to RCW 36.70A.170.

RCW 36.70A.350 further provides that new fully contained communities may be approved outside established UGAs only if a county reserves a portion of the twenty-year population projection for FCCs. The new community reserve is then allocated on a project-by-project basis, only after specific project approval procedures have been adopted as a development regulation. Final approval of an application for a new fully contained community takes the form of an adopted amendment to the comprehensive plan designating the new fully contained community as an urban growth area.

Skagit County does not currently have any development regulations or "specific project approval procedures" to guide the allocation of a community reserve. Under the statute, such procedures would have to be developed and adopted before the County could then allocate a portion of the reserve to a new FCC.

The question before the GMASC, at this point, is whether it wants to increase the population forecast it approved last year by at least 10,000 people in order and reserve that additional forecast for the county to use toward fully contained communities.





Ownership Exhibit



Project Name: Avalon - Butler Hill Data Source: Skagit County, Bing Maps

