

Chapter 3

RURAL

INTRODUCTION

The Growth Management Act requires counties to include in their comprehensive plans:

a rural element [which includes] lands that are not designated for urban growth, agriculture, forest, or mineral resources. The rural element shall permit appropriate land uses that are compatible with the rural character of such lands and provide for a variety of rural densities and uses. It may also provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural uses not characterized by urban growth. (RCW 36.70A.070 (5))

This Element establishes broad goals and policies guiding residential, commercial, and industrial uses in unincorporated Skagit County consistent with the Growth Management Act's allowance of development in the rural area, including "limited areas of more intensive rural development."

GMA MANDATE

There are no specific GMA goals for rural growth and development. Rather, the goals for urban growth, reducing sprawl, economic development, and natural resources tend to address the rural focus indirectly. The Act does define "rural character" as being characterized by areas:

- (a) *In which open space, the natural landscape, and vegetation predominate over the built environment;*
- (b) *That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;*
- (c) *That provide visual landscapes that are traditionally found in rural areas and communities;*
- (d) *That are compatible with the use of the land by wildlife and for fish and wildlife habitat;*
- (e) *That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;*
- (f) *That generally do not require the extension of urban government services; and*

(g) *That are consistent with the protection of natural surface water flows and ground water and surface water recharge and discharge areas.*

The following Countywide Planning Policies (CPPs) provide more specific guidance for the Rural Element:

- *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 1.8)*
- *Rural development shall be allowed in areas outside of the urban growth boundaries having limited resource production values (e.g. agriculture, timber, and mineral) and having access to public services. Rural development shall have access through suitable county roads, have limited impact on agricultural, timber, mineral lands, critical areas, shorelands, historic landscapes or cultural resources and must address their drainage and ground water impacts. (CPP 2.3)*
- *Rural commercial and industrial development shall be consistent with that permitted by the Growth Management Act, specifically including RCW 36.70A.070(5)(d) and related provisions and the 1997 ESB 6094 amendments thereto. This development shall not be urban in scale or character or require the extension of urban services outside of urban growth areas, except where necessary to address an existing public health, safety or environmental problem. (CPP 2.4)*
- *Rural commercial and industrial development shall be of a scale and nature consistent and compatible with rural character and rural services, or as otherwise allowed under RCW 36.70A.070(5)(d), and may include commercial services to serve the rural population, natural resource-related industries, small scale businesses and cottage industries that provide job opportunities for rural residents, and recreation, tourism and resort development that relies on the natural environment unique to the rural area. (CPP 2.5)*
- *Priority consideration will be given to siting of new rural commercial and industrial uses in areas of existing development, including existing Rural Villages and existing Rural Centers, followed by already developed sites in the rural area, and only lastly to wholly undeveloped sites in the rural area. (CPP 2.6)*
- *Commercial areas should be aggregated in cluster form, be pedestrian oriented, provide adequate parking and be designed to accommodate public transit. Strip commercial development shall be prohibited. (CPP 2.85)*
- *...The process to consider siting of specific major industrial developments outside of urban growth areas shall follow the process included in the Memorandum of Understanding between the County and the cities for adoption of Countywide Planning Policies.... (CPP 2.69)*

Comment [A1]: CPPs 2.4, 2.5 and 2.6 are being placed in the proper numerical order with the other CPPs referenced here.

Comment [A2]: The numbering of this CPP is corrected to reflect addition of new Rural CPPs through 2005 Update

Comment [A3]: The numbering of this CPP is corrected to reflect addition of new Rural CPPs through 2005 Update.

- ~~Rural commercial and industrial development shall be consistent with that permitted by the Growth Management Act, specifically including RCW 36.70A.070(5)(d) and related provisions and the 1997 ESB 6094 amendments thereto. This development shall not be urban in scale or character or require the extension of urban services outside of urban growth areas, except where necessary to address an existing public health, safety or environmental problem.(CPP 2.4)~~
- ~~Rural commercial and industrial development shall be of a scale and nature consistent and compatible with rural character and rural services, or as otherwise allowed under RCW 36.70A.070(5)(d), and may include commercial services to serve the rural population, natural resource related industries, small scale businesses and cottage industries that provide job opportunities for rural residents, and recreation, tourism and resort development that relies on the natural environment unique to the rural area. (CPP 2.5)~~
- ~~Priority consideration will be given to siting of new rural commercial and industrial uses in areas of existing development, including existing Rural Villages and existing Rural Centers, followed by already developed sites in the rural area, and only lastly to wholly undeveloped sites in the rural area. (CPP 2.6)~~
- Comprehensive Plan provisions for the location of residential development shall be made in a manner consistent with protecting natural resource lands, aquatic resources, and critical areas. (CPP 4.6)
- Home occupations that do not significantly change or impact neighborhood character shall be permitted. (CPP 5.2)
- Economic diversity should be encouraged in rural communities where special incentives and services can be provided. (CPP 5.3)
- A diversified economic base shall be encouraged to minimize the vulnerability of the local economy to economic fluctuations. (CPP 5.5)
- Commercial, industrial and residential acreage shall be designated to meet future needs without adversely affecting natural resource lands, critical areas, and rural character and life styles. (CPP 5.6)
- Tourism, recreation and land preservation shall be promoted provided they do not conflict with the long-term commercial significance of natural resources and critical areas or rural life styles. (CPP 5.7)
- Agriculture, forestry, aquatic resources, and mineral extraction shall be encouraged both within and outside of designated resource lands. (CPP 5.8)
- Value added natural resource industries shall be encouraged. (CPP 5.12)
- The Comprehensive Plan shall support and encourage economic development and employment to provide opportunities for prosperity. (CPP 5.15)

Comment [A4]: These CPPs are moved above, in proper numerical sequence

- *Rural character shall be preserved by regulatory mechanisms through which development can occur with minimal environmental impact. (CPP 10.6)*

RURAL AREA CHARACTERISTICS

The Skagit County rural landscape is characterized by open spaces with natural vegetation; a variety of rural residential densities; farms, forests, mining, and aquatic resource areas; small unincorporated rural communities; small, isolated rural commercial and industrial developments; and regionally important recreation areas.

The Rural Area land use designations provide a variety of living environments at lower than urban densities which are compatible with farming, fishing and timber management. Rural areas preserve historic and cultural structures and landscapes, retain open spaces, protect designated natural resource lands and identified critical areas and minimize service demands and costs on county government. The following goals and policies for the rural area include general intent statements based on the above discussion as well as the more formal policies for the designation of rural land uses. Urban and resource land use goals and policies are included in the Land Use and Resource Lands Elements.

Goal A

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 Assuring~~ *economic prosperity for rural areas; and*
- (f) ~~Ensuring Assuring~~ *that appropriate and adequate rural levels of service are provided.*

Comment [A5]: Some commented during the Rural Element workshop that it is not the County's responsibility to "assure" economic prosperity

Comment [A6]: This is the County's responsibility under GMA. Ensure is the more appropriate word here than assure.

MONITORING RURAL GROWTH

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.

GOAL A 2

Provide for a variety of residential densities and business uses that maintain rural character, respect farming and forestry, buffer natural resource lands, retain open space, minimize the demand and cost of public infrastructure improvements, provide for future Urban Growth Area expansion if needed, and allow rural property owners reasonable economic opportunities for the use of their land.

Policies

- 3A-2.1** Manage development in rural areas through density requirements that protect and maintain existing rural character, natural resource lands, open space, critical areas, significant cultural resources, and water resources, and that manage traffic volumes.
- a. Consistent with State law (RCW 19.27.097), Skagit County will not issue a residential building permit unless the applicant can demonstrate they have a legal and adequate source of water, such as a water right from Washington State Department of Ecology, or a letter from an approved public water purveyor like Skagit PUD.*
- b. Skagit County should work with the state legislature, state agencies, landowners, tribes, and other affected parties to resolve the uncertainty over rural water availability and achieve a long-term solution that meets the needs of all affected parties consistent with state law.*
- 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.
- 3A-2.3** Rural residential development near designated natural resource lands shall minimize potential conflicts and not contribute to the conversion of farm and forest land to non-resource uses. Encourage techniques such as land conservation, clustering and buffering.
- 3A-2.4** Encourage rural conservation and reserve development (CaRD) land divisions through public outreach and communication with property owners and developers.
- 3A-2.5** The design of rural residential developments near urban areas should include means to further subdivide at urban densities should these developments be added to the urban area in the future, using techniques such as conservation and reserve development (CaRD) land divisions.

3A-2.6 Rural land-use designations within ¼ mile of the designated Mineral Resource Overlay shall be no greater than one dwelling unit per ten acres, except for isolated situations where higher densities, and an existing mining operation within the MRO, already exist. Where greater densities would normally be possible through a CaRD subdivision, such increase in density can be transferred to a portion of the property located outside the ¼ mile.

GOAL A 3

Assure-Ensure that public facilities, services, roads and utilities are properly planned for and provided, consistent with rural character, needs, and lifestyles.

Comment [A7]: Ensure is the proper word here rather than assure. It is the County's responsibility under GMA to ensure public facilities are properly planned for and provided.

Policies

3A-3.1 Priorities for funding public investment in rural areas shall be to maintain or upgrade existing facilities, services, and utilities to serve existing development at rural service standards. New facilities, services, roads, and utilities which support planned rural growth shall meet rural service standards.

3A-3.X Continue to work with water providers such as Skagit PUD to extend public water service in rural areas where ground water supplies are limited, with the greatest emphasis being on areas already identified as pre-existing higher density rural areas with corresponding Comprehensive Plan designations and zoning, specifically limited areas of more intensive rural development (LAMIRDs) including Rural Villages and Rural Intermediate.

Comment [A8]: This proposed policy is consistent with comments the County made to the Skagit PUD when it was updating its Water System Plan in 2008, and that the PUD subsequently incorporated into its plan.

3A-3.2 Standards and plans for structures, roads and utility systems, and other public services and facilities shall be consistent with rural densities and uses. Such facilities and services shall be designed, constructed, and provided to minimize the alteration of the landscape and the impacts to rural residents and community character, to preserve natural systems, to protect critical areas, to protect important land features such as ridgelines, to retain historic and cultural structures/landscapes, and scenic amenities.

3A-3.3 The County's public health responsibility for ensuring adequate wastewater treatment includes the determination of failing on-site septic systems, technical assistance to property owners, and actions to require necessary improvements. These services may include community plans and other strategies for creating area-wide solutions when surface waters or groundwater is threatened.

3A-3.4 On-site wastewater systems are preferred to treat and dispose of effluent in rural areas. Community on-site systems or decentralized treatment systems may be used in land divisions or to serve limited areas of more intensive rural development (LAMIRDs).

- a. The size of a community or large on-site sewage system for a designated LAMIRD shall be limited to the build-out potential of all development within the LAMIRD's designated

boundaries, unless it is also needed to address existing public health, safety or welfare issues of properties outside of the LAMIRD.

- b. The size of a community or large on-site sewage system for a land division shall be limited to the number of residential units allowed under the land division. The system may not be used for development that is not part of the proposal land division unless it is found to be needed, in the land division review process, to address existing public health, safety and welfare issues of existing development.

3A-3.5 Consistent with the Countywide Planning Policies, urban services shall not be extended into or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment.

LIMITED AREAS OF MORE INTENSIVE RURAL DEVELOPMENT

The Rural Area provides a choice of living environments and rural- and natural resource-related economic activities through a mix of large lots, conservation and reserve development (CaRD) land divisions, and limited areas of more intensive rural development. Amendments to the Growth Management Act adopted in 1997 as part of ESB 6094 established that *“the rural element may allow for limited areas of more intensive rural development...”* or LAMIRDs (RCW 36.70A.070(5)(d)). These limited areas include the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas; the intensification of development on lots containing or new development of small scale recreational or tourist uses; and the intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the rural population but that provide job opportunities for rural residents.

GOAL B

Establish certain limited areas of more intensive rural development, consistent with the Growth Management Act, to recognize historic rural residential, commercial, and industrial development patterns, and to allow certain new small-scale recreation and tourism uses and industries that provide jobs for rural residents.

3B-1.1 Skagit County has developed and applied various rural land use designations, as described below, following the GMA provisions for limited areas of more intensive rural development (LAMIRDs) in RCW 36.70A.070(5)(d).

3B-1.2 The GMA establishes three basic types of LAMIRD. The first is authorized by RCW 36.70A.070(5)(d)(i) and consists of commercial, industrial, residential, or mixed use areas that were in existence on July 1, 1990, and that are surrounded by logical outer boundaries. The Skagit County rural land use designations created and placed on the Comprehensive Plan/Zoning Map using these criteria are:

- a. Rural Village Residential.
- b. Rural Intermediate.
- c. Similk Beach LAMIRD, and other residential LAMIRDS as may need to be identified to address similar health and environmental issues.
- d. Rural Village Commercial, which must fall within the Rural Village Residential boundary.
- e. Rural Center.
- f. Rural Freeway Service.
- g. Rural Marine Industrial.
- h. Some Natural Resource Industrial designations also meet these “(d)(i)” LAMIRD requirements, but not all. New natural-resource related uses are also allowed in the rural area under GMA, provided they remain compatible with rural character and do not promote sprawl.

3B-1.3 The above land use designations provide for the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

3B-1.4 Skagit County has adopted measures to minimize and contain these existing areas or uses of more intensive rural development, as appropriate.

- a. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl.
- b. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominantly by the built environment, but that may also include undeveloped lands if limited as provided in RCW 36.70A.070(5)(d).
- c. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary the county shall address:
 - (i) the need to preserve the character of existing natural neighborhoods and communities;
 - (ii) physical boundaries such as bodies of water, streets and highways, and land forms and contours,

- (iii) the prevention of abnormally irregular boundaries, and
 - (iv) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;
- d. An existing areas or uses as described above is one that was in existence on July 1, 1990, when the Growth Management Act was adopted.

3B-1.5 The identification of the Rural Village and Rural Intermediate designations as limited areas of more intensive rural development (LAMIRD) does not by its name, label or designation automatically confer any increased development potential to these areas. The LAMIRD label is only intended to indicate that Rural Villages and Rural Intermediate areas are designated consistent with the requirements of RCW 36.70A.070(5)(d). The LAMIRD label itself does not grant any increased land uses, intensities, or densities not already allowed for in the Comprehensive Plan policies and development regulations applicable to the Rural Village Residential or Rural Intermediate designations.

3B-1.6 Two other types of LAMIRD are allowed by GMA. The County's other rural commercial and industrial designations were created and applied consistent with these other provisions. Pursuant to RCW 36.70(A).070(5)(d)(ii), the County's Small Scale Recreation and Tourism designation allows:

- a. The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development.
- b. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population.
- c. Public services and public facilities are limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl.

3B-1.7 The County's Small-Scale Business and Rural Business designations are based on a third type of LAMIRD allowed under GMA. There are distinctions between the two designations: Small-Scale Business may be applied to a new use in the rural area, whereas a Rural Business must have existed on June 1, 1997. Both designations are consistent with RCW 36.70(A).070(5)(d)(iii) which permits:

- a. The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents.

- b. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(14).

3B-1.8 The GMA provision referenced above in Policy 3B-1.6 is also the basis for the potential creation of a limited number of new Rural Centers in the Rural area. The creation of new Rural Centers is only permitted under very narrow, limited circumstances within the context of a community planning process where the creation of a center is supported by community needs. (See Policy 3C-2.17)

3B-1.9 Certain other land uses are allowed in the Rural Area. These are Master Planned Resorts and Major Industrial Developments, both of which are a type of urban use that may take place under certain circumstances in the rural area; and Open Space uses. Land use designation policies for agricultural, forest, rural resource, and mineral resource lands are included in the Natural Resource Lands Element.

Goal C

Provide for a variety of rural residential land use densities while retaining the rural landscape, character, and lifestyles.

RURAL RESIDENTIAL DESIGNATIONS

Rural Reserve, Rural Intermediate, and Rural Village Residential are the main residential land use designations in the Rural area. ~~There is also a Bayview Ridge Urban Reserve (BV-URv) designation adjacent to the Bayview Ridge Urban Growth Area to allow expansion of the Urban Growth Area in the future if necessary.~~ All lands designated Rural Intermediate and Rural Village Residential are considered to be part of a limited area of more intensive rural development (LAMIRD) as described in policy 3B-1.2 and as authorized by RCW 36.70A.070(5)(d)(i). These designations reflect areas that were generally already developed or platted at land use densities of 1 residence (or “dwelling unit”) per 2.5 acres, or greater, when the Growth Management Act was implemented in 1990. The Rural Reserve designation identifies portions of the Rural area that were not already developed at these higher densities. The Rural designation and density criteria follow:

Comment [A9]: BV-URv no longer exists due to changes to Bayview Ridge UGA and Subarea Plan

Policies

3C-1.1 Rural Reserve (RRv). The Rural Reserve designation applies to all rural areas outside of the following designations: Natural Resource Lands, Rural Intermediate, Rural Village, any of the various Rural commercial/industrial designations, Open Space of Statewide/Regional Significance, or Urban Growth Area. The maximum allowed residential gross density is 1 residence per 5 acres in conservation and reserve development (CaRD) land divisions, and 1 residence per 10 acres in standard land divisions.

3C-1.2 All lands shown as Rural Intermediate and Rural Village Residential on the Comprehensive Plan/Zoning map were designated following the criteria for limited areas of more intensive rural development, or LAMIRDs, under RCW 36.70A.070(5)(d)(i), as described in policy 3B-1.2 above.

3C-1.3 Rural Intermediate (RI). The Rural Intermediate (RI) designation applies to rural areas where the average existing and/or surrounding parcel density is predominantly more than or equal to 1 parcel per 2.5 acres or 1/256th of a section, not including any lands within a UGA. If rural lands proposed to be added to the RI designation have a density of less than 1 parcel per 2.5 acres, these lands must be included in any calculation of "average existing and/or surrounding parcel density." These RI designations are intended to balance property rights in the legally vested lots and the built environment that is reflected in certain rural areas of the County with the GMA requirements to minimize sprawl and concentrate growth in urban areas.

Areas may be considered for designation as RI by identifying clearly-contained logical boundaries that are delineated predominantly by the built environment existing on July 1, 1990, per policy 3B-1.2 above. However, in some cases, where lots were legally created since that time, but prior to adoption of the Comprehensive Plan and have either been developed, or have vested rights to develop at those densities, RI designation may be appropriate on those lots as well. Finally, as described in more detail under the Rural Study Areas policies in the Plan Implementation and Monitoring Element, some RI density may be appropriate in one or more of those study areas, but only after completion of the necessary community plan.

- a. The RI designation does not necessarily apply to every existing lot smaller than 2.5 acres in the County since, to do so, could result in a pattern of scattered and unconsolidated areas of more intense rural development.
- b. Within the Rural Intermediate designation, the minimum lot size that may be created through a land division is 2.5 acres, resulting in a maximum residential gross density of 1 dwelling unit per 2.5 acres.

3C-1.4 The purpose of the Rural Intermediate designation is to provide and protect land for residential living in a rural atmosphere, taking priority over, but not precluding, limited non-residential uses appropriate to the density and character of this designation. Long-term open space retention and critical area protection are encouraged.

3C-1.5 ~~Bayview Ridge Urban Reserve (BR-URv). The Bayview Ridge Urban Reserve designation is intended to indicate where the UGA may expand at some future date. Development regulations for the Urban Reserve area require clustering of development within designated areas outside the UGA so as not to preclude future urban residential development, and provide for a transition from rural to urban infrastructure. The maximum allowed residential gross density is 1 residence per 10 acres in a standard land division, or 1 residence per 5 acres in conservation and reserve development (CaRD) land divisions.~~

Comment [A10]: BR-URv no longer exists.

RURAL VILLAGE

Policies

3C-1.6 Rural Villages shall be located only in designated Rural areas. Rural Village designation and densities are based on existing rural residential and commercial development patterns and uses,

environmental constraints, presence of critical areas, proximity to designated natural resource lands, and adequate capacity to maintain existing rural levels of service.

3C-1.7 Rural Villages represent historical communities throughout the County with future development limited to infill within designated boundaries, as described further in policy 3B-1.2.

- a. Consider designating additional areas as Rural Village that meet the Rural Village designation criteria under the Comprehensive Plan and the Growth Management Act, and that have the same characteristics, land uses and functions as areas already designated Rural Village.

3C-1.8 The community planning process is the preferred method to determine the sizes, configurations, uses, and development potentials specific to each Rural Village. As discussed in greater detail in Chapter 12, community plans draw upon the local knowledge, experience, and preferences of community residents, provided that such is consistent with the Growth Management Act, Countywide Planning Policies, and the Comprehensive Plan.

- a. Issues appropriate for consideration through a community plan include suitable land uses within the Rural Village, community infrastructure requirements, and development standards and design guidelines to protect and retain important features valued by the community.
- b. The outer boundaries of a Rural Villages shall only be amended through a community plan or through a periodic state-mandated GMA comprehensive plan update, provided that the boundaries of the historic Rural Villages shall be defined predominantly by the built environment that existed on or before July 1, 1990.
- c. Because Rural Villages are the preferred location for commercial uses in the Rural area, the establishment of new Rural Village Commercial designations *within existing Rural Village boundaries* may occur through the annual Comprehensive Plan amendment process, and is not required to occur through a community plan.

Rural Village Density Policies

3C-1.9 Single-family residential densities for land designated as Rural Village Residential are:

- a. 1 residential dwelling unit per acre, with public water and an approved on-site septic system;
- b. 1 dwelling unit per 2.5 acres, with private water and an approved on-site septic system; or
- c. a Rural Village Community Plan may recommend smaller lot sizes, provided public sewer and water are available, and if those smaller lots are consistent with existing Rural Village development patterns and/or are appropriate to better protect critical areas, open spaces or public health and safety.

Comment [A11]: Does the Planning Commission want to propose a policy that discusses possible designation of additional areas as Rural Village that meet the Rural Village criteria and look and act like other already-designated Rural Villages? Commissioner Lohman has raised this issue in the past. The two most frequently mentioned areas are Blanchard (currently zoned Ag-NRL) and Allen (mostly zoned Rural Reserve). (In the past, when the Ag Advisory Board has been asked if areas such as Blanchard should be redesignated from Ag-NRL to something else such as Rural Village, they have advised against it.)

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3C-1.10 Subdivisions of undeveloped parcels on the east side of the Big Lake Rural Village are allowed with lot sizes of 5 acres or greater unless those parcels are divided through conservation and reserve developments (CaRD), utilize public utilities, and protect Big Lake Water quality. Prior to the adoption of a Big Lake Rural Village Plan, property that is commonly referred to as the Overlook Golf Course may be subdivided according to provisions contained in the Unified Development Code.

3C-1.11 The Board of County Commissioners will work with the Department to prioritize community planning efforts for Rural Villages and other areas of more detailed rural planning, as further discussed in the Plan Implementation and Monitoring Element.

RURAL COMMERCIAL AND INDUSTRIAL DESIGNATIONS

GOAL C 2

Support the rural economy by fostering opportunities for rural-based employment, home businesses, natural resource-related industries, and economic diversification in tourism and recreation, of an appropriate size and scale to maintain rural character

General Policies

3C-2.1 New rural commercial and industrial uses should be located principally within designated commercial areas to avoid the proliferation of commercial businesses throughout the rural area. However, certain limited commercial uses, resource-related uses, home based businesses and other non-residential uses may be permitted if carefully reviewed, conditioned and found to be compatible with rural areas. To encourage efficient use of the land, the broadest range of commercial and industrial uses should be allowed in areas already accommodating such use and development, with greater limitations placed upon such uses within areas devoted predominantly to residential use (i.e., Rural Intermediate, Rural Village Residential and Rural Reserve areas). Comprehensive Plan and Zoning designations devoted principally to commercial and industrial uses in the unincorporated portions of the county are:

- | | |
|--|---|
| a. Rural Village Commercial | f. Rural Marine Industrial |
| b. Rural Center | g. Major Industrial Developments |
| c. Rural Freeway Service | h. Master Planned Resorts |
| d. Small-Scale Recreation and Tourism | i. Small-Scale Business |
| e. Natural Resource Industrial | j. Rural Business |

- 3C-2.2** Comprehensive Plan Amendment applications to any of the rural commercial or industrial designations must meet the following criteria in order to be found consistent with the Comprehensive Plan. The proposed designation and use must:
- be consistent with the existing rural character of the area;
 - not create conflicts with surrounding agricultural, forest, and mineral resource lands and practices; and
 - provide for the protection of critical areas, frequently flooded areas, and surface water and ground water resources, including sole source aquifers.

3C-2.3 An applicant for any of the rural commercial or industrial designations available under this plan must submit, at the time of application, a development proposal that is consistent with the appropriate designation criteria, ~~and that will commence or may be phased within a specified amount of time following the property's redesignation and rezone. The time lines for commencement and phasing are specified in the development regulations. A development project that has not commenced according to the specified timeline, or those portions of a phased project that have not proceeded according to an approved phasing schedule, will lose its rural commercial or industrial designation and zoning, and will be returned to its prior designation and zone.~~

3C-2.4 Public services and public facilities necessary for rural commercial and industrial uses shall be rural in nature, limited to those necessary to serve the use, and provided in a manner that does not permit low-density sprawl. Uses may utilize urban services that previously have been made available to the site.

The following policies describe the various rural commercial and industrial designations, and provide guidance on the types and scale of permitted uses within them.

Rural Village Commercial (RVC)

- 3C-2.5** The Rural Village Commercial District provides for a range of commercial uses and services to meet the everyday needs of rural residents and natural resource industries, and to provide goods, services, and lodging for travelers and tourists to the rural area.
- 3C-2.6** Generally, there should be only one contiguous area designated Rural Village Commercial in each Rural Village. New uses should be clustered around the existing Rural Village Commercial district, unless the particular nature of the new use justifies an alternative location within the Rural Village.
- 3C-2.7** Typical uses in the Rural Village Commercial district include small retail and service businesses that primarily serve the needs of the surrounding population or support natural resource businesses and industries, art and performance galleries and studios, overnight lodging and related services for visitors to the rural area, and minor public uses.
- 3C-2.8** Maximum size limits for uses within the Rural Village Commercial district are intended to retain the rural character of the Rural Villages and are based on the size of existing commercial uses within the Rural Villages. A community plan may modify the dimensional

Comment [A12]: PDS no longer believes the timeline provision serves a useful purpose. It does not account for economic downturns and fact that the amendment/rezone process is sufficiently rigorous that map changes should be long-term.

standards for a particular Rural Village Commercial district, provided that the newly developed standards are consistent with existing commercial uses within that Rural Village.

- 3C-2.9** Land within a Rural Village may be redesignated to one of the other rural commercial or industrial designations, based on the appropriate land use designation criteria, and subject to a Rural Village community plan if one has been adopted.

Rural Center (RC)

- 3C-2.10** Rural Centers are small-scale commercial clusters at selected locations in the rural portion of the County. They are smaller in size and intensity than Rural Villages and generally serve the population residing within a 2 ½ mile radius.
- 3C-2.11** Typical uses in Rural Centers are small retail and service businesses that primarily serve the needs of the surrounding rural population and visitors to the rural area. Examples include: retail food, drug, feed, nursery, and hardware stores, specialty shops, restaurants, bed and breakfasts, service stations, and personal care services.
- 3C-2.12** Rural Centers may not include new residential uses other than business-owner or operator residences and loft living quarters over store fronts, unless such residential uses are specifically authorized through a community plan.
- 3C-2.13** Rural Centers are designated at specific, limited sites in the following areas: Allen, Birdsvie, Day Creek, Dewey Beach, East Edison, and Guemes Island.
- 3C-2.14** Rural Centers of sufficient number and size will be designated to meet existing and projected rural commercial needs for retail and service businesses serving the surrounding rural population and visitors.
- 3C-2.15** Substantial infill, development, and redevelopment shall occur within existing Rural Centers and Rural Village Commercial districts before any new Rural Centers may be designated.
- 3C-2.16** Before additional acreage may be added to an existing Rural Center, the County shall conduct an analysis of the logical outer boundaries of that Rural Center, in accordance with RCW 36.70A.070(5)(d)(iv).

Limited Number of New Rural Centers

- 3C-2.17** A limited number of new Rural Centers may be designated to meet future needs for goods and services in areas of the County not otherwise served by an existing Rural Village or Rural Center. These include the Samish Valley north of Sedro-Woolley, and certain islands likely to experience future residential development, such as Vendovi and Sinclair Islands. These have been identified as Rural Study Areas in the Plan Implementation and Monitoring Element.

In addition, as also described in more detail in the Plan Implementation and Monitoring Element, the existing Day Creek Rural Center and the Birdsvie Rural Center may be considered for possible expansion, change, or more intensive rural uses, but only after completion of the community planning effort described in that Element.

- 3C-2.18** Any new Rural Center designations shall meet the following criteria:

- a. All property to be included is located within the Rural Intermediate or Rural Reserve designations only.
- b. The commercial area existed predominantly as an area or use of more intensive commercial development on July 1, 1990.
- c. Location at the crossroads of county roads, state routes, or major arterials.
- d. The designation does not jeopardize the protection of designated critical areas, frequently flooded areas, and surface water and ground water resources, including sole source aquifers, or the conservation and productive use of designated natural resource lands.
- e. The travel distance between a new Rural Center and existing rural commercial designations is a minimum of 5 miles. This is generally the minimum distance that existing Rural Centers are located from other rural commercial designations.
- f. Proponents of new Rural Centers must demonstrate that there is sufficient surrounding population, or market demand to support the need for the Rural Center.
- g. New Rural Center designation proposals shall be supported with development plans demonstrating compatibility with surrounding rural uses and character.
- h. New Rural Centers shall be designated only after the conduct of a community plan as described in the Plan Implementation and Monitoring Element.

RURAL FREEWAY SERVICE (RFS)

GOAL C 3

Serve local rural populations and the traveling public with appropriate commercial goods and services at certain Interstate 5 interchanges already characterized by more intensive rural development.

Policies

3C-3.1 Rural Freeway Service areas provide freeway-oriented goods and services at certain Interstate 5 interchanges in Skagit County that meet the GMA definition of “limited areas of more intensive rural development” in RCW 36.70A.070(5)(d)(i). The following portions of the Bow Hill, Conway, Alger, and Cook Road interchanges are designated RFS:

- a. Conway: the approximately 1.3 acre parcel in the southeast quadrant where there was commercial development as of July 1, 1990.

- b. Bow Hill: the approximately 2.4 acre parcel at the northwest quadrant, and approximately 10 acres in the southwest quadrant that has existing urban sewer service (pre-1990) and water service.
- c. Alger: four parcels totaling approximately 5 acres in the southeast quadrant that are served by, or are prepared to be served by, water, sewer and power, and are bounded by elements of the built or natural environment which create logical boundaries to any future commercial sprawl.
- d. Cook Road: approximately nine acres at the northeast quadrant, and approximately six acres at the southeast quadrant. Both areas are surrounded by logical boundaries consisting of the built or natural environment, have paid sewer commitments dating back to the late 1970s and are served by public sewer and public water.

3C-3.2 New development at these locations is subject to development regulations and design guidelines intended to maintain the rural character of the area, and to minimize impacts to rural residential areas, resource lands, critical areas, and other sensitive natural features of the environment. Such development shall not be expanded into designated natural resource lands or create conflicts with natural resource practices.

SMALL-SCALE RECREATION AND TOURISM (SRT)

GOAL 4

Use the County's abundant recreational opportunities and scenic and natural amenities to diversify the economy of rural Skagit County by allowing small-scale recreational and tourist uses in an environmentally sensitive manner.

Policies

- 3C-4.1** The Small-Scale Recreation and Tourism designation is intended to provide opportunities for businesses that create recreational or tourist-oriented jobs for rural residents. Proponents may apply for a Comprehensive Plan/Zoning map amendment and rezone to the SRT designation and zone demonstrating that the proposed location or use:
- a. Relies on a particular rural location and setting;
 - b. Incorporates the scenic and natural features of the land; and
 - c. Would be inappropriate or infeasible in a Rural Village, Rural Center, or Urban Growth Area.

- 3C-4.2** Small-Scale Recreation and Tourism areas shall not be created from lands designated Ag-NRL or IF-NRL.
- 3C-4.3** Typical uses within small-scale recreational or tourist areas may include but are not limited to: cabins, cottages, campgrounds, recreational vehicle (RV) parks, and other forms of overnight lodging that are rural in scale; outdoor recreational equipment rental and/or guide services; outdoor recreational facilities; recreational, cultural, or religious retreats; and accessory uses such as restaurants and small retail shops. Owner or caretaker housing is also permitted. Other residential uses are not permitted.
- 3C-4.4** SRT areas and uses are limited in size and scale so as to be rural in nature and compatible with the surrounding rural area as follows:
- a. *Up to 20 acres of developable land may be located within an SRT designation. Additional land used for passive recreation purposes only may be included provided it remains substantially undeveloped*
 - b. *The maximum number of units of overnight lodging permitted within a SRT area is 35. This limit does not apply to the number of camping sites or recreational vehicle hook-ups within a campground or resort.*
- 3C-4.5** Proposed amendments to the Comprehensive Plan for new SRT designations shall include site plans as further specific in the Legislative Actions section of the Unified Development Code.

NATURAL RESOURCE INDUSTRIAL (NRI)

GOAL C5 – NRI USES

Facilitate the production of agricultural, forestry, and aquatic products by allowing related processing facilities, limited direct resource sales, and limited natural resource support services that support local natural resource activities.

Policies

- 3C-5.1** The NRI designation applies to agricultural, forestry, and aquatic industries and products. Mineral processing activities are generally guided by separate policies found in the Land Use and Resource elements of the Skagit County Comprehensive Plan.
- 3C-5.2** Permitted uses include natural resource processing facilities; wholesaling and storage of products associated with natural resources; limited direct resource sales; and limited natural resource support services.
- 3C-5.3** New Natural Resource Industrial designations may be located on lands currently in one of the other Rural designations. In certain circumstances designated Natural Resource

Lands may be redesignated to NRI, subject to the following provisions and the specific policies for each natural resource land or industry contained below.

- a. The NRI designation may generally be located on land currently in a Natural Resource Land designation for uses directly involved in the extraction, sorting, and primary processing of natural resources.
- b. NRI uses that are not directly involved in the extraction, sorting, and primary processing of natural resources should generally locate on rural lands, including in Rural Villages. These activities include support services, and certain storage and processing uses that serve natural resource industries but are not directly involved in the on-site extraction or primary processing of natural resources.
- c. NRI uses may be located in more densely populated rural areas, including Rural Villages, provided their operations do not present an unreasonable threat to the health, safety and welfare of rural residents.
- d. Development of the proposed NRI site would have minimal adverse impacts on nearby primary natural resource activities.

3C-5.4 In considering NRI designation requests, priority consideration will be given to properties that have had prior industrial activity and site improvements, but that may now be vacant or under-utilized, rather than to entirely undeveloped sites.

Policies Specific to Agriculture-NRL

3C-5.5 ~~Skagit County should designate an area (or areas) in which to concentrate agriculture related industrial uses and agricultural support services in an “agricultural industrial park.” This would allow for these services and their impacts to be concentrated, rather than dispersed throughout the rural area. Designation of an agricultural industrial park is the only instance where Ag-NRL land may be converted to a NRI designation, and only based on a finding that the agricultural sector is better served by having the land in NRI designation to permit an agricultural industrial park.~~

Comment [A13]: The Department proposes to strike this policy, which has been accomplished through the designation of abundant industrial land at Bayview Ridge (and its use by a growing number of ag industrial businesses) The existing policy contemplates the conversion of land designated Ag-NRL to ag industrial use, which is not consistent with the preservation of Ag-NRL for cultivation.

Policies Specific to Forest-NRL

3C-5.6 Certain forestry-related industrial activities are permitted outright through the Industrial Forest-NRL, Secondary Forest-NRL, and Rural Resource-NRL zoning districts and do not require a Comprehensive Plan designation to NRI.

3C-5.7 Certain forestry-related industrial activities are not permitted, or are only permitted on a temporary basis, in the Industrial Forest-NRL, Secondary Forest-NRL, and Rural Resource-NRL zoning districts. The NRI designation is an appropriate place for these uses to occur on a permanent basis.

Policies Specific to Aquatic Industries

3C-5.8 Aquatic and marine uses permitted through the NRI designation shall only be located on non-NRL designated lands.

3C-5.9 Additionally, the proposed site should be close to:

- a. the natural resource or natural resource activities it intends to serve;
- b. major transportation facilities associated with the proposed use (highway, rail, water, or air); and
- c. non-urban or existing urban services necessary for the proposed resource-related industrial use.

RURAL MARINE INDUSTRIAL (RMI)

GOAL C 6

Provide a land use designation that recognizes existing industrial facilities that are directly linked to an existing rural marine location and that serve the county's rural marine industrial needs; permits expansion of existing rural marine industrial activities that are water or shoreline dependent; and provides for limited changes of use.

Policies

3C-6.1 The Rural Marine Industrial (RMI) designation is intended to recognize existing rural marine industrial facilities and to permit expansion of existing rural marine industrial activities that are water or shoreline dependent, and to provide for limited changes of use. The term "rural marine industrial facilities" includes harbors, marinas, docks, moorages, and other existing or permitted facilities that support and enable marine industry and commerce.

3C-6.2 Areas or facilities are designated RMI based on their history of marine industrial use, or regulatory approval and related site improvements for marine industrial use, prior to July 1, 1990. The RMI-designated properties were reviewed under, and found to comply with, the GMA criteria for limited industrial areas of more intensive rural development, as outlined in policy 3B-1.2. The existing areas or facilities identified as Rural Marine Industrial areas on the Comprehensive Plan/Zoning Map, are:

- a. *Twin Bridge Marine Park, on the east side of the Swinomish Channel north of State Route 20 and Josh Green Lane.*
- b. *The former "Western Lime" property on the Swinomish Channel directly north of the Twin Bridge Marine Park.*

- c. *Property on Turner's Bay at the north end of Similk Bay, which has served historically as a marine terminal for logs and other natural resource materials, as a log storage site, and for other marine-industrial uses.*
- d. *Rozema Boat Works, located in the Bay View Rural Village, on the eastern shore of Padilla Bay.*

3C-6.3 Permitted uses within the Rural Marine Industrial designation are those that are “water and shoreline dependent or related,” and are rural in nature, as consistent with the County’s Shoreline Master Program.

MAJOR INDUSTRIAL DEVELOPMENTS (MID)

GOAL C7

Ensure adequate site opportunities for major industrial developments that have land needs that cannot be met in Urban Growth Areas.

Policies

3C-7.1 A “major industrial development” is a master planned site for a business that requires a parcel of land larger than is available in the urban growth area or is a natural resource-based use requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent. The siting of major industrial developments outside of an urban growth area shall comply with the framework agreement between the County and the Cities and the criteria contained in RCW 36.70A.365 and CPP 2.7. The major industrial development designation requires the development of additional Comprehensive Plan policies and development regulations pursuant to those criteria, before any properties may be so designated.

MASTER PLANNED RESORTS (MPR)

GOAL C8

Provide for the siting of Master Planned Resorts, consistent with the requirements of the Growth Management Act, in locations that are appropriate from both an economic and environmental perspective.

POLICIES

- 3C-8.1** Master planned resorts are self-contained and fully integrated planned unit developments, in settings of significant natural amenities, providing short-term visitor accommodations including a range of indoor or outdoor recreational facilities and visitor services.
- 3C-8.2** Master planned resorts are larger in scale, and involve greater potential impacts on the surrounding area, than uses permitted under the Small-Scale Recreation and Tourism

designation. Master planned resorts may constitute urban growth outside of urban growth areas as limited by RCW 36.70A.360 and RCW 36.70A.362.

3C-8.3

Designation of Master Planned Resorts requires amending the Comprehensive Plan and Zoning Maps, prior to, or concurrent with an application for master plan review. The comprehensive plan amendment process should evaluate all the probable significant adverse environmental impacts from the entire proposal, even if the proposal is to be developed in phases, and these impacts shall be considered in determining whether any particular location is suitable for a Master Planned Resort. Review and approvals will be conducted using the following criteria:

- a. *Development Agreements, as authorized by RCW 36.70B.170, may be used to implement these policies.*
- b. *The development and its impacts should be buffered and mitigated from the adjacent rural areas. Master Planned Resorts should be of sufficient size to mitigate the potential impacts from the development on site. Where located in a rural area, the Master Planned Resort should also be of sufficient size to screen the development and its impacts from the adjacent rural areas.*
- c. *MPRs are not allowed on designated Ag-NRL lands. Location on other Natural Resource Lands requires a County finding that the proposed site is better suited and has more long-term importance for the Master Planned Resort than for the commercial harvesting of timber or production of natural resource products, and will not adversely affect adjacent Natural Resource Land activities.*
- d. *The Master Planned Resort must be developed consistent with the County's development regulations established for critical areas and consistent with lawfully established vested rights, and approved development permits.*
- e. *The Master Planned Resort shall consist of predominantly short term visitor accommodations, with associated indoor and outdoor recreational facilities, conference facilities and commercial and professional activities that support and are integrated with the resort. In addition, permanent residential uses, including caretakers' or employees' residences and vacation home properties may be included, provided they must be integrated into the resort and consistent with the on-site recreational nature of the resort. Some goods and services for the surrounding permanent residential population may also be included.*
- f. *Where supported by historic use of the property and where such historic uses are intended to be integrated into the overall Master Planned Resort concept, commercial or industrial uses not typically associated with resort or recreational activities may be included, such as on-going natural resource industrial activities.*
- g. *Master Planned Resorts may be developed using clustering design, setbacks, and lot sizes that vary from those provided in the Rural or Natural Resource Land designations. MPR commercial facilities necessary to serve the resort may be larger than those otherwise permitted in rural commercial areas, but nevertheless limited to primarily serving the needs of the resort.*

- h. Capital facilities and services, including wastewater, water, storm water, security, fire suppression, and emergency medical provided on-site shall be limited to meeting the needs of the resort and may be provided by outside service providers, provided that the resort pays all costs associated with service extension capacity increases, or new services that are directly attributable to the resort, and provided that the nature of the facilities and services provided are adequate to meet the increased needs of the resort.*
- i. Resort traffic mitigation should not require the construction of additional traffic lanes on State routes except in the immediate vicinity of or within the boundaries of the Master Planned Resort where necessary to accommodate increased traffic and turning movements generated at the site.*
- j. The Master Planned Resort shall contain sufficient portions of the site in undeveloped open space for buffering and recreational amenities to help preserve the natural and rural character of the area.*
- k. Master Planned Resorts may be sited within or adjacent to existing Urban Growth Areas or within or adjacent to an existing area of more intense rural development, such as an existing Rural Village or an existing Rural Intermediate designation.*

SMALL-SCALE BUSINESS (SSB)

GOAL C 9

Recognize the land use needs of existing and new small-scale businesses that are beyond the size and scale of home-based businesses.

Policies

- 3C-9.1** The Small-Scale Business (SSB) designation is intended to provide for commercial or industrial uses involving the provision of services or the fabrication or production of goods, primarily for clients and markets outside of the rural area. The SSB designation may be applied to existing or new businesses, whereas the Rural Business designation applies only to businesses that were established as of June 1, 1997.
- 3C-9.2** Typical uses within the SSB zone include the small-scale production or manufacture of goods; the production, repair and servicing of specialized tools and equipment; and the provision of services, including professional, management, consulting, construction, and repair services. The business may have customers visit the site, but retail sales are limited to products primarily produced on site.
- The scale of activities within a SSB is typically greater than can be accommodated through a Home Based Business. Nothing in these policies is intended to create a presumption that the property on which a Home Based Business is located should be re-designated to SSB if that business outgrows its home-based status. There is no automatic progression from Home Based Business to Small-Scale Business.
- 3C-9.3** Caretaker residences may be located on site in a SSB.

- 3C-9.4** A Small-Scale Business may have up to 20 full-time equivalent (FTE) employees, meaning an employee that visits the business site more than two times per week, including visits solely for purposes of vehicle transfer.
- 3C-9.5** The SSB designation is consistent with the Growth Management Act’s allowance for the “intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and non-residential uses, but do provide job opportunities for rural residents.” (RCW 36.70A.070(5)(d)(iii))
- 3C-9.6** Rural policy 3C-2.1 regarding priority consideration to siting of new uses in areas of existing development, shall be applied when considering new Small Scale Business designations. A home-based business shall not be considered as an already developed site for the purposes of this policy.
- 3C-9.7** A Small-Scale Business designation should not be located on designated natural resource lands, nor create the potential for conflicts with the use of agricultural, forest, and mineral resource lands of long-term commercial significance.

HOME-BASED BUSINESS (HBB1-~~&~~, HBB2 AND HBB3)

GOAL C10

Provide opportunities for rural entrepreneurs to establish work places within their homes that are compatible with surrounding uses.

Policies

- 3C-10.1** Home-Based Businesses (HBB) are intended to provide increased rural economic opportunities by providing the ability to supplement a family income, start a business, or establish a work place at home.
- 3C-10.2** HBBs are located inside single family homes or a permitted accessory outbuilding and remain clearly incidental and secondary to the primary residential use. HBB activities may consist only of business activities that are compatible with the primary use of a property as residential or resource based. The activities must support and may not diminish rural character.
- 3C-10.3** Home-Based Business 1 (HBB1) consists of services or fabrication—a business that is carried on exclusively by residents of the household and which does not involve client or customer visits. On-premises signs are not permitted. These businesses are permitted outright. HBB1 are smaller in size than HBB2 or HBB3.
- 3C-10.4** Home-Based Business 2 (HBB2) consists of a business commercial or industrial activities involving the provision of services or fabrication or production of goods that is similar in character and compatibility with rural character as HBB1 but is larger in size. Examples

Comment [A14]: Amendments are proposed to the Home Based Business (HBB) policies to add HBB3 which exists in code but is not referenced in policy, and to ensure consistency between the policies and HBB code.

~~include but are not limited to: dressmaking, upholstering, weaving, baking, limited metal working activities, and computer software development. The HBB2 activities are carried on exclusively by residents of the household. Clients or customers may visit the site. A single small, on-premises sign is permitted. Limits on the number of employees are established in the development regulations.~~

~~**3C-10.5** Home-Based Business 3 (HBB3) are larger than HBB 1 and HBB 2. In addition to being carried out by household residents, HBB3 may also employ a small number of employees. Clients or customers may visit the site. A single small, on-premises sign is permitted.~~

~~**3C-10.56** For any type of HBB, there shall be no off-premises signs or other indications of a commercial or industrial enterprise visible off-premises, and auto and truck traffic, noise, and pollutant emissions shall not exceed that normally associated with a residential property. No outside storage is allowed.~~

~~**3C-10.67** Within resource lands of long-term commercial significance, care must be paid to protection of the primary resource activity and code requirements may limit the use in a manner to avoid conversion of resource lands and promote the primary resource-based uses. On lands of long-term commercial significance (Ag-NRL, IF-NRL, SF-NRL and RRc-NRL), HBB2 and HBB3 may be conditionally permitted only if no conversion of resource land is required to accommodate the business activity. Limitations on new structures may also be conditions. A Home Based Business 2 is only allowed on land designated Ag-NRL if it is clearly secondary and incidental to an actively managed agricultural operation.~~

RURAL BUSINESS (RB)

GOAL C11

The Rural Business designation is intended to accommodate significant commercial and industrial uses that existed as of July 1, 1997 but do not qualify for other rural commercial and industrial Comprehensive Plan designations.

~~**3C-11.1** The County in 1999—2000 conducted an extensive review of existing commercial and industrial uses in the rural area and provided a Rural Business designation to many commercial or industrial uses that were in existence as of June 1, 1997, when the County implemented its Comprehensive Plan under the Growth Management Act.~~

3C-11.2 Commercial and industrial uses not designated Rural Business or other rural commercial/industrial designation – for instance those operating under a special use permit – may apply for designation as Rural Business through the annual Comprehensive Plan amendment process.

3C-11.3 The designation shall be evaluated based on whether the use is similar in nature and location to other uses designated Rural Business; and whether the granting of the designation would be compatible with the rural character of the area, would conflict with the conduct of natural

Comment [A15]: This is narrative rather than policy; and is also discussed in the Profile where such narrative belongs.

resource activities of long-term commercial significance; and would be consistent with any adopted Community Plan for the area.

Expansion of Use

3C-11.4 All uses designated RB may expand by up to 50 percent of the existing building footprint and/or up to 50 percent of the existing outdoor working area, provided that the total expansion does not exceed a total of 1,500 square feet of gross floor area. The expansion must occur on the same lot upon which the existing use is located. The total square footage of allowable expansion is determined on a onetime basis, based on the area of use as of June 1, 1997.

3C-11.5 Uses that were established as of July 1, 1990 may expand beyond the 1,500 sq. ft. limitation with an approved Hearing Examiner Special Use Permit, subject to criteria contained in the Unified Development Code.

Change of Use

3C-11.6 Properties with a Rural Business designation may change uses provided that the new use is rural in nature and does not result in a substantial change to rural character or create substantially greater impacts on surrounding properties, critical areas, natural resource lands, and other factors as further identified in the development regulations. A change to a new use does not create a new expansion opportunity.

- a. *Changes from one use to an identical or "substantially similar" use are subject to Administrative Review only. The Administrative Official will determine if the new use is an identical or substantially similar use based on a definition contained in the development regulations.*
- b. *A Hearing Examiner special use permit is required to change from one use to another use that is determined not to be identical or substantially similar to the prior use. The Hearing Examiner shall grant a special use permit for change of use only if is determined that the change of use would not result in significantly adverse impacts or be inconsistent with an adopted community plan.*

CS 20

Comment [A16]: May need a new or revised policy to reflect proposed code amendment to allow additional expansion for natural resource related businesses designated RB. Just don't know exactly what that might look like yet.

Rural Profile

INTRODUCTION

This section provides documentation supporting the goals and policies in the Rural Element. It summarizes current conditions, describes the character of Skagit County's rural area, and provides background information on the rural land use designations. The Natural Resource Conservation Element Profile describes the County's designated Natural Resource Lands, while the Land Use Profile discusses Urban Growth Areas, Open Space areas, Public Uses, and other general land use matters.

RURAL CHARACTER

About 829,000 acres in Skagit County fall under one of the rural area designations. These lands are outside of the Urban Growth Areas and the designated Natural Resource Lands (Agriculture-NRL, Industrial and Secondary Forest-NRL, and Rural Resource-NRL). Table 2-1 on the following page shows the acreage of the various rural land use designations.

Skagit County's rural area is characterized by: large areas of relatively undeveloped land, in which natural features and vegetation predominate over the built environment; scattered unincorporated rural communities and villages; isolated rural businesses and industries; and regionally important recreation areas. The rural area land use designations provide a variety of living environments at lower than urban densities which are compatible with farming, fishing and timber management. Rural areas preserve historic and cultural structures and landscapes, retain open spaces, protect designated Natural Resource Lands and identified critical areas, and minimize service demands and costs on County government.

RURAL GROWTH AND DEVELOPMENT

In 2015~~00~~, the population of the rural area was estimated to be 38,515~~4,000~~ (including the small number of residents living on designated Natural Resource Lands). This was about one-third of the total County population. By 2036~~25~~, the rural population is expected to be about 45,665~~3,000~~, or less than 30 percent of the total. The rate of growth in the rural area should be lower than the urban rate. The Countywide Planning Policies state that over the 20-year planning period, no more than 20 percent of the County's growth should locate in the rural area. ~~Skagit County considered several methods to estimate urban/rural growth trends in the process of updating the Comprehensive Plan in 2016. Results generally show the County and cities achieved a 79% urban and 21% rural growth split over the years 2000-2010 reflecting the general success of growth management planning by the County and cities. During the period 1995-2004, the rural population increased by about 500 persons per year. As the County and cities' Comprehensive Plan policies and development regulations are implemented, this level of rural growth~~

Comment [A17]: These figures represent the most recent Census-based evaluation of urban and rural growth.

relative to urban growth is expected to decline. In addition, limitations on water rights and measures to protect critical areas and resource lands may tend to further restrict rural residential development.

Table 1: Land Use Designations and Acreage* (Source: Skagit County Mapping Services)

LAND USE DESIGNATIONS	ACREAGE
RURAL LANDS	
Rural Village Residential (RV)	2,782,791
Rural Intermediate (RI)	8,069,035
Rural Reserve (RRv)	70,740,378
Subtotal	81,591,814
RURAL COMMERCIAL/INDUSTRIAL LANDS	
Rural Business (RB)	188,186
Rural Freeway Service (RFS)	39,29
Rural Village Commercial (RVC)	27,20
Natural Resource Industrial (NRI)	18,323
Small-Scale Recreation & Tourism (SRT)	2,146
Rural Center (RC)	19
Rural Marine Industrial (RMI)	50
Small-Scale Business (SSB)	3,334
Master Planned Resort (MPR)	113
Subtotal	67,370
TOTAL	82,264,814

*Acreage figures are derived based on the best information and technology available. Accuracy may vary depending on the source of the information, changes in political boundaries or hydrological features, or the methodology used to map and calculate a particular land use.

The Rural area goals, policies, and land use designation criteria are included in the Rural Chapter, the companion document to the Rural Profile. The land use designations for the Rural Area allow for a variety of residential densities and rural- and natural resource-related businesses while protecting rural character. Several of these designations implement the Growth Management Act’s allowance of “limited areas of more intensive rural development,” or LAMIRDs, based on 1997 amendments to the Act. LAMIRDs allow greater development than is generally allowed in the rural area, provided that certain limitations are maintained to retain rural character and prevent sprawl. One category of LAMIRD recognizes areas that were already for the most part developed in 1990, when the Growth Management Act was adopted. These existing residential, commercial, or industrial areas primarily allow infill development, and must be contained within logical outer boundaries to prevent sprawl. Two other types of commercial LAMIRDs – small scale recreation and tourism uses, and isolated small scale businesses – may allow new development provided that development is contained and consistent with the surrounding rural character.

The residential land use designations in the Rural Area are:

- Rural Intermediate (RI);
- Rural Village Residential (RVR); and
- Rural Reserve (RRv); and
- ~~Bayview Ridge Urban Reserve (BR-URv).~~

All lands designated Rural Intermediate and Rural Village Residential are considered to be part of a LAMIRD that was predominantly developed by 1990 and contained by a logical outer boundary consisting of the “built environment.” The Rural Village Residential and Rural Intermediate designations reflect areas that were for the most part already developed or platted at land use densities of 1 residence per 2.5 acres, or greater, when the Growth Management Act was implemented. The Comprehensive

Plan's Rural Village Residential and Rural Intermediate designation criteria closely follow the GMA LAMIRD provisions because Skagit County was considering its 1997 Comprehensive Plan at the same time that the state legislature was developing the ESB 6094 amendments to the Growth Management Act that institutionalized the LAMIRD concept. Skagit County carefully considered the existing built environment and logical outer boundaries to its RVR and RI designations when it first mapped these areas through the 1997 Comprehensive Plan.

Some think of the LAMIRD concept as being limited to specific areas such as Similk Beach, which was designated a LAMIRD in 2002 to address a problem of failing septic systems. Skagit County clarified through the 2005 GMA Update that many of its rural designations fall into one of the three categories of LAMIRD under GMA.

In contrast to Rural Village Residential and Rural Intermediate, the Rural Reserve designation covers those portions of the rural area that were not already developed at higher densities in 1990. The Growth Management Hearings Boards have generally said that rural area densities must be one residence per five acres or lower – equating to lot sizes of five acres or larger – unless the area is designated a LAMIRD. Land designated Rural Reserve may be developed at one residence per 10 acres, or two residences per 10 acres through a Conservation and Reserve Development (CaRD), a technique for allowing development while preserving open space that is discussed in greater detail in the Land Use Chapter and Profile.

~~The Bayview Ridge Urban Reserve designation is intended to indicate where the UGA may expand at some future date. Development regulations for the Urban Reserve area require clustering of development within designated areas outside the UGA so as not to preclude future urban residential development, and provide for a transition from rural to urban infrastructure. The maximum allowed residential gross density is 1 residence per 10 acres in a standard land division, or 1 residence per 5 acres in conservation and reserve development (CaRD) land divisions.~~

The Comprehensive Plan's land use designations are implemented by regulations specific to each zone as found in the Skagit County zoning code and other development regulations.

COMMERCIAL AND INDUSTRIAL USES OUTSIDE OF UGAS

In developing its rural commercial and industrial designations 1998 - 2000, Skagit County undertook an extensive review of existing commercial and industrial uses and zoning in the rural area. The County combined this information with an analysis of the commercial, industrial, and natural resource industrial uses allowed in the rural area under the Growth Management Act, to develop the following rural commercial and industrial land use designations:

- Rural Village Commercial (RVC)
- Rural Center (RC)
- Rural Freeway Service (RFS)
- Small Scale Recreation and Tourism (SRT)
- Small Scale Business (SSB)
- Rural Business (RB)
- Natural Resource Industrial (NRI)
- Rural Marine Industrial (RMI)

Virtually all of these rural commercial or industrial designations may be categorized as a type of LAMIRD allowed under GMA. These designations are shown on the Comprehensive Plan/Zoning Map to indicate an existing use in the rural area meeting the appropriate land use designation criteria. In some cases, new rural commercial or industrial uses may be designated on the map following the map

Comment [A18]: BR-URv zone no longer exists due to changes to the Bayview Ridge UGA and Subarea Plan.

amendment process described in the Community Plans and Implementation Element. Comprehensive Plan amendment applications for new rural commercial or industrial designations require the submittal of a ~~development proposal specific business plan~~ consistent with the designation criteria for the commercial or industrial designation being requested, that will be initiated within two years of the property being redesignated. This is to avoid speculation in rural commercial/industrial land and to ensure that the County focuses its review efforts on real development proposals.

Following is a brief description of the various rural commercial and industrial land use designations. Greater detail is provided in the goals, policies, and designation criteria contained in the Rural Chapter. In some cases, detailed information has been removed from the designation policies and added to the Profile as a way to maintain the legislative history behind certain land use decisions.

Rural Village Commercial

Rural Village Commercial districts are intended to serve as the major centers of rural commercial activity in the County unincorporated area. A Rural Village Commercial district is identified for each of the 10 Rural Villages in the County (Alger, Bay View, Big Lake, Clear Lake, Conway, Edison, Lake Cavanaugh, Lake McMurray, Marblemount and Rockport). Rural Village Commercial districts may be expanded through the annual Comprehensive Plan amendment cycle or through a community plan, provided that the district remains within the boundaries of the Rural Village itself. Rural Village Commercial districts are the top priority location under the Comprehensive Plan for new commercial development in the rural area. Rural Village Commercial districts existing within Rural Villages, which are pre-existing LAMIRDs surrounded by logical outer boundaries as allowed by RCW 36.70A.070(5)(d)(i) and (iv).

Rural Center

Rural Centers are clusters of small-scale commercial uses at selected locations in the unincorporated portion of the County. In some cases they include public uses such as a fire hall or post office. Typically they are located at crossroads of County roads, state routes, or major arterials. They are smaller in size and intensity than Rural Villages, but like their larger counterparts above, Rural Centers are intended to help meet existing and future commercial needs at existing areas of commercial activity. Rural Centers are pre-existing LAMIRDs surrounded by logical outer boundaries as allowed by RCW 36.70A.070(5)(d)(i) and (iv).

Rural Freeway Service

Rural Freeway Service (RFS) areas were designated at portions of four Interstate 5 freeway interchanges in the rural area that had existing commercial development (or development commitments) as of 1990. They qualify as pre-existing LAMIRDs surrounded by logical outer boundaries as allowed by RCW 36.70A.070(5)(d)(i) and (iv). The County conducted extensive research in 1998 – 2001 to establish and verify that the properties currently designated RFS meet the GMA and Comprehensive Plan LAMIRD requirements. Each RFS-designated area underwent close scrutiny by the Western Washington Growth Management Hearings Board following appeals of those designations. Because the RFS designation recognizes areas that had existing commercial development or development commitments in 1990, Skagit County does not expect that new RFS areas will be designated.

Small Scale Recreation and Tourism

The Small-Scale Recreation and Tourism designation is intended to foster economic development and diversification that is recreational or tourist-related, that relies on a rural location and setting, and that incorporates the scenic and natural features of the land. The SRT designation is consistent with the type of LAMIRD authorized by RCW 36.70A.070(5)(d)(ii).

Natural Resource Industrial

The Natural Resource Industrial (NRI) designation is intended to support the production of agricultural, forest, and aquatic products by allowing processing facilities, limited direct resource sales, and limited

natural resource support services. Examples of typical NRI uses include saw mills, agricultural or forest industry equipment maintenance, agricultural processing plants, and seafood processing and on-site sales. Mineral processing activities are generally guided by separate policies found in the ~~Land~~-Natural Resources ~~Lands~~ Element of the Comprehensive Plan. The NRI designation provides a location for natural resource processing and support services that does not remove designated natural resource lands from production. The NRI designation may qualify as a LAMIRD under RCW 36.70A.070(5)(d)(i), if the site has been in industrial use since 1990, or under RCW 36.70A.070(5)(d)(iii), if the use is new.

Rural Marine Industrial

The Rural Marine Industrial (RMI) designation is intended to recognize existing rural marine industrial facilities, to permit expansion of existing rural marine industrial activities that are water or shoreline dependent, and to provide for limited changes of use. The term “rural marine industrial facilities” includes harbors, marinas, docks, moorages, and other existing or permitted facilities that support and enable marine industry and commerce.

Because Skagit County has significant navigable waters, and a long and continuing history of marine related commerce and industry, a rural marine industrial designation is an essential component of Skagit County’s comprehensive land use plan and its rural and natural resource-based economy.

Despite the abundance of navigable waters in Skagit County, marine access is very limited, particularly outside of Urban Growth Areas. Due to the state’s Shoreline Management Act, the siting of new marine industrial facilities would be difficult. The Rural Marine Industrial designation seeks to utilize to best advantage those existing locations in the rural area with a history of marine industrial activity or regulatory approval, and with continuing use of the property for marine industrial purposes.

The RMI-designated properties were reviewed under, and found to comply with, the GMA criteria for limited industrial areas of more intensive rural development as authorized by RCW 36.70A.070(5)(d)(i).

Small Scale Business

The Small-Scale Business (SSB) designation allows small-scale commercial or industrial activities involving the provision of services or fabrication or production of goods, primarily for clients and markets outside of the immediate rural area. The SSB designation may be applied to existing or new businesses, whereas the Rural Business designation applies only to businesses that were established as of June 1, 1997. The name of the designation was changed during the 2005 GMA Update from Cottage Industry/Small Scale Business to avoid any confusion with Home Based Business. A SSB may be substantially larger, and requires a designation on the Comprehensive Plan/Zoning map, whereas Home Based Business does not. The SSB designation is a type of LAMIRD authorized by RCW 36.70A.070(5)(d)(iii).

Rural Business

The Rural Business designation is intended to acknowledge certain significant uses in the rural area that were in existence as of June 1, 1997, when the Skagit County Comprehensive Plan was adopted, that do not match any of the other commercial and industrial Comprehensive Plan designations. The Rural Business (RB) designation provides reasonable expansion and change of use opportunities for these pre-existing rural uses. The designation is consistent with the Growth Management Act’s allowance for “the intensification of development on lots containing isolated nonresidential uses” (RCW 36.70A.070(5)(d)(iii)). The Rural Business designation may not be appropriate for all pre-existing commercial uses in the rural area, if the use is more consistent continuing to operate under a special use permit, or if the granting of a commercial designation might jeopardize the appropriate use of surrounding Natural Resource Lands.

Master Planned Resorts

Master planned resorts are self-contained and fully integrated planned unit developments, in settings of significant natural amenities, providing short-term visitor accommodations including a range of indoor or

Comment [A19]: Might require a slight tweak to reflect RB code amendment allowing greater expansion for natural resource industrial uses zoned RB.

outdoor recreational facilities and visitor services. Master planned resorts are larger in scale, and involve greater potential impacts on the surrounding area, than uses permitted under the Small-Scale Recreation and Tourism designation. Master planned resorts may constitute urban growth outside of urban growth areas as limited by RCW 36.70A.360 and RCW 36.70A.362. Designation of Master Planned Resorts requires amending the Comprehensive Plan and Zoning Maps, prior to, or concurrent with an application for master plan review. The comprehensive plan amendment process should evaluate all the probable significant adverse environmental impacts from the entire proposal, even if the proposal is to be developed in phases, and these impacts shall be considered in determining whether any particular location is suitable for a Master Planned Resort.

RURAL WATER

Pursuant to RCW 19.27.097 and RCW 58.17.110, Skagit County legally cannot issue residential building permits or approve subdivision applications unless the applicant has a lawful and adequate water supply. Typically, the applicant provides a letter of availability from a public water source such as PUD, provides demonstration of a water right, or proposes to use a permit-exempt well. Under Washington law, the State of Washington regulates water and its availability for appropriation, determining whether an applicant's proposed use of a well is lawful.

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In 2001, the State of Washington adopted an Instream Flow Rule for the Skagit River Basin, establishing minimum river and stream flows for salmon habitat. Although the 2001 Rule in draft form allocated water for rural landowners and agriculture, the published 2001 Rule failed to provide a water allocation for rural landowners or agriculture.

In 2006, the State amended the 2001 Rule in an effort to fix this problem, establishing a small allocation for rural landowners and agriculture in the Skagit River Basin and each of its tributaries (the "2006 Amendment").

In 2008, the Swinomish Indian Tribal Community ("Swinomish") filed suit against the State in an effort to invalidate the 2006 Amendment. On October 3, 2013, the Washington Supreme Court ruled in favor of Swinomish, invalidating the 2006 Amendment. *Swinomish v. State, Wa. Sup. Ct. Case No. 87672-0*.

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As a result of the Swinomish lawsuit, the State Department of Ecology provided the following guidance to Skagit County:

"Skagit County is legally required to stop issuing building permits and subdivision approvals in the Skagit Basin that rely on new wells, unless Ecology approves a plan for mitigation (or a plan for reliance on an alternative water source during times when the minimum instream flow requirements set in WAC 173-503 are not met)."

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Consistent with this, Skagit County is directing all building permit and subdivision applicants that propose to rely on new use of an exempt well within the Skagit Basin as their source of water to obtain Ecology's approval of the applicant's proposed water use prior to submittal of a permit or subdivision application to Skagit County.

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Skagit County is working with the State, PUD, and other stakeholders to ensure that rural landowners are able to utilize their land consistent with rural zoning requirements.

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