

BOARD OF ISLAND COUNTY COMMISSIONERS - SPECIAL SESSION**JOINT BOARD OF COMMISSIONERS AND PLANNING COMMISSION GMA COMP PLAN
WORKSHOP-JANUARY 8, 1998**

The Board of Island County Commissioners met in Special Session on January 8, 1998, beginning at 6:00 p.m. in Hearing Room 1, Island County Courthouse, Coupeville, Washington. The purpose of the special session was to provide an opportunity in joint workshop for the board to meet with the Planning Director and staff, Island County Planning Commission, and Keith Dearborn, to discuss planning issues and review the schedule for completion of the comprehensive plan. The specific agenda for the workshop includes; Master Planned Resorts, Fully Contained Communities, Major Industrial Districts, and Housing.

Attending today's workshop were:

Board of County Commissioners: Wm. L McDowell, Chairman, Mike Shelton, Member and Tom Shaughnessy, Member.

Planning Commission: Chairman Tom Olsen, and Commissioners Rufus Rose, Bill Vincent, Linda Moore, Jo Ann Silvers, Sheilah Crider. Commissioners Anne Pringle and Richard Hart were absent.

Consultant: Keith Dearborn, Bogle and Gates; Emil King, McConnell/Burke.

Staff: Vince Moore, Director, Planning & Community Development; Donna Keeler, Manager, Comprehensive Planning; Debby Ross. Adm. Asst. To Planning Commission.

Others Present: Approximately 21 people were in the audience.

MASTER PLANNED RESORTS

Handout: Issue Paper on Master Planned Resorts

Vince Moore reviewed the Master Planned Resorts issue paper noting the following basic issues:

- *Should Island County establish Comprehensive Plan policies and development regulations which provide for Master Planned Resorts?*
- *Should criteria in addition to the statutory language in RCW 36.70A.360 be developed for Master Planned Resort designation and project review?*
- *How should the provision for Master Planned Resorts relate to the overall vision for the County?*
- *Does the County have any existing Master Planned Resorts according to the designation criteria established in RCW 36.70A.362?*

Vince Moore noted that the development of Master Planned Resorts require considerable public infrastructure and have a significant impact on transportation facilities all of which have to be weighed against the potential economic benefits. Other potential benefits might include setting aside of certain open spaces for public use in these areas or the use of such a concept to protect the natural features of a particular area.

Linda Moore said she thought that the concept of Master Planned Resorts under RCW 36.70A.360 was a perfect example of the growth management one size fits all concept. She said that concept entails criteria that is inappropriate for an island like Whidbey particularly given our infrastructure, transportation and ground water problems. She also noted that Master Planned Resorts require really deep pockets to make them work and expressed concern for projects

that might not be completed.

Sheilah Crider pointed out that San Juan County has included the concept of Master Planned Resorts in their plan and they are far more tied to the ferry system than Island County. She said if we want to encourage the kind of tourism in which people come spend their money and leave we need to have some place for them to go.

Commissioner Shaughnessy asked Linda Moore if she had given any consideration to a size limit.

Linda Moore said size was certainly an issue and should be severely constrained.

Rufus Rose said he was favorable to including the possibility of Master Planned Resorts in the Comp. Plan. He said if the application can meet the development standards there should not be a problem.

Commissioner Shelton noted that Oregon has a rather unique concept for the siting of a destination resort. In Oregon lands eligible for resorts are identified ahead of development applications, letting developers and the public know where resorts may be located.

He noted that Island County is one of the most intensely developed county's outside of incorporated areas and as that intensity of development has increased over the last 20 or 30 years it becomes even more difficult to site a large destination resort without having the people that live in the area be in opposition to it.

He said he was not ready to include a destination resort in the Comp. Plan based upon the language that exists in the GMA. He said he concurred with Option 1 on Page 8 of the issue paper with the addition of identifying where the resorts will be sited.

PUBLIC COMMENT

Tom Burdett, City of Oak Harbor. In this Master Planned Resort issue Mr. Dearborn is going to tell you make an informed choice and to state your reason for why you are making that informed choice. If you look at the historical aspects of Island County in the book by Richard Wyatt entitled Land Use and Social Change in Island County it discusses the history of resorts in Island County even before the bridge was constructed. These fishing, boating and hunting resorts provided an escape for the urban dwellers in Seattle to come to Island County.

Tourism has assisted in the local economy and become a very important part of Island County. The Oak Harbor Comp. Plan conducted a Economic Diversification Study in which citizens were asked their opinions in regards to tourism. The study showed that tourism was appropriate and desirable.

He said it was his opinion that Master Planned Resorts should be considered in the Comp. Plan. He encouraged framework that would consider size, conditions, types of uses and environmental impact.

Jerry Hann, Land Strategies. Submitted a response to the Master Planned Resort issue paper and a technical analysis on the impact of Master Planned Resorts on the economy.

The Comp. Plan needs to address the economic impacts of future population growth of nearly 34,000 people. We will need a total of approximately 6,500 new jobs to meet those future population demands. Master Planned Resorts can provide a portion of those jobs with much less negative impact to the environment than many other kinds of industrial and commercial uses.

He pointed out that we are already experiencing the impacts associated with tourism, but are not receiving the economic benefits in terms of jobs and tax revenue. Over 113,106 actual groups visited Ebey's Landing in 1996 and they created over 44,111 one way ferry trips and yet each group spent only an average of less than \$70.00.

The County is going to require a tax revenue to meet the projected growth. Tourism currently contributes over \$800,000 in tax revenue to the county each year. A Master Planned Resort can significantly increase this revenue with little or no impact to many of the county services, such as schools or libraries. Without local jobs we will continue the

gentrification of the county with more off island commuting. He strongly urged the inclusion of Master Planned Resorts in the Comp. Plan

Steve Erickson, WEAN. Referenced three provisions being proposed for Fully Contained New Communities that need to be applied to Master Planned Resorts as well.

- 1.) The developer must provide a full cost estimate for the construction of the project on a cash flow basis and must demonstrate financial means and ability to undertake the project.
- 2.) The plan must include a detailed schedule of the phasing of the project over the entire development schedule.
- 3.) The developer must provide a detailed analysis demonstrating the market for all components of the project.

He said he believed these provisions are needed to prevent off island speculators from coming in and doing a housing development under the guise of a destination resort and sticking the tax payers with the tab.

Vince Moore noted that those provisions were designed by planning staff in the staff draft of the Comp. Plan to amplify the state criteria for Fully Contained New Communities. He said those provision would apply to Master Planned Resorts as well.

Steve Erickson said resorts in Island County should be limited in scale. Island County does not need gargantuan resorts, economically we will be better off with smaller dispersed facilities. The money will tend to stay on the island instead of being exported off island by off island speculators and developers. There are very few island people who are going to have the capital to build a gargantuan resort.

He noted that the classic destination resort as it is envisioned in GMA is not appropriate outside of an UGA.

Marianne Edain, WEAN. People are seeking peace and quiet and smallness not giant hotels that are completely cold and impersonal and that is something that Island County can offer if it does not fall into the trap of the large destination resort. She felt it was important that they be small and dispersed throughout the county with an upper limit of somewhere between 15 to 24 units within the UGAs and 5 or 6 units outside of the UGAs.

Mary Maas, Coupeville. We may have all kinds of opinions on what a resort can and cannot do but frankly what we think does not amount to a hill of beans because people have the right to develop their property whether we like it or not.

She said destination resorts are not going to be in competition with B& Bs, it is an entirely different market. Destination resorts will be much higher priced and bring in conferences. Further when those people come to town they will drive around the island and see the quaint B & Bs and want to come back.

Bill Thorne, Camano Island. Said there were strong feelings on Camano Island against destination resorts. He said rural character is Island County's primary economic asset and this type of planned resort is generally of a scale that would not be consistent with rural character even if it was carefully defined.

He said Master Planned Resorts need to be addressed in the Comp. Plan because if they are not addressed they may be included de facto.

Diane Kendy, Growth Management Coalition & Save the Woods on Saratoga. She does not believe that destination resorts need to be mentioned in the Comp. Plan. She felt they can simply be ignored for the time being.

People come to Island County for the rural character they don't come for a huge destination resort.

Sharon Emerson. Quoted from a letter Scott Gaznier sent to the Planning Commission. Mr. Gaznier worked for several resorts and it is his opinion that Master Planned Resorts would not work in Island County. People going to conferences either want warm weather or skiing. Island County has nothing that would appeal to them enough to overcome the traffic problems caused by destination resorts.

He notes that in most cases activities are carefully planned not allowing for a lot of free time to go out and explore on your own. Most people stay and eat at the resort.

Cynthia Tilkin, Langley. Owns two businesses in Langley. Tourist come to the island because it is special, it is small and it is rural. Langley is choking on cars and we will choke ourselves to death encouraging growth of this magnitude.

Helga Johnson, Freeland. The State of Washington will mandate sometime in the near future that we provide jobs for our residents. This will probably mean some factories and manufacturing plants. Both of these usually have some undesirable byproducts that have to be disposed of. A destination resort on the other hand will provide jobs in a clean environment and be environmentally friendly therefore she urged the inclusion of destination resorts in the GMA comp plan.

Bill Massey, Oak Harbor. Noted the need to identify the concept and then identify a location that is compatible to that concept. Island County has two fairly significant destination resorts on Central Whidbey, Fort Casey and Fort Ebey.

He said there should be prescribed guidelines to assure that the size accommodates a resort and not a long-term permanent community. If the resort is large enough money can come into the community to facilitate those kinds of infrastructure improvements that you can't have now. If they are scattered small facilities typically they can't afford to participate in improving the infrastructure that is really needed.

Lynea Slinden, Langley. Supports Option #1 to conduct further research into Master Planned Resorts.

John Hitt, EDC. The EDC board supports the development of a properly planned and sited, destination type resort in the Comp. Plan. One of the goals of GMA is appropriate economic development which by definition means the provision and retention of jobs or the retention or expansion of the tax base. Master Planned Resorts can help achieve that goal.

An Oregon study on destination resorts notes, "Visitors to resorts travel farther, stay longer and spend more money than visitors to other types of overnight accommodations. Resort visitors are different from other recreational and business travelers Destination resorts are particularly attractive for business meetings and incentive trips for business travelers."

With careful planning, site selection criteria, and environmental review, the EDC believes that Master Planned Resorts can function as a major economic stimulus while still preserving rural character and our overall quality of life.

Dick Collins, Langley. Pointed out that they are supposed to be discussing the concept of Master Planned Resorts as part of the Comp. Plan not a specific site.

Reece Causey, Clinton. Noted that it was his opinion that Master Planned Resorts should be included in the Comp. Plan. A lot of tax money is spent trying to attract tourism and this is an opportunity to create paid for tourism.

FULLY CONTAINED NEW COMMUNITIES

Handout: Issue paper on fully contained new communities.

Vince Moore reviewed the Fully Contained New Communities issue paper noting the following basic issues:

Should Island County establish comprehensive plan policies and development regulations which provide for Fully Contained New Communities?

- *Should criteria in addition to the statutory language in RCW 36.70A.350 be developed for Fully Contained New Community designation and project review?*
- *How should the provision for Fully Contained New Communities relate to the overall vision for the County?*

He indicated that new fully contained communities may be approved outside UGAs only if a county reserves a portion of the twenty-year population projection and offsets the UGA accordingly for allocation to new fully contained communities.

PUBLIC COMMENT

Marianne Edain, WEAN. As long as Island County is already over-platted the notion of creating the possibility of a new community is simply nuts. You can't pull development density off platted property unless you are willing to unplat sufficient land to accommodate that large a population. Those platted parcels exist and we cannot remove the development potential from those platted parcels unless we buy them. Unless you are going to increase the potential population that much more there is simply not room for a new fully contained community in Island County.

Helga Johnson, Freeland. Most of the platted land in the county will not support sewage disposal systems so therefore I do not see that as an issue.

Bill Thorne, Camano. Does not see any kind of demonstrated need for fully contained new communities in Island County.

Cynthia Tilkin, Langley. Destination resorts and fully contained new communities do not need to be decided on now. We need to wait for conduct further research and analysis.

Linda Moore asked council and staff to look at the issue of unplatted lands and try to give them some factual data.

Keith Dearborn said they can get better information but it is very expensive and requires a level of expertise that is almost always beyond the expertise of county staff. It is very detailed information that is generally known and better understood by people in the business.

Linda Moore said she would like to have a separate session to be briefed by staff in regards to the undeveloped lands in terms of the snapshot in time to see whether it is relevant or not. If we decided that there was a certain number of platted lands and those lands were sufficient to absorb the additional population she was not sure that as a policy matter she would say we should not plat any additional land. She said she was concerned that they would not be able to site fully contained communities and destination resorts if we don't know where the vacant lands are that we can work with.

Chairman McDowell asked whether it was possible to find out what percentage of the lots listed are sold.

Sheliah Crider said she could extrapolate that information using the county digest against what is actually in the multiple listing book. She said for the Tuesday Planning Commission meeting she would extrapolate through the multiple listings computer, for the entire island, the number of lots for sale on Monday .

HOUSING

Handout: Issue paper on Island County Housing Policies

Judy Stoloff presented the issue paper noting that the primary issue for Island County is affordability. How can the unincorporated county facilitate the provision of affordable housing to current residents, including those with incomes at or below median levels. Issues related to this are:

- *Providing housing at higher than rural densities -- probably rural activity centers or rural areas of intensive development.*
- *Use of garages and accessory buildings as primary dwellings.*
- *Use of mobile homes and recreational vehicles as permanent/primary dwellings on single family lots.*
- *Changes in rural areas of time.*

She reviewed specific policies and housing and residential development implementation strategies.

Linda Moore said she would like to see affordable housing opportunities for people at 60 % of median income and below in the rural areas.

Vince Moore said there may be some opportunities for affordable housing in some of these older plats where the lots are small and they have not developed because of things like septic constraints. Public participation in terms of infrastructure might help provide a land source.

Commissioner Shelton said he did not believe that it was in the interest of government to spend tax payers money to create infrastructure to subsidize housing. He said Island County does not collect enough tax to go out and start putting in sewer and water lines and creating infrastructure.

Rufus Rose asked Judy Stoloff if the GMA has been implemented in any jurisdiction where affordable housing requirements have been met.

Judy Stoloff said not to her knowledge. She noted that all you are required to do is make a good faith effort to approach these goals.

PUBLIC COMMENT

Bill Massey, Oak Harbor. There are some very specific things you can do as a governmental entity to address affordable housing. In Island County right now I believe our ordinances preclude single wide mobile homes. We have folks in Island County living in existing plats in unsafe mobile homes that they cannot replace with single wide mobile homes because they are not allowed under the ordinance. Another reason they cannot replace them is because they cannot afford to install the onsite sewage disposal system that is required under today's ordinance.

Page 4 of 5 line 29 states "provide density bonuses for affordable housing (costing no more than 30% of 80% median income)". In King County affordable housing has been addressed by not only providing density bonuses in some instances, but also by providing a relief from impact fees and traffic concurrency fees.

Another point that I think is becoming more and more important particularly in high density areas and I think it will in the rural areas too, is the opportunity to create mother- in-law apartments above the garage.

Jack Sikma, Holmes Harbor. When looking at the population allocations it is important to look at whatever information is available on 2nd home buyers not just primary home buyers.

Marianne Edain, WEAN. Believes that owner/builders and other non-traditional providers of their own housing are much underrated and need to be considered. She said she did not believe that it was Island County's position to dictate the size and shape of a persons dwelling. A vast majority of what is being discussed is market factors and how to make it easier for developers to build houses so that people will be able to buy them, which is the wrong approach. We need to talk about how we can make it possible for people to live in Island County rather than how we can make it possible for developers to build houses.

In the early 80's the State of California ran a contest on how to create affordable housing and they published a book on the 30 or 40 best solutions. The cheapest solution proposed was for elderly widows with large houses, for a fee of

approximately \$150.00

per placement, to be matched with compatible folks who could share the housing in exchange maintenance.

One of the problems with so called affordable housing is with the present federal programs where developers get 1 % loans and for 20 years they subsidize the rent, but after 20 years they are home free and can raise the rents and we no longer have affordable housing.

Steve Erickson, WEAN. Noted for the record that he had been told by Emil King the Whidbey Island Resort Residential Demand and Corporate Users report was not available.

He noted that there was a limitation on RAIDs in the GMA and that is that the existing areas had to have been in existence by July 1, 1990 to be a RAID.

In regards to the comment on Page 5 of 5 the states, "The county could review the implementation of the owner-builder option. A good way to start would be a meeting between developers, permit staff, residents and planning commission." He questioned why developers would be meeting to discuss owner/builders, you should have the owner/builder discussing it.

Bill Thorne, Camano. Felt they needed to put some effort into defining affordability. He said he felt it would be in the county's best interest to promote co-housing and to be amenable to permitting alternative construction techniques.

MAJOR INDUSTRIAL DEVELOPMENTS

Handout: Issue Paper on Major industrial developments

Vince Moore presented the issue paper on major industrial developments. Major industrial developments are a special provision in the GMA. In terms of Island County this becomes an issue because of the distribution of our population, the shape of the island, and the size of two of the UGA's, Coupeville and Langley, which basically don't permit industrial development facilities.

The basic policy of the GMA is that industrial and commercial development develop only occur inside the UGAs. Major industrial developments in the county can only be developed if there is a finding that there is insufficient land in the UGAs to provide for a major industrial project or that there is a natural resource based industry that requires a location near agriculture land, forest land, or mineral resource land upon which it is dependent.

He noted the Goldie Road Light Industrial/Business Park Area in Oak Harbor which should satisfy the demand for industrial development in North Whidbey but there is still the question of available land in south and central Whidbey as well as Camano.

He pointed out Page 4 of 4 Line 3 states, "A major industrial development is not allowed in a limited area of more intensive rural development unless otherwise specifically permitted." He said he was not quite sure what that language relates as it sounds like somewhat of a contradiction.

Linda Moore asked if there was any factual predicate for establishing major industrial development such as a factual finding that there is insufficient land in the UGAs.

Vince Moore said Camano, for example, has no UGA so if there is going to be any industrial development on Camano it has to be in this kind of a mechanism. Camano does have some industrial development in the annex area and the potential for additional industrial development at the Camano Airpark. Porters Field in South Whidbey and the South Coupeville Industrial Area in Central Whidbey have both been designated as areas for potential additional development. West Lupien Airpark in North Whidbey is questionable because of the potential conflict of adequate land in the Oak Harbor UGA.

Commissioner McDowell asked if the statement on Page 1 or 4, "requires a parcel of land so large that no suitable

parcels are available within an UGA" meant the total aggregate area or a single parcel.

Vince Moore said the concept would be that you could aggregate.

Bill Vincent asked if Porters Field would be considered a major industrial development.

Commissioner Shelton said not without expansion of the area. He said from an economic standpoint you are never going to get a business to come to Island County unless they have an area that is already developed so they don't have to go through the development of the whole thing.

PUBLIC COMMENT

Cynthia Tilkin, Langley. Asked how H & H properties on the inland side of Hwy 525 was zoned.

Commissioner Shelton said there was no commercial zoning on that side of the highway.

Cynthia Tilkin said the information and research done in the Comp. Plan showed that there was absolutely no clean industry that we would want in Island County.

Rufus Rose noted that there were clean air and clean water standards that would preclude the siting of such facilities.

Marianne Edain, WEAN. Said she felt Island County needed more stringent standards then the federal standards for the siting of industrial developments in order to protect our soul source aquifer and clean air. She said she would also like to see some potential sites.

Vince Moore noted specific sites had been designated under the EDC study.

Jay Hale, Freeland. Asked whether they were talking about a concept or specific sites.

Vince Moore clarified that they were talking about a policy concept and whether or not to have that policy concept in the plan. When it is articulated in terms of the land use pattern we will have the specific sites identified. The EDC has consistently told the Planning Commission that one of the major obstacles to economic development in the county was the NR floating zone. The fact that whenever they had a potential client who wanted to open up a business in Island County and asked to see what was available they were told they could look anywhere but in order to get the site they had to go through a long development process which caused the client to end up going elsewhere. EDC wanted to get rid of the NR floating zone, identify specific sites and do all the environmental analysis up front so that when developers come in and want to put down a plan and provide some employment opportunities they would be able to.

The workshop adjourned at 9:45 p.m.

BOARD OF ISLAND COUNTY COMMISSIONERS

ISLAND COUNTY, WASHINGTON

Wm. L. McDowell, Chairman

Mike Shelton, Member

Tom Shaughnessy, Member

ATTEST:

Margaret Rosenkranz, Clerk of the Board