

ISLAND COUNTY COMMISSIONERS - MINUTES OF MEETING

SPECIAL SESSION - SEPTEMBER 23, 1998 – GMA WORK SESSION

The Board of Island County Commissioners met in Special Session September 23, 1998, at Noon in the Island County Courthouse Annex, Hearing Room, Coupeville, Wa., for a GMA work session with staff and consultants on GMA Plan and Development Regulation issues. Although a noticed public meeting, there were no public comments inasmuch as this was a work session only.

Attendance:

Commissioners: Wm. L. McDowell, Tom Shaughnessy, Mike Shelton

Consultant/Staff: Phil Bakke, Jeff Tate, Emil King, Keith Dearborn

AMENDMENT REQUESTS DISCUSSED

Doug Francis – Model Airplanes specifically allowed in the Code as Permitted Use

Proposal: model airplanes proposed on property Mr. Francis is not buying or leasing, just will get permission when he wants to use the property and it is not something that will be done forever, and now is using OLF NAS field in Coupeville.

Discussion: Proposing the activity on AG land, probably a piece of farm land for which there would need to be some kind of review process. How could this be made the exception – what about other uses such as hand gliders, etc. It is not now prohibited in the Code.

Mr. Dearborn viewed it as a temporary activity not now prohibited in the Code. If there were to be a permanent facility, it would be small scale recreation and go through that process. If he wants to be a conditional use, there would need to be some standards for the site size, noise, etc.

In the Comp Plan it is listed as a small scale and tourism as model hobby parks.

Agreement: Send letter referencing the section of the Code that would allow this activity. Note it is a temporary use if it does not involve any kind of permanent facilities; if it requires permanent facilities it is a recreation use. In the parks and recreation category in the Land Use Standards, list it as an example, and also can list it as one of the examples of temporary uses.

CWPPs and UGAs

Emil King provided a one-page information sheet for Langley as a continuation of what was reviewed yesterday for Oak Harbor, this prepared for Langley UGA adding the land value column, building value features and assessed value. Vince Moore is passing this information along to the planning directors to help in the establishment of the transition areas. The additional dwelling units if allowed to develop at County density - 100% developed would equal 75 dwelling units in Langley or 150 people in the Langley UGA if Langley does not extend their services. This is good information in that if Langley does not extend their services, it will be almost impossible for them to meet their population projections.

Mr. Dearborn noted this clearly shows that the development potential in Langley unincorporated UGA is almost non-existent. This information will help to fashion the rules for those properties within the unincorporated UGA as far as development options.

The Chairman had suggested if over 20 acres, either annex and use city services and achieve city densities, or do a PRD with 200% bonus and what would otherwise have been open space is reserved as a urban growth reserve. Under 20 acres could do the PRD or 5 acre lots with building permit for a home and a plan that demonstrates the home has

been sited in such a way to permit the balance of the property to be developed.

Commissioner Shelton felt a person could do two 5's and the only thing they would have to do as a result of the short plat would be to show placement of the house that would allow for future development at future density - show that placement of the house will not provide a fatal flaw for future development. He prefers avoiding putting someone through a full site plan for a long plat.

As far as providing the ability to create five's or to encourage creation of 12,500 sq. ft. lots with a larger block undeveloped, the Chair thought should depend on the individual – give them the flexibility, but require on the site plan where that building location is. He thought also that easements, covenants and conditions would need to be recorded.

Recommendations:

- anything above five acres have to do a PRD with a maximum lot size of 12,500 sq. ft.; if below 5 acres would do a building site and show how you could achieve the balance of the density.
- a higher number, i.e. 10 acres, to give more flexibility
- 20 acres would be too large.

Follow-on: Staff/Consultants continue to work on this issue understanding the need to create flexibility for property owners.

Guest Cottages, PRD Bonus and Affordable Housing Bonus – cumulative effect

Issue: Coalition raised the issue of the cumulative theoretically possible effect of guest cottages, PRD Bonus and Affordable Housing Bonus .

Mr. Dearborn confirmed the way the Code is written right now those can all cumulate. He suggested if the Board thought it a theoretical possibility that does not conform to any reality then suggested the code be modified to eliminate the theoretical possibility. The Board agreed that the Code be so modified.

The analysis Emil King provided illustrated the problem. The recommendation is to consider: could do a home and a guest cottage, attached or detached, or a PRD with bonuses, or an affordable housing PRD. The Board agreed.

Mr. Dearborn commented that the 1984 Code provides that guest cottages cannot be rented; the new code does not address it; it is that silence that has caused the concern. Linda Moore will be providing an analysis of a rate of return on this kind of investment showing people that no one would build a guest cottage as an income producing rental.

Generally the Commissioners agreed to consider staying with what is in the code now – to be realistic about it – people build cottages for their in-laws and children and if not used they rent them; these cannot be sold, are 1,000 sq. ft. ; common driveway. Guest cottages cannot be sold. The code has been in place since 1984 and guest cottages have not been an issue -- why would it be an issue in the future. This can be viewed in the future potentially as a means to provide some form of affordable housing.

Mr. Dearborn was asked to look at what San Juan County has done on rental of guest cottages and bring that information back.

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Affordable Bonuses

Emil King from his prepared analysis, showed that someone doing a PRD using the 80% medium income bonus, assuming \$90,000 to \$100,000 for the land to start, base density 2 DU's, with PRD an additional 2 DU's, and with affordable housing density bonus if were to develop their PRD bonus at 80%, would get an additional 3 units at t 80%, for a total of 7 units and on each lot would be able to have a guest cottage [the way the code is currently written]. The

graphic also shows what a 10 acre site would look like if doing the 80% affordable housing bonus. The 7 lots divided by \$90,000 comes out to about \$13,000 per lot assuming no improvements. The opposite page shows it for the 30% affordable housing bonus, which is significantly more of a bonus. His opinion was that the County probably needed to simplify the affordable housing bonus so that the only cut off will be 80% medium income - make the bonus level 80% and hope multifamily housing in Freeland and Clinton is available to provide for 30% and 50%.

Commissioner Shelton thought it a joke to think affordable housing could be created through the PRD process; however, he did not want to throw it out because he it creates affordable housing for those who are above the low income level but for whom housing is still not affordable.

Mr. King agreed: this is not to say that PRDS are the only place where someone earning 80% or less is going to be able to live. He noted to qualify to get the additional density bonuses the person would need to place a covenant on the property to either rent or sell to someone at the 80% level, which equals a \$102,000 house or rent it out for about \$700 a month [can be adjusted upward periodically for inflation]. The Planning Commission started at the 120% medium income which equals about a \$155,000 house.

Mr. Dearborn outlined the options:

divide property into lots by subdivision or short subdivision and have a guest house

if meeting the minimum lot requirements for new lots

do a PRD with 100% bonus no guest cottages or

affordable housing with 200% bonus, with covenant to commit to the 80%

Commissioner Shelton thought to build a \$102,000 house would be a trick, the same with renting for \$700.00 a month, and expect any reasonable return on the investment.

Mr. Dearborn thought the County absolutely on solid grounds as a matter of policy and recommended starting with something everyone felt had the best chance of being defended – and look at it periodically. If it is not being used, then consider raising the 80-% higher and the bonuses. This is being done to achieve the affordable housing goal; goals are balanced. Information all demonstrates needs of people 80% and below medium income are not being as far as housing in this County by the market. The analysis caused the determination of the bonus percentage that is used. Proposed is a monitoring program to track this over time and make adjustments over time.

Mr. King pointed out that the "for sale" gap starts at 110% and for rentals starts at about 86%. If PRDs were going to be focused on for sale lots and houses it makes sense it might be for 100% medium income. The bonus was placed in two ways: (1) to try to get a number of lots where the person developing it would be able to get some return on it; (2) to be some kind of range with 100% bonus for the standard PRD. He can run the numbers to find out if using a 100% PRD bonus would justify going higher than 200% for affordable bonus. Recommendation is instead of targeting at 80% and below, it be 100% or below and again, verified that the Housing Needs Analysis shows the gap starts at 110% for sale houses. The term Federal and State agencies use is spending a maximum of 30% gross income on housing. The medium price housing when the analysis was done was \$146,500. The difference between Whidbey Island and Camano Island is shown in the housing element; Camano prices are higher than on Whidbey. As far as flexibility in the covenants insofar as restriction for low income is written now for 30 years on rental or for sale. It does not mean the house cannot be sold for 30 years, rather than when it is resold it has to be sold at a price affordable to someone earning 100% medium income level at that time. Too short a time period would allow people buying houses and turning around and selling them – once that is done the affordable housing stock is lost.

Chairman McDowell was concerned about the aspect of not allowing the low income individual who finally has been able to buy a home the same opportunity other Americans enjoy when they sell their home; too long a time restriction will take the American dream out of their horizon.

Commissioner Shelton's opinion was that the only thing the County could do was guarantee people the first time right; after that, he was not interested in the County being involved in some long term monitoring.

Follow-up: "or" be placed between guest cottage, PRDs and affordable housing. For affordable bonus it will be at 100% of medium income rather than 80%. Staff/Consultant come back to the Board with recommendation on the amount of the bonus percentage, and amount of time restriction.

Work Session adjourned at 1:00 p.m. The Board of County Commissioners will meet next in Special Session at 4:00 p.m. this date and again September 24, 1998, at Noon for further GMA Workshops.

**BOARD OF COUNTY
COMMISSIONERS**

ISLAND COUNTY, WASHINGTON

Wm. L. McDowell, Chairman

Tom Shaughnessy, Member

Mike Shelton, Member

Attest:

Margaret Rosenkranz, Clerk of the Board