ISLAND COUNTY PLANNING & COMMUNITY DEVELOPMENT

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WAC 197-11-970 Determination of Nonsignificance (DNS)

DETERMINATION OF NONSIGNIFICANCE

Description of proposal: Combined SEPA Analysis for the Island County 2018 Annual Docket

The Growth Management Act (GMA) requires that each county identify procedures and schedules whereby amendments to the Comprehensive Plan are considered by the Board no more than once a year. Such items must be adopted and published as an annual docket. The Board of Island County Commissioners approved the 2018 Annual Docket to include three items:

- New Freeland development regulations & related Subarea Plan update
- Housing Element update
- Rural Lands update

Adoption of comprehensive plans, their amendments, and implementing development regulations are "actions" as defined under the State Environmental Policy Act (SEPA). While each project undergoes its own SEPA analysis, the state requires that docketed items include an analysis of cumulative effects of all plan amendments for that docket.

Island County has completed SEPA for each individual item on the docket, as described herein. This memo shall provide the analysis of cumulative effects.

Changes to the Freeland Subarea Plan

The County prepared an EIS which considered impacts associated with planning for a range of population projections and evaluated significant adverse environmental impacts and alternatives related to the adoption of a revised comprehensive plan and implementing development regulations. The Final Environmental Impact Statement (FEIS) for the Island County GMA Comprehensive Plan (September 1998) was used to inform all subsequent updates to the Island County Comprehensive Plan, and the development of and subsequent amendments to the Freeland Subarea Plan and associated implementing regulations.

After adoption of the Comprehensive Plan, a community-based subarea planning group convened and began to draft development regulations for Freeland, but was put on hold until after a Subarea Plan was developed. On November 7, 2007, the County issued the Freeland Sub Area Plan Final Environmental Impact Statement (EIS) after public review of the Draft Subarea Plan, EIS, and the formulation of a preferred alternative. The FEIS analyzed environmental impacts of alternative growth patterns for the Freeland NMUGA. On December 10, 2007, the Board approved Ordinance C-129-07, formally designating Freeland as an

NMUGA, and incorporated the Freeland Subarea Plan as an Element of the Island County Comprehensive Plan (ICC 16.10.010).

The 2016 Freeland Subarea Plan was adopted on December 13, 2016 (Ordinance C-139-16) with the new, smaller NMUGA boundary than originally adopted and analyzed in SEPA review documents. The County is planning for less population growth than originally evaluated by the FEIS and the NMUGA size was reduced in size during the 2016 periodic update to approximately one-third the previous size. Development in the Freeland area since the 2007 EIS has not occurred at the projected rate due to a number of factors, including the Recession and the delay on the installation of sewers for Freeland. In addition, the County has updated the Critical Areas Ordinance and Shoreline Master Program, with increase environmental protection. Combined with the reduction of the NMUGA boundaries, the total impacts of development in Freeland will be less than originally anticipated.

The regulations will only apply to the area within the NMUGA as redrawn in the 2016 periodic update. The new Freeland Development Regulations are the implementation of the adopted Freeland Subarea Plan, covered under previous environmental review. As such, per RCW 43.21C.450 this non-project action is categorically exempt from SEPA, and an environmental impact statement (EIS) is not required.

In 2017 the County published a **SEPA Checklist**, issued **Addendum No. 1 to the FEIS**, and issued a **Determination of Non-Significance with Adoption of Existing Environmental Documents**. The documents addressed additional information and analysis of revisions to the planned growth for the Freeland NMUGA (adopted in 2016) and the draft development regulations establishing new zoning districts and development standards for properties within the Freeland NMUGA to implement the Subarea Plan.

Updated Housing Element and new Reasonable Measures Addendum

Island County updated its Comprehensive Plan in 2016, including the Housing Element. However, the County desired to update the Comprehensive Plan's Housing Element based on a more in-depth study of the County's existing housing conditions and a more comprehensive look at the County's policy approach to housing. This is why the proposed action was a full review and update of the Housing Element of Island County's Comprehensive Plan.

The Housing Element update does more than just revise the County's housing policies. It is an opportunity to better understand housing needs in the County, identify barriers to housing production and affordability, and create a strategy to address the variety of housing issues through a comprehensive and consistent approach.

The approach for the update was to focus on three important areas:

- Understanding dynamics in the housing market,
- Engaging the community on housing issues, and
- Delivering policy and implementation guidance to meet the County's diverse needs.

The Housing Element update was based on technical data and analysis to better understand the County's housing conditions, identify key issues, and provide context for crafting appropriate policies and actions to address those issues.

The Housing Element update process was also an opportunity to engage in a community conversation about housing and housing needs within the County. Engagement with residents and other key stakeholders allowed the County to receive information about housing needs and opportunities to inform changes to policies and the creation of implementation actions.

The final Housing Element document will serve as a guiding document and resource for the County's approach to housing and actions that it will take to implement that approach.

On April 25, 2018, Planning and Community Development issued a **Determination of Non-Significance (DNS) with Adoption of Existing Environmental Documents** in accordance with the State Environmental Policy Act (SEPA) for a full review and update of the Housing Element of Island County's Comprehensive Plan, determining that this non-project proposal does not have a probable significant adverse impact on the environment. The determination incorporated the following documents by reference:

- Island County GMA Comprehensive Plan Final Environmental Impact Statement (September 1998);
- County-Wide Planning Policies, DNS (April 27, 2015); and
- Comprehensive Plan, Freeland Subarea Plan, Development Code, and Zoning Atlas, DNS (October 2016).

A 14 day public comment period ensued after the issuance of the DNS, in which the County did not receive any comments.

Rural Lands Regulatory Updates

As part of the public input process associated with the 2016 update to the Comprehensive Plan, many comments were generated that related to regulations affecting rural lands. Almost 2,000 comments were provided (over a three year period) on various topics related to rural lands including the following:

- Natural Resources,
- Noise Impacts,
- Rural Character,
- Rural Event Centers/Wineries,
- RV/Motor Homes, and
- Vacation Rentals.

At that time, it was determined that these items would be most affectively addressed through regulatory updates, and fell outside the scope of the Comprehensive Plan periodic update. They were therefore deferred. On November 7, 2017, the Board of Island County Commissioners passed Resolution C-110-17 placing these updates to rural lands regulations on the docket and established it as one of the highest priorities for the Planning and Community Development Department.

The rural lands regulatory changes were placed on the docket in the event that changes to the Comprehensive Plan might be needed for consistency purposes. Ultimately, it was determined that the following policies supported the regulatory updates and that **Plan amendments were <u>not</u> necessary.**

LU 3.2 - Provide for other small scale recreation and tourist uses in rural land use designations, such as golf courses, model hobby parks, restaurants, wineries and breweries on parcels of an appropriate size. All activities shall be screened from the view of adjacent neighbors and the use shall not disrupt the character of any surrounding permitted uses. Residential development around golf courses, if any, must meet all requirements for residential development in the rural land use designation.

LU 6.9.1 - Isolated Non-Residential. The intensification of development on lots in the rural area containing existing isolated non-residential uses shall be permitted according to development standards which address impacts on surrounding properties.

LU 6.9.2. - Home Occupations. Allow the intensification or development of home occupations in RAIDs.

LU 6.9.3. - Home Industries. Allow the intensification or development of home industries in RAIDs taking into account the size of the parcel where it is permitted and the associated impacts of the use. Provided that if a home industry grows too large or adversely impacts neighbors, it shall be required to relocate to a non-residential or mixed use land use designation.

As no Plan amendments will be implemented, these rural lands regulatory updates are <u>not</u> included in the combined analysis on the 2018 Docket.

Combined Analysis

A Determination of Non-Significance has been issued for both items that remain on the docket as Plan Amendments (Freeland and the Housing Element). As such, the County determines that the combined impacts of both non-project actions do not have significant adverse impacts on the environment.

With the adoption of the updated Housing Element and Reasonable Measures Addendum, and the changes to the Freeland Subarea Plan, these actions will conclude the Island County 2018 Docket.

The following environmental documents are incorporated by reference:

- Island County GMA Comprehensive Plan Final Environmental Impact Statement (September 1998);
- Freeland Subarea Plan Final Environmental Impact Statement (November 2007);
- County-Wide Planning Policies, Determination of Nonsignificance (April 27, 2015);
- Comprehensive Plan, Freeland Subarea Plan, Development Code, and Zoning Atlas, Determination of Nonsignificance (October 2016); and
- Freeland Subarea Plan Final Environmental Impact Statement, Addendum No. 1 (December 2017)

All documents associated with this non-project action can be found on the County's website at: https://www.islandcountywa.gov/Planning/Pages/2018.aspx

Proponent: Island County

Location of Proposal: Island County Washington Jurisdictional Boundaries

Lead Agency: Island County Planning and Community Development

1 NE 6th Street Coupeville, WA 98239

(360) 678-7802

The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030 (2)(c). This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public on request.

☐ There is no comment period for this DNS

☐ This DNS is issued after using the optional DNS process in WAC 197-11-355. There is no further comment period on the DNS.

✓ **This DNS is issued under WAC 197-11-340(2); the lead agency will not act on this proposal for 14 days from the date below.**

Comments must be submitted by: November 17, 2018

Responsible official: Hiller West

Position/title: Director of Planning and Development Services

Island County Planning and Community Development

1 NE 6th St Coupeville, WA 98239

(360) 678-7814

Date: 10/29/18 Signature: _____

✓ You may appeal this determination to the hearing examiner by filing an appeal and appeal fee with the Island County Planning and Community Development Department per County Code requirements. Direct to the attention of **Beverly Mesa-Zendt at 1 NE 6th Street Coupeville, WA 98239** no later than 14 days after the close of the comment period by letter at the above address or by email at **b.zendt@co.island.wa.us**

You should be prepared to make specific factual objections. Contact Hiller West to read or ask about the procedures for SEPA appeals.

☐ There is no agency appeal.