



COMPREHENSIVE PLAN AMENDMENT PROPOSED FOR 2018 DOCKET PRELIMINARY STAFF REVIEW

WRIGHT'S CROSSING (CPA 252\17)

PLEASE NOTE: Findings below are preliminary, based on information available at this time.

I. REVIEW FOR APPLICATION REQUIREMENTS

FINDING 1.1: Additional information will be needed.

After a review of the materials submitted (August 1st, August 28th, September 5th, and September 6th) the application was deemed complete for process. Additional information is needed, as some areas of the application are insufficient or unclear and some are incorrect. See Attachment B for a preliminary list of additional information needed. Please note that some of the revised materials are pending review, and additional information will be requested. Staff conducted a preliminary review of the application, based on the information provided to date, for compliance with the Countywide Planning Policies and ICC 16.26.

Application materials are posted online at www.IslandCountyWA.gov/Planning/Pages/docket.aspx.

II. REVIEW FOR COUNTYWIDE PLANNING POLICIES COMPLIANCE

FINDING 2.1: The proposed Urban Growth Area expansion area is not in compliance with the adopted Countywide Planning Policies - the proposed location for the expansion is outside of the Oak Harbor Joint Planning Area.

FINDING 2.2: The proposed expansion is not in compliance with the adopted Joint Planning Area Overlays governing the UGA expansion criteria adopted in the Countywide Planning Policies.

FINDING 2.3: The application materials are insufficient to determine if they meet the re-evaluation threshold criteria in the adopted Countywide Planning Policies.

FINDING 2.4: The Oak Harbor UGA has additional employment capacity, so an expansion is not needed at this time; the UGA has an employment reserve of 2,690 (1,611% of the allocation).

FINDING 2.5: Additional capacity for NAS Whidbey staffing is not needed at this time; the latest public documentation published by the Navy was incorporated into the 2016 periodic update.

Discussion:

FINDING 2.1: The proposed Urban Growth Area expansion area is not in compliance with the adopted Countywide Planning Policies - the proposed location for the expansion is outside of the Oak Harbor Joint Planning Area.

Joint Planning Area

Note: JPA policies are found in CWPP Section 3.2.

Joint Planning Areas are established by, and governed by, the Countywide Planning Policies (CWPPs) and the Island County Comprehensive Plan. Specifically, Joint Planning Areas are defined as:

CWPP 1.3, Definitions

6. Joint Planning Area (JPA): Areas immediately outside of, and adjacent to, Municipal Urban Growth Areas. JPAs are jointly designated by the County and Municipalities to reserve areas which may be necessary for future Urban Growth and ... Broadly, such areas are intended to provide an opportunity for long term planning beyond the normal twenty year planning horizon.

The CWPPs, adopted by Island County and its municipalities, outline the roles and interactions between the County’s Urban Growth Areas (UGAs) and Joint Planning Areas (JPAs). CWPPs set the framework for coordinated land use planning between the county and its cities and towns. This

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coordinated land use planning allows for comprehensive long term planning and public transparency when identifying lands that will ultimately be included in the UGA.

CWPP 2, Countywide Planning Goals

4. **Urban Growth Areas:** All decisions regarding the designation of new Urban Growth Areas, adjustments to existing Urban Growth Areas, population forecasting, and the allocation of population to Urban Growth Areas will be made using clearly stated and rational criteria.

CWPP 3.1, General Provisions

5. Growth and development outside of Urban Growth Areas shall be planned for, managed, and regulated by the County, except that planning within Joint Planning Areas shall be subject to the joint planning area policies described below in section 3.2.

JPAs are jointly designated by the County and Municipalities to:

- Identify those areas where the County coordinates joint planning efforts with the municipalities (such as shared transportation corridors, etc.),
- Designate areas where a future UGA expansion may occur, if needed (UGA expansions may not occur outside of the JPA/FPA boundary), and
- Protect land which has been identified as having resource land of long term commercial significance, land extensively constrained with critical areas, key entrance roads, and areas of historical significance.

The CWPPs require that land considered for inclusion in the UGA be within the JPA and specifies an order for inclusion through the use of overlay designations (CWPP 3.37- Urban Growth Areas). Proposals to modify the Joint Planning Area may be made by either the municipality or the County subject to the criteria established in the CWPPs (CWPP 3.2.6).

On July 26, 2017, the City of Oak Harbor requested, by Resolution 17-13, that the County review the Joint Planning Area for Oak Harbor. Specifically, the preamble states:

WHEREAS, a review of the JPA boundaries is included in the County's 2017 Comprehensive Plan Review docket; and

WHEREAS, the City of Oak Harbor believes this review is an important next step in our collective growth management planning; and

WHEREAS, now that work on the CWPP amendments is complete, the City should continue its shared planning role with Island County and undertake a review of the JPA boundaries with them;

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WHEREAS, in order to meet both current and future demands for affordable single family housing, the City of Oak Harbor requests Island County expand the Joint Planning Area in areas logical to encourage additional residential development, which is generally to the south and southwest of the current southern boundary of the Joint Planning Area; and

WHEREAS, the City further requests this area be designated a Priority Growth Area as is consistent with the new proposed language in the CWPP.

City of Oak Harbor Resolution 17-13, Adopting County-Wide Planning Policies Amendments

On August 7th and 27th, 2017, staff met with Oak Harbor planning staff to review and discuss amendments to the Joint Planning Area boundary (JPA). Oak Harbor has expressed interest in expanding the JPA generally to the south and southwest of the city. Planning staff anticipates a proposed revised boundary to be submitted by the City of Oak Harbor; once received, staff will review the proposal with the Planning Commission and the Board of Island County Commissioners, a process that will also involve public engagement and public hearings.

Conclusion:

The proposal in the application is not timely; the JPA boundaries have not been revised and the County has not yet received a proposed revision from the City. Based on current conditions, the application proposes a UGA expansion not supported by the adopted CWPPs as the UGA may not be expanded outside of the JPA.

FINDING 2.2: The proposed expansion is not in compliance with the adopted Joint Planning Area Overlays governing the UGA expansion criteria adopted in the Countywide Planning Policies.

Countywide Planning Policies (CWPPs)

The following sections of the Countywide Planning Policies go a step further and provide for the development of a long term plan for identification and inclusion of lands into the UGA.

CWPP 3.2, Joint Planning Area Policies

2. The County and the Municipality shall also *collaboratively produce a long term conceptual plan for the Joint Planning Area* as follows:
 - a. Two broad overlay designations shall apply within JPAs as follows; Priority Growth Area (PGA) and Auxiliary Growth Area (AGA). These designations need not be applied to all land within the JPA, land may be left undesignated; however, *sufficient quantities of both PGA and AGA land should be designated to guide and control future development and UGA expansions.*

CWPP 3.3.7, UGA Expansion Sequencing

7. Land shall be considered for inclusion within the UGA in the following order.
 - a. Land with a JPA overlay designation of PGA.
 - b. Land within a JPA which has not been assigned a JPA overlay designation except as provided for in 3.3.8.
 - c. Land with a JPA overlay designation of AGA which is not extensively constrained by critical areas; which does not contain significant flood or tsunami hazard areas; or which is not designated as resource land of long term commercial significance
 - d. Land which is extensively constrained by critical areas, which contain flood or tsunami hazard zones, or which is designated as resource land of long term commercial significance, should be considered the lowest priority

If the City requests a revised JPA that incorporates the whole of the Wright’s Crossing parcels, overlay designations would have to be assigned in accordance with the criteria provided in the CWPPs. Although the City’s resolution statement calls for the application of a Priority Growth Area (PGA) overlay across all proposed new JPA area, this is not consistent with the CWPPs criteria for overlay designations. Per the criteria adopted in the CWPP 3.2.2, updated and ratified in 2017, the majority of the area proposed in this application would have an overlay of Auxiliary Growth Area (AGA).

Within the adopted CWPP expansion criteria, even if the UGA expansion of this size is deemed necessary (based on results of a new Buildable Lands Analysis and after alternative measures have been considered – see discussion below) then this land would be in the third tier for consideration of UGA expansion.

Conclusion:

This proposal to expand the UGA is not supported with the existing JPA and corresponding UGA expansion requirements adopted in the CWPPs.

FINDING 2.3: The application materials are insufficient to determine if they meet the re-evaluation threshold criteria in the adopted Countywide Planning Policies.

FINDING 2.4: The Oak Harbor UGA has additional employment capacity, so an expansion is not needed at this time; the UGA has an employment reserve of 2,690 (1,611% of the allocation).

FINDING 2.5: Additional capacity for NAS Whidbey staffing is not needed at this time; the latest public documentation published by the Navy was incorporated into the 2016 periodic update.

Existing UGAs may be modified between periodic reviews only when it can be demonstrated that the proposed modification is consistent with the policies in CWPP 3.3 (see below, emphasis added).

- 3.3.1 The review of a UGA for possible expansion is a significant undertaking. Generally UGAs should only be enlarged or modified during the periodic update process; however, *UGAs may be modified outside of the periodic update process if necessary to accommodate major and unanticipated fluctuations in Island County's population, or if necessary to accommodate a large employer or institution which cannot reasonably be accommodated within an existing UGA.*
- 3.3.2 Urban Growth Areas *may* be expanded during a GMA mandated periodic update cycle *if necessary to accommodate a 20 year supply of buildable land* as required by RCW 36.70A.110.
- 3.3.3 Urban Growth Areas *may* be expanded outside of a GMA mandated periodic update cycle if the expansion is necessary for one of the following reasons. For purposes of interpreting these policies *"the start of the planning period" shall mean the date on which the most recent periodic update was completed.*
 - a. Population growth in the UGA since the start of the planning period equals or exceeds fifty percent of the population growth allocated to the UGA at the start of the planning period; or
 - b. Employment growth in the UGA *since the start of the planning period* equals or exceeds fifty percent of the employment growth allocated to the UGA at the start of the planning period; or
 - c. Written notification is provided by the Department of Defense, or other reliable and verifiable information is obtained, indicating that *prior to the next periodic update cycle*, Naval Air Station Whidbey staffing will increase in a manner which would result in population growth equal to or exceeding fifty percent of the population growth allocated to the UGA at the start of the planning period; or
 - d. An opportunity is presented to bring a large scale business, industry, institution, or other significant employer to Island County, and the County and Municipality agree that due to the facility or institution's unique characteristics there is no suitable land available inside the current UGA.

The applicant is proposing a revision based on thresholds 3.3.3(b) employment growth and 3.3.3(c) NAS Whidbey staffing levels.

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Employment Growth

During the 2016 periodic update, the County utilized state employment data provided by the Washington State Employment Security Department (ESD) as reported for the Quarterly Census of Employment and Wages. The Quarterly Census of Employment and Wages (QCEW) program publishes a monthly and quarterly count of employment and wages reported by employers covering more than 95 percent of U.S. jobs, available at the county, MSA, state, and national levels by industry. Adjustments were made to ensure others employees, not accounted for by the QCEW, were accounted for as well. The total employment was then assigned across Island County based on existing information and historic allocations.

ESD data was the basis for determining current and future employment allocations with the fundamental data resulting from mandatory reporting requirements provided for in WAC 192-310-01. ESD data continues to be the basis by which we gauge and monitor employment trends in the county, nevertheless, for the purposes of this application, the applicant was encouraged to submit employment data to be reviewed in concert ESD data. This gave an opportunity for the state data to be supplemented and “ground truthed” with more precise local information. The data provided by the applicant lacks sufficient detail to provide a useful representation of new job growth for the UGA since the start of the planning period. Essential missing information includes:

- A distinction between new jobs and existing vacancies that will be filled,
- Jobs eliminated,
- Baseline data needed to assess total employment since the start of the planning period – what was the employment data at the beginning of the year (2017) per CWPP 3.3.3, and
- Verification from the employers – we were not provided the contact for each employer or any written verification from the employers cited in the application.

Additionally, the numbers of new jobs identified by the applicant for the first half of 2017 are not consistent with the numbers reported by ESD the same for the same period. Information from ESD provides for 16,310 non-military, non-farm jobs in Island County at the end of 2016 and 16,600 in June of 2017, for a net change of 290. According to the BLA Issue paper (Dated 02/24/15), the distribution of jobs over time in Island County has been relatively static. Per Table 6.14 of the BLA Issue Paper, 39% of the total Island County jobs are within the North Whidbey Planning Area, with 42% of North Whidbey jobs occurring within the UGA (inside the UGA and/or city limits). **Utilizing the same methodology, we can estimate that 48 new jobs were added to the UGA in the first half of 2017.**

$$290 \times .39 = 113 \times .42 = 48$$

Additional data from local employers, using the same methodology as the ESD, would be needed to determine the actual net gain in employment within the UGA, but we do not have that data at this time. Based on our currently adopted methodology, a job growth of 48 does not meet the CWPP threshold for consideration for a reevaluation (29% of allocation vs the minimum of 50%).

Regardless of the job growth numbers, the Oak Harbor UGA has an employment capacity of 2,857 jobs. During the 2016 update, the UGA was allocated 167 jobs, with an employment reserve of 2,690. The two major employers listed in the Chamber of Commerce survey and the application materials (TSI & OHPS) are existing employers – additional information would be needed to determine if the job

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growth reported for these industries by the Oak Harbor Chamber of Commerce represents new positions required resulting from an expansion and to determine the net change in employment.

County staff forwarded the information provided by the applicant to the Washington State Employment Security Division, to the Regional Labor Economist for Island County. The review of the application materials concurred with staff’s determination that the information is insufficient and recommended that the County utilize data from the state for this review.

I would be cautious about putting too much weight on a Chamber of Commerce survey. Since Chambers of Commerce are membership organizations, they are only going to capture the membership (in this case, the responses of 75 out of 507 members). It may be valuable as a way to contribute to a QCEW-based narrative (e.g. it appears that there is optimism among the local business community. A Chamber of Commerce Survey indicates that 48 establishments indicated an interest in hiring....) but is not sufficient on its own to make the case for how many jobs there are, or how many there will be.

Our QCEW data reflect a snapshot in time. Employers are required to report the number of employees that they employed for at least one hour in each month. If one employee leaves and is replaced by another, the net change would be zero if they did not work for the employer any day in the same month. If there was any overlap during the month, there would be a net increase of one employee during the month that they both worked for the employer, which would drop in the subsequent month. QCEW is also a very reliable time series, since it is based on population rather than survey data.

While further information would be useful in understanding the change identified by the applicant, staff has reviewed the employment and residential capacity of the UGA as it relates the numbers reported in the application and concludes that the UGA has the reserve capacity to accommodate additional growth, both the employment growth and the related population growth associated with the new jobs.

CWPP 3.3.1 and 3.3.2 make it clear that consideration for revaluation is allowed **when necessary**. The application for UGA Amendment includes the following statement.

A review and verification of the CWPP 3.3.3 criteria will be a part of the consideration for docketing. **No applications will be docketed that have not demonstrated that the applicable criteria have been met.** In addition, even if the criteria has been met, if it is apparent even without revising the BLA that there would be no change to the UGA(s) warranted, then the proposal will not be docketed.

Based on the existing capacity and reserve currently available there presents no compelling reason to revisit the Urban Growth Boundary at this time. Should the employment increases continue over a sustained period in addition to a sustained increase in the overall population, staff would recommend revisiting the Urban Growth Boundary to ensure that there is capacity for the 20 year planning horizon.

The City and the County can continue to monitor population and job growth and re-evaluate during a future annual docket (2020 or beyond) or the next periodic update if there is evidence of a capacity concern. This would provide an opportunity monitor growth over a more extended period where trends are more likely to be identified, which is a more analytical approach to planning, based on best practice,

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recognizing the UGA is sized for a 20 year period and capacity deficiencies and related adjustments can be made well in advance.

NAS Whidbey Growth

The 2016 periodic update included an allowance for an additional 1,245 personnel at NAS Whidbey. Approximately 80% of that growth (1,000) is allocated to Island County. The population impact, at 2.53 persons-per-household, was estimated to be 2,530 individuals.

The threshold criteria is ... Staff interprets this threshold to be new information, as re-use of existing information that is already allocated capacity would not result in a change in the BLA outcome.

The applicant must provide information that indicates that the plans for NAS Whidbey have officially been changed, and now exceed what was included in the periodic update.

There are a number of deficiencies in the application materials related to the NAS Whidbey projections assertions. The application appears to be utilizing data previously provided as part of the 2016 Comprehensive Plan Update as evidenced in the exhibit (Navy Presentation slides from 2014/2015 budget) and the calculations make use of an alternative methodology that is inconsistent our understanding of the projected growth anticipated at NASA Whidbey based on the same information. In addition, the Navy slides referenced do not appear to be correctly reflected in the numbers provided in the applicant’s table (Section XVI).

Staff forwarded the applicant a copy of a preliminary review of the applicant’s proposed calculations provided by the NAS Whidbey Community Planning Liaison office, which indicated that the applicant was incorrectly estimating the growth and impacts (see Enclosure). This analysis was based upon the Draft Environmental Impact Statement (DEIS), the most current publication of plan for the NAS Whidbey installation (available online at <http://whidbeyeis.com/CurrentEISDocuments.aspx>). Staff concurs with the analysis provided by the NAS Whidbey Community Planning Liaison office. A few of the errors include:

- An inaccurate accounting of personnel per squadron.
- Not accounting for reductions projected.
- Including civilian and contract growth where none is projected.
- Not accounting for the fact that only 80% of the NAS Whidbey impact is allocated to Island County (the remainder to Anacortes, and other surrounding communities).

Conclusion:

Based on the current JPA boundaries, and the CWPP overlay criteria even if the JPA were to be expanded, the proposal as indicated in the application is not in compliance with adopted CWPPs related to UGA expansions.

Based on currently available information, the UGA has the capacity necessary to accommodate projected growth (including a large employment reserve). Re-running the Buildable Lands Analysis (BLA) would not likely result in any measurable change, if any at all. In addition, if the plans for NAS Whidbey do officially change, the County will evaluate the impacts of any changes once they are finalized.

III. REVIEW FOR COMPLIANCE WITH ISLAND COUNTY CODE

Per ICC 16.26.060(E), in making its docket recommendation, the Planning Commission should consider the following:

1. *Has the application been deemed complete?*

FINDING 3.1: The Application was deemed complete for processing on September 6, 2017. Additional information will be needed for a complete review.

- A preliminary review of the resubmittal materials shows a number of deficiencies. Additional analysis shows that the application does not provide all of the information needed to complete a thorough review (additional data needed). See discussion above under the ‘Review for Application Requirements’ section.

2. *Can the application, in light of all proposed amendments being considered for inclusion in the year’s annual docket, be reasonably reviewed within the staffing resources and operational budget allocated to the Department by the Board?*

FINDING 3.2: The staff resources and time needed to re-run the BLA and evaluate this application would limit the County’s ability to respond to the other proposed items being considered in the 2018 work plan and docket, with an outcome that, based on current information available, would not support a UGA expansion of this size.

FINDING 3.3: A review of the Buildable Lands Analysis is an extensive effort that is not warranted at this time.

- The County completed the periodic update of the Island County Comprehensive Plan in December 2016. The allocations in the 2016 update are adequate for the 20-year planning period based on the most current verifiable data available.
- There are a significant number of items proposed for the 2018 work plan and docket, and a limited amount of resources to be allocated.

- Given the recent nature of the last BLA, re-evaluating the BLA at this time would not likely result in an outcome that would support an expansion of this size, or any expansion at all, and thus would not be a reasonable use of County resources.

3. The proposed amendment would not require additional amendments to the Comprehensive Plan or development regulations not otherwise addressed in the application, and is consistent with other goals, objectives, and policies of the Comprehensive Plan:

FINDING 3.4: The proposed amendment is not in compliance with the Comprehensive Plan and the CWPPs.

- See above.

4. The proposed Plan amendment raises policy, land use, or scheduling issues, or that the proposal is comprehensive enough in nature that it would more appropriately be addressed as part of a periodic review cycle:

FINDING 3.5: This proposal is comprehensive enough in nature and significant enough in size that it may be more appropriate to review as a part of a periodic update cycle

- One option to consider is deferral of the application to be considered for review during the next periodic review cycle.

5. The application proposes a regulatory or process change that for which no amendment to the comprehensive plan is required and should be reviewed for potential consideration as a part of the work plan:

FINDING 3.6: This application would require a Comprehensive Plan amendment for both Island County and the City of Oak Harbor.

- UGA amendments are amendments to the Comprehensive Plan.

6. The application lacks sufficient information or adequate detail to review and assess whether or not the proposal meets the applicable approval criteria:

FINDING 3.7: The application materials provided lack sufficient information and detail to review.

- See discussion above.

Per 16.26.090(E), the Planning Commission shall evaluate the proposed amendments as follows:

- 1. Does the proposed amendment or revision maintain consistency with other plan elements or development regulations? If not, are amendments or revisions to other plan elements or regulations necessary to maintain consistency also under annual review by the Planning Commission and the Board?**

FINDING 3.8: The proposed amendment is not consistent with the Comprehensive Plan.

- The expansion of the UGA into this area is in conflict with the adopted sequencing for UGA expansions. See discussion above.

- 2. Do all applicable elements of the comprehensive plan support the proposed amendment or revisions?**

FINDING 3.9: The applicable Comprehensive Plan elements do not support the proposed amendment.

- See discussion above.

- 3. Does the proposed amendment or revision more closely meet the goals, objectives and policies of the comprehensive plan?**

FINDING 3.10: The application is not consistent with the Comprehensive Plan, and approval of this proposal would be inconsistent with the Plan goals, objectives, and policies.

- See discussion above.

- 4. Is the proposed amendment or revision consistent with the county-wide planning policies?**

FINDING 3.11: The application is not consistent with the CWPPs.

- See discussion above.

- 5. Does the proposed amendment or revision comply with the requirements of the Growth Management Act (GMA)?**

FINDING 3.12: The application is not consistent with the requirements of the GMA.

- RCW 36.70A.110 and WAC 365-196-310 provide guidance for the designation, sizing, and location of UGAs.

- The GMA requires that an Urban Growth Area be sized to meet the projected growth for the 20-year planning period, and cannot be oversized. During the 2016 periodic update, the County reduced the size for the Freeland NMUGA and the Langley UGA due to the oversizing provision.
- RCW 36.70A.110(2) states that the UGA determination "may include a reasonable land market supply factor" beyond the area that is sufficient to accommodate projected growth for the 20-year planning period. A market factor was included in the methodology for the 2016 periodic update. Any additional increase would be above the market factor allocated. The Western Washington Growth Management Hearings Board held that sizing the UGA in excess of the acreage required to accommodate the urban growth projection based upon any other factor (such as affordability) other than market factor is not authorized by the GMA.
- In *North Clover Creek v. Pierce County* (CPSGMHB Case No. 10-3-0003c, FDO (8/2/2010)), the Central Puget Sound Growth Management Hearings Board discussed decisions about whether land that has "better characteristics for a desired economic purpose" can be added to a UGA that is already oversized and noted that in each of the past cases that addressed this issue, the anti-sprawl/UGA sizing requirements of the GMA trump the economic development goals of the local jurisdiction.

6. Are the assumptions underlying the applicable portions of the comprehensive plan or development regulations no longer valid because new information is available which was not considered at the time the Plan or regulation was adopted?

FINDING 3.13: There is no new information; growth that has occurred is within the projections and capacity of the periodic update analysis.

- The information provided for the NAS Whidbey growth was included in the 2016 periodic update.
- The information provided for the employment growth is incomplete; additional information is required. Even though the growth cannot be confirmed with the information available, there is sufficient capacity for growth estimated to have occurred since the adoption of the Comprehensive Plan in December 2016. See additional discussion under the 'Options for Consideration' section below.

IV. REVIEW OF MUNICIPAL COMMENTS

The City of Oak Harbor submitted comments related to the Wright’s Crossing application on August 28, 2017 (see enclosure). The City will complete a full review when and if we get to the point of discussing

specific expansion sizes and locations (see section 5 under the discussion below on next steps included in the docket).

V. OPTIONS FOR CONSIDERATION

Staff recommends consideration of the following options, A or B below.

A. EXCLUDE. Based on the Findings above, consider exclusion of the application from the docket.

- Based on the evaluation criteria in ICC 16.26, the exclusion of this application from the docket is warranted (see findings above).

The Board's decision to exclude an application from the docket terminates the application without prejudice to the applicant or the proposal. The applicant may request a refund of the unused portion of any application fees.

B. DEFER. Consider deferral of this application to be considered for future docket cycle or to the next periodic cycle.

- Based on the information currently available, re-running the BLA at this time is not necessary.
- The 2016 periodic update shows the Oak Harbor UGA has a capacity for a population increase of 4,685 and capacity for an additional 2,857 jobs.

It is understood that growth does not occur at a constant, and that the 20-year planning period may have years that are faster than others, or even years with decreases (such as reported for the County population change from 2016-2017). Re-evaluation of the 20-year projections and capacity only one year after the adoption of the Comprehensive Plan is problematic. It could be that any growth could be a surge, or could be a trend that continues or accelerates. The City and the County can keep an eye on population and job growth and re-evaluate during a future annual docket (2020 or beyond) or the next periodic update if there is evidence of a capacity concern.

- It is reasonable to assume that by the end of 2019, the JPA boundaries and overlays will be finalized, and it is also highly likely that the Navy’s final EIS for the anticipated base expansion will be issued and the housing study that is currently underway (Housing Requirements and Market Analysis) and recommendations and Navy plan will be available by that time as well.

Any expansion prior to the completion of these items would be untimely and speculative. In addition, the Housing Element Update that will be completed in 2018 will provide information that will be valuable for discussions related to housing needs. Consideration of re-running of the BLA may be appropriate in 2020 or subsequent year, if new

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information is available at that time that indicates a potential need for additional capacity for the 20-year planning period. In addition, the next periodic update will also review the needs and make any adjustments that may be necessary.

Alternatively, the Planning Commission can recommend that the application be **INCLUDED** in the docket for further review. The following outlines the process if the application is docketed.

1. Preparation for re-evaluation of the Buildable Lands Analysis.

UGA boundaries must be evaluated on a county-wide basis, be based on a County population projection that does not exceed the Office of Financial Management (OFM) published ranges, and include an evaluation of the allocation of growth to each Planning Area and UGA. To ensure that County population projections and/or allocations are still valid and correct, updated information to be evaluated includes, but is not limited to:

- a. Migration factors (including commuter patterns, retirees, and county job growth);
- b. Building permits for new construction compared to projected population growth;
- c. Growth locations and densities (population and permit data).

If docketed, County staff would work with the local jurisdictions to gather local data and hire a consultant to gather and analyze the factors listed above and any other data that is deemed relevant at to an update at this time (resources would need to be allocated for both staff time and a consultant contract). Please note that the County is proposing to develop a countywide development tracking system as a part of the 2018 work plan. Local permit data, growth locations and densities, will not be available in an easy to analyze format until after this new reporting system is developed.

The timing required and financial impact for this step is unknown at this time.

2. Rebuilding the Buildable Lands Analysis model.

An update to the CWPPs that was adopted in 2017 included new methodology. The BLA model will have to be rebuilt to incorporate this new methodology, and to incorporate the information gathered in the preparation phases.

The timing required for this step is unknown at this time.

3. Running the Buildable Lands Analysis.

The BLA process is estimated to take a minimum of a few months of staff time. The process includes a joint review with the municipalities to confirm data and analysis outcomes.

4. Evaluation of BLA Output & Alternative Measures

The BLA output includes existing capacity based on current conditions (existing zoning, etc.), projected needs, and a determination if additional capacity is potentially needed (housing units and/or jobs). Each community will analyze the need, if any is indicated, and determine if the types of housing units and jobs needed in their community (multi-family, single-family, mixed-use, industrial, commercial, etc.).

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If it is determined that a UGA does not have sufficient capacity to accommodate 20 years of population and job growth, ***the municipality must first have considered alternative measures*** to accommodate projected urban growth through infill and redevelopment within existing municipal boundaries or urban areas before considering expansion of an urban growth area (WAC 365-196-310(3)(f) and CWPP 3.3.5). In some cases, an expansion is the logical response to projected urban growth – with the number of acres determined through the BLA and alternative measures process.

The timing required for this step is unknown at this time.

5. Municipal Review of Options for UGA Expansion

The County will work with the municipalities to review options for UGA expansion, but it will be up to the municipality to propose a location that meets their individual needs and falls within the acreage identified. The applicant’s proposal may or may not fit within the parameters, and the municipality may choose to request additional proposals for expansion.

A SEPA determination and review will be required for any expansion, with the bulk of this work to be done once a specific proposal (or options) are identified by the municipality. The timing of the SEPA process will depend upon the determination made by the SEPA official at that time. If a Determination of Significance is issued, a Scoping Hearing will be scheduled to begin the review process. A full Environmental Impact Statement may take a year or more to complete, depending on the size, location, estimated impacts, and mitigation measures proposed. A number of public meetings would be held during this review period.

The review will include the feasibility of providing urban governmental services to the proposed location, per RCW 36.70A.030(18).

The timing required for this step is unknown at this time.

6. Scheduling of Public Hearings

Once the SEPA process is complete, public hearings will be scheduled for review by the Island county Planning Commission and the Board of Island County Commissioners. The Board may decide to approve, deny, or defer action on any docket item. All Plan amendments adopted by the Board shall be consistent with Chapter 36.70A RCW and shall comply with Chapter 36.70A RCW and Chapter 43.21C RCW.

The timing for this process is estimated to take a minimum of three (3) months.

ATTACHMENT A

Excerpts from Goals & Policies of the Island County Comprehensive Plan and the Washington State Growth Management Act

Island County Comprehensive Plan

Section 1.5.1.2.1 – Joint Planning Areas

JPAs include land that may be suitable for future urban growth, as well as land that should be protected from development. As outlined in the CWPPs, a new process has been put into place for long term planning within the JPAs, to govern the potential expansion of the UGAs. The first step to this process, as outlined in the CWPPs (3.2.1), involves applying the following overlay designations within the JPAs.

Section 1.5.1.2.3 – Expansion Criteria

Existing UGAs may be modified (expanded or reduced in size) when it can be demonstrated that the proposed modification is consistent with CWPP Section 3.3. Generally UGAs should only be enlarged or modified during the periodic update process; however, UGAs may be modified outside of the periodic update process if necessary to accommodate major and unanticipated fluctuations in Island County’s population, or if necessary to accommodate a large employer or institution which cannot reasonably be accommodated within an existing UGA.

Land Use Goals & Policies

1. Achieve a staged and orderly development pattern that accommodates growth, fosters a high quality living environment, and protects rural character, natural resources, and historic properties.
 - LU 1.1. Accommodate projected population growth in a manner which protects the established character of neighborhoods, preserves rural and environmental quality, promotes physical activity, and promotes economic growth.
 - LU 1.3 Encourage infill of subdivided lands and the logical expansion of urban areas.
4. Provide areas where urban land use activities may be concentrated in a manner which enables the efficient provision of public facilities and services.
 - LU 4.2 Coordinate development within unincorporated municipal UGAs between the county, associated municipalities, and service providers through the following measures.

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- LU 4.2.1 Direct urban development first to areas within municipal boundaries, and then toward the unincorporated portion of municipal UGA;
- LU 4.2.3.1. Avoid non-contiguous annexation within the UGA;
- 5. Joint Planning Areas (JPAs) provide an opportunity for long term planning beyond the 20 year planning horizon by reserving areas which may be necessary for future urban growth ...
 - LU 5.1 Provide areas within JPA for municipal Urban Growth Area expansion which will allow for the future development of urban densities in an effective manner.
 - LU 5.2 Designate JPAs overlays, determined jointly by the County and associated municipality.
 - LU 5.2.1. Designate Potential Growth Area (PGA) overlays that are appropriate for future UGA expansion. [NOTE: Renamed in 2017 CWPP update to Priority Growth Areas]
- 9. Maintain low residential densities to preserve rural character and to *provide buffers between urban activities and agricultural* and forestry uses.
 - LU 9.4 Residential development near designated Commercial Agriculture lands must be designed to minimize potential conflict and prevent unnecessary conversion of farm land.

Growth Management Act

Goals

The Growth Management Act goals, as codified in RCW 36.70A.020, include:

- **Urban growth:** Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- **Reduce Sprawl:** Eliminate sprawling, low-density development that is expensive to deliver services to and is destructive to critical areas, rural areas, and resource values.

WAC – 365-196-640(6) Docketing of proposed amendments.

(a) RCW [36.70A.470](#)(2) requires that comprehensive plan amendment procedures allow interested persons, including applicants, citizens, hearing examiners, and staff of other agencies, to suggest amendments of comprehensive plans or development regulations. This process should include a means of docketing deficiencies in the comprehensive plan that arise during local project review. These suggestions must be docketed and considered at least annually.

(b) A consideration of proposed amendments does not require a full analysis of every proposal within twelve months if resources are unavailable.

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(c) As part of this process, counties and cities should specify what information must be submitted and the submittal deadlines so that proposals can be evaluated concurrently.

(d) Once a proposed amendment is received, the county or city may determine if a proposal should receive further consideration as part of the comprehensive plan amendment process.

(e) Some types of proposed amendments require a significant investment of time and expense on the part of both applicants and the county or city. A county or city may specify in its policies certain types of amendments that will not be carried forward into the amendment process on an annual basis. This provides potential applicants with advance notice of whether a proposed amendment will be carried forward and can help applicants avoid the expense of preparing an application.

ATTACHMENT B.

Overview of Additional Information Needed

DISCUSSION:

Staff has preliminarily identified several areas where additional information will be required. The items that have already been identified are discussed in brief below. Additional information may also be required for items that are pending staff review.

Materials Deemed Insufficient or Unclear

- **Section V, Project Narrative** – Additional details are needed for a number of items, including:
 4. Additional details addressing anticipated impacts.
 7. A detailed explanation of how the proposed amendment is consistent with the applicable provisions of the Growth Management Act (GMA), Countywide Planning Policies (CWPPs), and Comprehensive Plan value statements, implementation strategies, goals, and policies.
 - Incomplete, does not reflect all of the relevant sections.
- **Section VI, Total Acreage Impacted (a)** - The parcels included are inconsistent in the application materials, so we are unable to confirm the total acreage at this time.
- **Section VII. Documentation of Property Owner Notification**
 - The property owner notification does not include all of the impacted properties in the proposal.
- **Section X, SEPA Documentation** - The State Environmental Protection Act (SEPA) analysis provided SEPA Checklist and Non-Project Review form is insufficient for review by the SEPA official. Additional information will be required to complete a preliminary review. The Notice of Incomplete Application notified the applicant that the deficiencies include, but are not limited to, a lack of:
 - Supporting data,
 - Biological site assessment information,
 - An evaluation of impacts to prime farmland and historic farming locations,
 - Impacts related to being adjacent to Ebey’s National Historical Reserve,
 - Potential environmental contamination related to farming activity that may impact future residential uses (application of pesticides/herbicides, livestock area, storage of gasoline,

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propane, kerosene; and potential leaks related to stored equipment such as oil leaks from tractors, etc.),

- Estimate of the volume and distribution of traffic generated by the project, and
- Water traffic impacts (ferry impacts), etc.

Other considerations include the probability for archeological resources on the site, due to a known archeological resource site in close proximity. The applicant made a few minor revisions to the checklist, but proposes that any additional SEPA analysis be done after docketing.

- **Section XIV, UGA Expansion Narrative** – The expansion narrative submitted does not reference the CWPP sequencing criteria and how the proposal does not comply with the CWPP sequencing, nor does it provide information to support the requested designation and sequencing scheme proposed by the applicant. Since the proposal is reliant upon a JPA expansion and PGA overlay, the applicant should reference how this area complies with the criteria in CWPP 3.2 (specifically 3.2.1 & 3.2.2).
- **Section XVI (2) – Proposed Employment Growth Estimates** – In addition to the missing information in part 2, the supplemental attachments provided do not provide essential employment details that allow us to determine net employment change in accordance with the adopted methodology.

Incorrect

In addition to the above items, the Notice of Incomplete Application asked for revisions for clarity in a number of areas. The resubmittal materials from August 28th did not respond to the following items or they are incorrect:

- **Section VI, Zoning and Land Use on parcels surrounding the subject parcels (b)** - The applicant was asked to note the adjacency to Ebey’s Reserve to the South and West. Resubmittal materials do not reference Ebey’s.
- **Section XVI, Proposed Calculation Revisions (3)** – the data and methodology provided in the application materials for estimating the total impact of growth at NAS Whidbey is inconsistent with our understanding of recent and project growth, adopted methodology, and the most current published data.
- **Additional information may be needed to analyze employment growth.**

CONCLUSION:

The preliminary review of the materials shows that additional information will be required. Please note, some of the revised materials are pending review and additional information may be requested that is not included above.