

**GROWTH MANAGEMENT STEERING COMMITTEE
MINUTES FOR JANUARY 26, 2005**

CALL TO ORDER

The meeting was called to order by County Commissioners Phil Johnson at 10:00 a.m. in the first floor conference room of the Jefferson County Courthouse.

ROLL CALL

Committee members present:

Jefferson County: Commissioners Phil Johnson, David Sullivan, and Pat Rodgers.

City of Port Townsend: Council members Michelle Sandoval and Frank Benskin.

Port of Port Townsend: Commissioner Bob Sokol.

Staff present: Al Scalf, Josh Peters, Kevin Russell, and Kyle Alm of County Department of Community Development; and County Administrator John Fischbach. Jeff Randall, City Building and Community Development, and Eric Toews, consultant. Larry Crockett, Port Executive Director.

Guests: Nancy Dorgan; Betty S. Todd; and Mark Jochems and Tamer Kirac of the Jefferson County Economic Development Council.

MEMBERSHIP OF THE GMSC

Al Scalf summarized the discussion at the previous meeting and pointed out that County-wide Planning Policy [CWPP] #10.2 addressed representation on the Committee for new UGAs. He stated that staff was looking for direction about various options and alternatives for how to accomplish representation for the new UGA in Port Hadlock and Irondale.

Bob Sokol referred to the Committee's earlier discussion, stating that the Committee had talked about asking the Port Ludlow Village Council to provide a representative for the Master Planned Resort [MPR] since that body was elected. However, that method of representation had not been settled upon as a solution. Also the Committee had discussed representation for the Hadlock/Irondale UGA. The BOCC subsequently passed a resolution asking that the Tri Area Chamber of Commerce provide a list of potential representatives. That resolution was subsequently repealed by the new BOCC.

Pat Rodgers stated that the position of the BOCC was that there should be representation from the UGA, as a matter of policy, but the method for accomplishing that representation was the issue still to be resolved.

Bob Sokol suggested that a method for selecting UGA representatives could be done similarly to the method used for filling Planning Commission vacancies.

David Sullivan stated that the main reason for repealing the UGA representation resolution was because it would be demographically too narrow to have the nominees be only from the Chamber of Commerce.

During discussions, the Committee appeared to settle on the idea that three representatives from the UGA would be appropriate, which would be consistent with the number of representatives from the City. David Sullivan suggested that, rather than merely running an advertisement for interested persons, the

county should do a broader recruitment, perhaps directly soliciting nominees from community groups. Bob Sokol advocated that someone owning and operating an active business within the UGA should be allowed to seek a nomination.

The Committee returned to the issue of representation from Port Ludlow. Frank Benskin offered the opinion that the CWPP would need to be amended to allow for representation on the Committee from the MPR. Bob Sokol pointed out that the CWPP had been amended by resolution to allow the Port's representation. He thought a similar process could be used to add Port Ludlow representation. Michelle Sandoval expressed concern about a representative from the Village Council given the differences between segments of the MPR and whether a representative could represent the entire community. She also expressed a question about how the Village Council members were selected.

Josh Peters stated that staff had discussed with CTED forming a representative group as an advisory body for UGA planning, including development of a sewer system. He suggested the possibility that, when such a body was formed, that body could nominate the representatives to the GMSC.

Bob Sokol suggested that the terms of office for any new representatives be staggered in order to provide continuity. He advocated that the Village Council nominate the GMSC representative(s), because they were Port Ludlow's elected body.

The Committee briefly discussed the role of the GMSC in reviewing draft plans for consistency with the CWPP.

Frank Benskin expressed some reservations about a representative from the Village Council because there were other elected bodies in Port Ludlow as well, citing the stormwater district as an example. Also the issue of differences between segments of the community was a concern. Pat Rodgers pointed out that the Village Council members were elected from their respective communities. Bob Sokol agreed that the Village Council was a different type of elected body from the City Council, for instance, but they were elected nonetheless.

Michelle Sandoval stated that she did not have a problem with someone from the Village Council being the MPR representative on the GMSC. However, she would want to know how the Village Council was elected and what the Port Ludlow participation was, because she knew that there was some dissention in that community and some people who would not participate because they did not agree with the politics in the community. Bob Sokol stated that he knew that the Port Ludlow Village Council was very active and the community members were very active with the council. He stated that their elections were well supported. Pat Rodgers stated that Port Ludlow was a very important community segment in the county and thought they should be represented on the GMSC. David Sullivan stated that he had not heard anyone from the Village Council lobbying for membership on the GMSC even though he knew the community was very active.

Frank Benskin suggested that the Committee research the information Ms. Sandoval asked for as well as determine a representative group for the new UGA. Michelle Sandoval stated that she merely wanted to know what process they used for selecting the Village Council in the MPR, including terms of office and geographic areas of representatives. Pat Rodgers stated that he would contact the Village Council to gather that information.

The Committee discussed representation for the UGA and how to accomplish that. David Sullivan thought the staff idea about an elected body for the UGA was the best way to do it, although that would take some time and money to pay for an election. There was some concern that the UGA was not ready for such an election yet. Other non-election methods were discussed, including a town meeting format. Pat Rodgers was concerned that a town meeting would not be attended by everyone in the community. Michelle Sandoval thought people could get excited about it if it was done right, citing the City's experience as an example. Bob Sokol stated that his experience was that it was the issue that brought people out. He thought people did not understand what the GMSC was about. It was pointed out that representation for the UGA in community planning was a different issue from UGA representation on the GMSC.

The Committee returned to the suggestion of advertising similar to the process used for filling Planning Commission vacancies in order to get GMSC representatives from the UGA. Bob Sokol recommended that the BOCC adopt a procedure for people to make application. He stated that he knew there were people in the UGA who owned a business in the UGA but lived outside the UGA. He thought one criterion for selection of a representative may be having an active business in the Tri Area. Mr. Sokol recommended that there be three members with the terms staggered.

Pat Rodgers suggested that the BOCC take the Committee's recommendation under advisement and develop a resolution and process for soliciting representatives.

Jeff Randall commented that the GMSC had evolved over time from what it was originally created to do, which was an advisory body to the two legislative bodies (the BOCC and City Council). He stated that CWPP #10.2 was really talking about reviewing plans for consistency and general regional issues. He thought what had happened since then was that the Port now had a position on the GMSC and now the Committee was talking about adding representation from the UGA and Port Ludlow. He thought the GMSC was evolving beyond the authority contained in CWPP #10.2. He suggested that the Committee consider amending the CWPP in order to afford the GMSC with policy formulation. He thought it was a good idea to have a body to discuss and resolve regional issues, and representation from a new UGA was appropriate. However, he thought the CWPP should be amended to reflect that evolution.

Pat Rodgers offered the opinion that the underlying intent of the RCW was that it was the UGAs that were the driver, not the political element. He stated that the City was the only UGA in the past. He thought that was what qualified it under the RCW to proceed with this negotiation.

Eric Toews stated that RCW 36.70A.210 was the controlling statute for the creation of CWPP. He stated that the intent behind that provision was to assure coordinated and consistent planning between the authorities charged with the responsibility to plan under the GMA, namely cities and counties. He stated that it was logical that, over time, unincorporated UGAs as they became incorporated would be required to do their own planning under the GMA. There was nothing that obviously would preclude a body such as the GMSC organized under the CWPP to advocate and allow broader representation than merely the elected representatives of the actual legislative bodies of the relevant jurisdictions. He stated that the thing to be mindful of was that there were only two formal jurisdictions that had the GMA authority and

responsibility to do GMA planning. The purpose of the GMSC was to insure that those plans were coordinated and consistent over the long term.

Bob Sokol referred to CWPP #10.2, stating that it was clear that the CWPP authorized the unincorporated UGA to have representation on the GMSC. Michelle Sandoval agreed, offering the opinion that the GMSC's mission remained fairly consistent with the CWPP.

The Committee agreed that it had enough information for the BOCC to proceed. Pat Rodgers stated that he would contact the Port Ludlow Village Council about their process.

AMENDMENT/UPDATE OF THE COUNTY-WIDE PLANNING POLICY (CWPP)

Al Scalf referred to the one-page handout which summarized his presentation at the September GMSC meeting. He asked for the Committee's guidance, stating that staff could then go forward with drafting amendments to the CWPP.

Michelle Sandoval suggested that the MID provisions be reflected in the CWPP. Pat Rodgers asked that there be no prescriptive language in the CWPP because they were intended to be broad policy direction.

Jeff Randall stated that the CWPP were very much a product of their time. They were developed before either jurisdiction had their comprehensive plans. He thought they served well as the jurisdictions went through that comp plan process. He saw a need to update them so that they served us well in the future. He thought Mr. Scalf had identified most of the issues that should be considered. Mr. Randall stated that staff's of both the City and County would like to work together to develop suggested amendments to the CWPP.

Pat Rodgers stated that he would like to have a workshop with County staff before the CWPP amendment process progressed.

Bob Sokol suggested that there be a mechanism whereby the CWPP would be automatically amended as the GMA was amended with issues that were pertinent to the CWPP.

Frank Benskin suggested that a City/County workshop be held to consider the staff's recommendations. Michelle Sandoval recommended that the staffs work together to draft the CWPP amendments.

Jeff Randall summarized that the staffs would work together to draft the amendments. Then City staff would hold a workshop with the City Council and County staff would hold a workshop with the BOCC to brief them on the proposed amendments in order for them to be prepared. The Committee agreed with that procedure.

GROWTH MANAGEMENT UPDATES - BEST AVAILABLE SCIENCE (BAS)

Eric Toews provided an overview of the City's progress in addressing best available science [BAS]. It was docketed as part of the City's 2004 Comp Plan amendment process. He stated that they had identified weaknesses in the geologically hazardous areas protection standards in the code and that the wetland protection standards were not in step with DOE's current recommendations. He stated that they had prepared a technical memorandum, essentially a review and assessment of the City's environmentally sensitive

areas ordinance. That formed the foundation of the proposed amendments. They were currently in a peer review phase, soliciting agency feedback as well as feedback from professional consultants in the field. He stated that the City Planning Commission would hold a hearing in February with a workshop with the City Council following in March. They hoped to have amendments to the municipal code adopted in April.

Josh Peters stated that the county took up the issue of BAS as part of its 2004 Comp Plan update process. Staff prepared a technical memorandum and subsequent proposed amendments which went before the County Planning Commission. The Planning Commission and staff provided a recommendation to the BOCC for specific changes to the code. He reported that staff also at the time talked to the BOCC about the possibility of deferring the decision until 2005 in order to be concurrent with the City in terms of critical areas. The BOCC's decision was based upon a variety of factors, including that some guidance materials from the state were still tentative, especially those related to wetland protections. The BOCC action was to re-adopt the County's current critical areas provisions.

Al Scalf stated that the County was basically in the same situation as the City. He stated that staff would like to take a look at BAS, adding that we had information addressing wetlands to incorporate. Also, we had channel migration zone analysis that staff proposed incorporating into the code. He stated a concern about the shoreline science and the various setbacks that were proposed and what was adequate under BAS. In addition, he stated that the public participation aspect was a concern, stating the opinion that he did not think the public was aware of the changes being proposed. He stated that, similar to what the City was experiencing, the County wanted to move the BAS issue into 2005 and take the next four to six months to generate a public dialog.

Phil Johnson stated that the County was supposed to have a meeting with DOE sometime soon on the BAS issue, although that had not occurred yet.

Bob Sokol stated that the Washington Public Port's Association had an environmental committee which had a staff member in Olympia. He stated that no one could agree on the issue, which made it a difficult issue to resolve.

Frank Benskin referred to the City's process, stating that he agreed with Mr. Scalf's assessment about the public participation aspect of the issue. He stated that he would like to see more public information and participation before the City adopted its regulations. He thought the County had the same issue. People did not seem to know or understand the issue.

Pat Rodgers stated that a test of any regulation was whether it was fair to the landowner and that we could actually substantiate that the regulation would be beneficial.

Bob Sokol stated that a problem he had was that someone had come up with a setback for forest lands, wetlands, streams, etc. So when you talked about setbacks, you needed to know the environment being discussed.

Michelle Sandoval asked if there was anything the GMSC should do regarding BAS. Jeff Randall replied that he did not think so. He stated that it was the responsibility of each jurisdiction to take action to address BAS. He stated that there was no provision in the CWPP to coordinate and be consistent on regulations for BAS and critical areas. He stated that the

City's urban regulations could be quite different from the more rural area regulations, so they did not have to be the same. Ms. Sandoval asked if the City and County staffs had discussed the issue. Mr. Randall replied that the respective staffs had conferred. Mr. Randall stated that one thing the City needed to do was to update its maps, so they would be working with the County GIS department on that project.

Jeff Randall stated that he would like to attend any meeting with the DOE that the County was able to schedule on the BAS issue.

INDUSTRIAL LAND BANKS

Larry Crockett stated that about two years ago the legislature unanimously passed a bill to authorize certain rural distressed counties, including Jefferson County, to designate two industrial land banks [ILBs] outside of existing UGAs. He stated that no action had been taken to date. It was really an issue the county had to deal with, although the law said that the counties would coordinate with the UGAs. He stated that the Port had sent a letter to the County stating that the Port had additional land not purchased with FAA money near the airport that, if interested, the Port would make available for an ILB. He stated that it needed to be clear that the property need not be under government control; it could be government or private or a combination of the two. He reported that they had held discussions with the Economic Development Council [EDC] about the ILB possibility. He stated that no one in the state had tried to implement the RCW provisions for ILBs. He stated that CTED was anxious to see some county tackle it. He pointed out that there was a sunset clause of December, 2007, for designating ILBs. He stated that there had been some talk about extending that sunset provision or even eliminating it. He thought there were some good opportunities available, realizing that we had a new UGA and we were still sorting out how much industrial activity we would allow there. He pointed out that there was not a lot of industrially zoned land in the UGA. He stated that, while we had Glen Cove, there were local businesses that wanted to expand that could not find suitable land in the City or County. He thought there was a need to allow that expansion capability within the County. He reported that discussions had included trying to establish the land bank in order to get it done before the sunset clause. Then we could wait to see what developed in the Tri Area before proceeding with development of the ILB, but at least it would be established. He invited further comments from the EDC representatives.

Mark Jochems, President of the EDC, emphasized that this was not a fast track process; it was a slow track process. There were many things that needed to be done, including a complete environmental impact statement. He stated that they were asking the jurisdictions to take little steps, recognizing that it [ILB] may or may not be needed or that it may be needed in the future. He reported that they had asked Senator Hargrove to extend the sunset date out into the future. He stated that the pertinent RCW reference was 36.70A.367. Part of that RCW was a requirement to do an inventory of available land. He stated that one of their high priority projects this year was to develop an inventory in a searchable database for commercial land and the infrastructure that was available. He stated that it was well known that infrastructure was the usual issue for development in commercial land. He stated that his feeling was that we had very limited commercial land anyway, but he could not prove it until we had the database. He stated that CTED would like to buy into the database and provide funding to do it. He asked the BOCC to adopt a resolution to create a database, which would help the EDC in getting the

funding. He stated that, right now, the only way a person could figure out what commercial land was available was to do a per parcel search, which was a very laborious process. He stated that a database would make such a search much easier and faster. He thought an inventory would show that there was not twenty years worth of growth here, but he could not prove it yet. He wanted to include all zoning in the County and City that was commercial or industrial. He stated that one of the assets of a land bank was that we had the ability to plan the infrastructure. He stated that the land around the airport was partly owned by the Port and partly owned privately. He stated that fire flow was pretty much already there. It was good ground and was in the noise overlay zone. He thought it was good land for a business park or commercial development. He stated that it was the only Port owned airport in Western Washington that did not have a business park. He thought it was an opportunity to create jobs.

Pat Rodgers suggested that Mr. Jochems work with staff on drafting a resolution for the BOCC to consider.

David Sullivan stated that he knew Mr. Jochems had been working on the issue for some time. Mark Jochems stated that he had been working on getting a database for some time. He stated that he was gratified that CTED was offering funding for the project. He stated that his goal was to have the database done by the end of the year.

Larry Crockett clarified that an ILB was strictly for light industrial development, not commercial. He stated that the only commercial activities that might be allowed were accessory uses to the light industrial uses, such as a small café to support the workforce. Bob Sokol added that there also may be a small retail aspect to a light industrial use.

Bob Sokol stated that there was some confusion between MIDs and ILBs. He stated that an MID was project and client specific that required a larger amount of land, whereas an ILB was intended to identify property that had infrastructure as a bank of land for future development.

David Sullivan stated that it could be a working tool for the community. The proposed database would also provide information and justification for the assumptions that we made concerning any ILB that may be adopted. Such a land bank may not actually be used for some years, but it would be there when it became needed. He expressed the hope that the whole Committee would make those decisions, but it would be necessary to base the decisions on real data.

Bob Sokol stated that there had been some talk about incubators for businesses to get started, such as 10,000 square foot spaces. Michelle Sandoval stated that the RCW did not say anything about working jointly with the UGAs; it said with the cities. She stated that the first paragraph of the RCW was specific that the counties should work with the cities, noting that the Hadlock/Irondale UGA was not incorporated. Ms. Sandoval stated that the City had just updated its comp plan. They had looked at the amount of acreage that had been built since the original comp plan was adopted. They wanted to see if they needed to zone any more commercial or industrial land. She stated that they found that they did not need any rezoning because they did not need additional land. Ms. Sandoval stated that the City and County passed a new population forecast that was lower than the initial forecast. She stated that the population was going down. It had been stated in their comprehensive plan that they had enough light industrial land in the City.

Those two things led her to believe that the emphasis should be on utilities infrastructure. She stated that there was industrially zoned land in the City that did not have infrastructure. She stated that she could not believe the GMSC could allow the disregard of the policies of growth management and the whole basis for the CWPP. She stated that the CWPP specifically said to consider the population forecast, to put the growth into the cities or the unincorporated UGAs, and to not extend public infrastructure beyond the UGAs unless it was for health purposes. She strongly advocated that our money and energy needed to go into infrastructure in the UGAs. She stated that we needed to make sure the UGAs could survive. She stated that to put our industrial growth out into non-UGA areas was against what the GMA was about. While she understood the ILB was from an RCW, she pointed out that we had not yet filled our "coffers" in the City and the new UGA sufficiently to make this a sustainable area. She stated that we would have to look at revenue sharing if the ILB were to bleed off the economic development that should go into the City or unincorporated UGA. She stated that she strongly believed in economic development, but the way we got there was to put infrastructure in the ground to make sure that small business owners could build there.

David Sullivan stated that he saw the database as a valuable tool, adding that it should include infrastructure information as well. Then people could see what was available and where it was available. That may lead to the need for an ILB or it may not. Michelle Sandoval stated that she supported creation of the database. She stated, however, that taking the leap to an ILB now was premature and was not compliant with the law.

Bob Sokol asked if Point Hudson was included in the light industrial land in the City in terms of zoning. Michelle Sandoval stated that she had been thinking of south Sims Way as the area that needed infrastructure. Mr. Sokol stated that, while he did not know if this was the time to advocate for land banks, it was an opportunity that we should consider.

Pat Rodgers agreed that the infrastructure was important to any development no matter where it was. He stated that the discussion was about two different things. One was about the need to service land that was presently available. The other side was to talk about the future, and this was our opportunity to identify those areas where future industrial uses could be sited, and it would be foolish not to do that. He stated that he would at least like to see the GMSC ask to extend the sunset time in the RCW. In terms of the population, he stated that he was not so sure it was not the symptom rather than the policy.

David Sullivan asked if the Committee could support extending the sunset provision of the RCW. There was consensus in support of the idea. Bob Sokol stated that it was an opportunity, but if we did not act, it was an opportunity that would be lost.

Jeff Randall stated that it should be understood that an ILB was still for a MID. It was not for small incubators. The ILB was not a tool for such uses. Larry Crockett stated that CTED had given the Port to understand that it could be used in such a way. Bob Sokol stated that an MID could be an industrial park. He cited a large, private industrial park next to the Port of Chehalis industrial park.

Tamer Kirac, EDC, stated that the study being proposed by the EDC was one step among many. He stated that it would be important to see what was available in this county since the last study was done. He stated that the

conditions, the population dynamics, the industrial development in the county, as well as in the Puget Sound region, had changed. He thought there were some opportunities we may have. It needed to be based on some serious, legitimate, and objective studies. He thought we had an opportunity to do that, and it may or may not lead to a land bank. He stated that the requirement was that a comprehensive study had to be done so that when a decision was made, it would be economically feasible. He thought steps were being taken toward that end. He stated that there was no predetermined fate. The studies needed to be done to legitimately defend the final decision.

Pat Rodgers stated that his concern was that two years may not be sufficient to be able to accomplish all of that. That was why he supported extending or eliminating the sunset date. Tamer Kirac thought that extending the sunset date would be of benefit not only for the EDC's purposes but also for any decision that may be made. He thought that within a two year period we should be able to get some tangible outcomes, whether a land bank was the best option for this county.

Michelle Sandoval stated that those studies would make any decision legally defensible. She thought we needed the groundwork accomplished first. Tamer Kirac stated that the advice they had received from CTED was to make sure we took our steps carefully, to make sure there was buy-in from the various communities, and that the public was involved every step of the way.

Mark Jochems stated that the EDC's stance was to deliver opportunities for economic development, nothing more and nothing less. He wanted to be in compliance with the GMA. He saw the need for developing the City's light industrial land and developing the rest of the commercial land. However, he had not seen any plans with a timeline attached for infrastructure development for those two areas. Again, to make these decisions legally defensible, he thought the City would be well served to come up with a plan to provide infrastructure to those areas.

Bob Sokol stated that this was not necessarily a Port issue. He stated that the RCW allowed for two ILBs in the county. As it happened, the Port was one of the few airports that did not have that kind of development around it, adding that it was a logical place to do it.

Frank Benskin suggested that the sunset provision seemed to be one area where the County could exert some pressure to extend it. Pat Rodgers commented that the City could do likewise.

Kevin Russell stated that the RCW talked about the size of the parcel, not the overall inventory in the City. It talked about a parcel that was "so large". If the City's parcels were so fragmented, it would not be the overall number of how much commercial/industrial acreage was available, it also took into account the size of the parcel needed.

PUBLIC COMMENT

Phil Johnson invited public comments.

Nancy Dorgan stated her understanding that an ILB would not be part of the airport. Bob Sokol responded that there was a lot of undeveloped land around the airport. He stated that the airport was controlled by the funding source for the land. If the FAA was the funding source, then the use had to be an aviation related use. While it could be part of the land bank, the uses

would be limited to aviation related uses. The area outside of the FAA funded land, which was purchased with local Port funds, could be used for any type of light industrial use.

Betty Todd referred to HB 1023, which would exempt tsunami resistant structures from critical areas development regulations. Jeff Randall responded with the opinion that it meant that people building bunker areas for people to flee to in a tsunami would be exempt. You could put it right on the shoreline and it would be exempt from the shoreline setbacks, etc. He thought that was the idea of the bill.

Bob Sokol commented that there were now tsunami evacuation instructions posted at the boat haven and at Point Hudson.

ADJOURNMENT

Bob Sokol suggested that the GMSC hold a special meeting to discuss the Committee's membership. The Committee agreed to hold a meeting earlier than their next scheduled meeting of once per quarter, possibly in February, for that one topic. Staff was asked to coordinate a meeting time, date and place.

The meeting was adjourned at 11:40 a.m.

Cheryl Halvorson, Secretary