



## SAN JUAN COUNTY DEPARTMENT OF COMMUNITY DEVELOPMENT

135 Rhone Street, PO Box 947, Friday Harbor, WA 98250

(360) 378-2354 | (360) 378-2116

dcd@sanjuanco.com | www.sanjuanco.com

### MEMO

**MEMO DATE:** July 2, 2021

**TO:** San Juan County Planning Commission

**CC:** Erika Shook, AICP, DCD Director

**FROM:** Sophia Cassam, Planner I *SC*

**SUBJECT:** 2021 Docket Public Hearing Continued from June 18, 2021  
Request 21-0003

**HEARING DATE:** July 16, 2021

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**FEEDBACK REQUESTED:** A Planning Commission recommendation to the County Council on the 2021 Docket. This includes whether to add request 21-0003 to the Department of Community Development (DCD) work program and at what priority.

At the June 18 public hearing on the 2021 Docket, the Planning Commission recommended that the following requests be added to the DCD future work program in the following order:

- 21-0008 (Stormwater)
- 21-0001 (Commercial Composting)
- 21-0005 (Trees)
- 21-0006 (Eastsound)
- 21-0002 (Indoor Recreation Facilities/Tennis)

The Planning Commission recommended no further action on the following requests:

- 21-0004 (Floodproofing)
- 21-0007 (Drive-through windows)

At the continuation of the 2021 Docket public hearing, the Planning Commission will recommend whether to add request 21-0003 to the DCD work program and at what priority.

**PUBLIC COMMENTS:** Please send all public comments to [sophiac@sanjuanco.com](mailto:sophiac@sanjuanco.com). Please do not copy the County Council, Planning Commission members, or other County staff. Written public comments received by July 15 will be provided to the Planning Commission before the hearing. Please focus public comments on the discussion topics contemplated in this memo.

**BACKGROUND:** At the June 18, 2021 Planning Commission public hearing on the 2021 Docket, the Planning Commission requested additional information about how the Comprehensive Plan update addresses the concerns about impacts of population growth and development expressed in Docket request 21-0003.

### Request 21-0003

The applicant is requesting the addition of an executive summary in the Comprehensive Plan (*Plan*) Introduction explaining how the goals, policies and Unified Development Code (UDC) regulations relate to the Vision Statement and 14 Growth Management Act (GMA) planning goals. This executive summary would also include a “Build-out-Analysis” exploring the impacts that could occur if all development capacity allowed by the current *Plan* Official Maps were developed. Another part of the request involves changing the process for *Plan* and Development code amendments in San Juan County Code (SJCC) 18.90.020 Legislative procedures to reinforce the connection between the Vision, GMA goals, *Plan* goals and policies, Unified Development Code and Official Maps. The applicant is concerned about the impacts of development on the quality of life in the County and finds the development allowed by the *Plan*’s land use maps, goals, and policies to be misaligned with the County’s Vision and the GMA.

To amend the *Plan* Introduction and complete the “Build-out Analysis” (BOA) as described in the application would be a major project. The amendments to the Introduction, which would include information from the BOA, would go through the public process described in SJCC 18.90.020 Legislative procedures. For the BOA, staff would research best practices, develop a methodology, conduct the analysis, and develop conclusions. Staff would involve the public and incorporate their input throughout the process. Then, the findings of the BOA would be incorporated into the draft changes to the *Plan* Introduction during the amendment process. To amend the process for *Plan*, development code, and Official Map changes in 18.90.020 Legislative procedures, the County would go through the code change process described in 18.90.020 Legislative procedures. This process would require 6-8 months in addition to the BOA and *Plan* Introduction changes.

The applicant submitted similar requests during the 2018 and 2019 annual docket processes. The 2018 Docket was resolved with Resolution 31-2018. At that time, the County Council directed DCD to take no further action because the other components of the *Plan* such as the Land Capacity Analysis address similar information and are currently included in the *Plan* update scope of work. The 2019 Docket was resolved with Resolution 29-2019, which concluded that the 2018 resolution already resolved the request. In 2021, though the request is slightly modified, staff comes to the same conclusion.

The applicant also requests that the County adopt a new standard requiring any future *Plan* or development code amendments to explicitly reference and demonstrate compliance with the Vision and the GMA goals. This request would require a change to SJCC 18.90.020 Legislative Procedures, which sets the process for code, official map, and Comprehensive Plan amendments. SJCC 18.90.020 currently requires DCD and the Planning Commission to evaluate all amendment requests. This evaluation includes reviewing amendment requests for consistency with the *Plan*, Vision and GMA. It is unnecessary to adopt a new standard for demonstrating the consistency of amendments with the *Plan*, Vision and GMA because this demonstration is already a part of the County’s required process.

An underlying argument made by the applicant is the idea that the Comprehensive Plan and Official Maps are in violation of the Growth Management Act. The applicant cites a 1999 Final Decision and Order (FDO) issued by the Western Washington Growth Management Hearings Board (WWGMHB) to convey violation. However, when the WWGMHB issued the 1999 FDO, the County resolved the problems raised and the WWGMHB then issued Findings of Compliance. The Comprehensive Plan is compliant with the GMA. None

of the requests made in this application are required at the local, state, or federal levels. If the County Council decided to add these requests to the DCD work plan it would be a local choice.

Staff Recommendation

Do not add this request to the DCD work plan because it was previously resolved in the 2018 and 2019 docket resolutions and because many aspects of the request are being fulfilled in the ongoing *Plan* update. If the Planning Commission chooses to recommend adding this request to the DCD work program, the project should occur after the *Plan* update because it is not required and would be a resource-intensive, large scale project that is not part of the adopted scope of work of the *Plan* update.

Table 1 below shows how the *Plan* update is already addressing aspects of request 21-0003.

**Table 1. Request 21-0003 and Comprehensive Plan Update Comparison.**

Factor	Request 21-0003	Comprehensive Plan Update	Link to Draft Document
Development Capacity	Determine how much development could occur if all capacity allowed by the current Official Maps were developed.	Conduct a Land Capacity Analysis that determines the amount of development that could occur and how much development capacity is needed to accommodate the 2036 population.	Residential Development Capacity: <a href="https://www.sanjuanco.com/DocumentCenter/View/19296/">https://www.sanjuanco.com/DocumentCenter/View/19296/</a>  Employment Capacity: <a href="https://www.sanjuanco.com/DocumentCenter/View/19636/">https://www.sanjuanco.com/DocumentCenter/View/19636/</a>
Livability	Determine how County finances, community cohesiveness, the environment, and quality of life would be impacted if all development allowed by the current Official Maps were developed.	Perform 2016-2036 level of service assessments for capital facilities and transportation, ensuring that the County’s service capacity keeps pace with development. Capital facility, utility, and transportation policies address the financial implications of increased service demand. Assess the housing needs for the projected population in the Housing Needs Assessment.	Capital Facilities Level of Service (see LOS tables in Attachment B. Draft Appendix 7, Capital Facilities Plan): <a href="https://www.sanjuanco.com/DocumentCenter/View/20342/">https://www.sanjuanco.com/DocumentCenter/View/20342/</a>  Transportation Level of Service (see tables 1-6): <a href="https://www.sanjuanco.com/DocumentCenter/View/20866/">https://www.sanjuanco.com/DocumentCenter/View/20866/</a>  Housing Needs Assessment (see attachment B): <a href="https://www.sanjuanco.com/DocumentCenter/View/19635/">https://www.sanjuanco.com/DocumentCenter/View/19635/</a>
Timeframe	Conduct an analysis of development beyond the 20-year timeframe required by the GMA.	Plan for the 2036 projected population, as required by the GMA, and consider the population’s needs beyond 2036. Future periodic reviews of the <i>Plan</i> will update the population forecast and ensure that the <i>Plan</i> accounts for additional population growth.	Population Projection Resolution: <a href="https://www.sanjuanco.com/DocumentCenter/View/12736/">https://www.sanjuanco.com/DocumentCenter/View/12736/</a>  Staff report with population background and analysis: <a href="https://www.sanjuanco.com/DocumentCenter/View/11845/">https://www.sanjuanco.com/DocumentCenter/View/11845/</a>  Seasonal Population Analysis: <a href="https://www.sanjuanco.com/DocumentCenter/View/16616/">https://www.sanjuanco.com/DocumentCenter/View/16616/</a>

Introduction	In the Comprehensive Plan Section A, Introduction, explain how the goals, policies and UDC regulations relate to the Vision Statement.	The Comprehensive Plan Section A, Introduction, describes in plain language the relationship between the 14 GMA planning goals, the Vision, and <i>Plan</i> goals, polices and land use maps.	Draft Comprehensive Plan Introduction: <a href="https://www.sanjuanco.com/DocumentCenter/View/20407/">https://www.sanjuanco.com/DocumentCenter/View/20407/</a>
Vision	Assure that the Comprehensive Plan, Development Code and Official Maps adhere to the Vision.	The Vision was updated in 2018 with an extensive public process and has been used to guide new goals and policies during the Plan update.	Updated Vision adopted in 2018: <a href="https://www.sanjuanco.com/DocumentCenter/View/15824/">https://www.sanjuanco.com/DocumentCenter/View/15824/</a>
Water resources	Ensure that development does not outpace the availability of vital resources such as water.	Draft Element 4, Water Resources, includes goals and policies for: tracking water use and understanding the amount of fresh water available; increasing water use efficiency; and ensuring adequate water availability before permitting new development. LOS standards in Appendix 7 for community water systems ensure adequate water supply in denser areas.	Draft Water Resources Element: <a href="https://www.sanjuanco.com/DocumentCenter/View/20406/Section-B_Ele_4_Water_Resources_04-14-2020_update">https://www.sanjuanco.com/DocumentCenter/View/20406/Section-B_Ele_4_Water_Resources_04-14-2020_update</a>  Capital Facilities Level of Service (see LOS tables in Attachment B. Draft Appendix 7, Capital Facilities Plan): <a href="https://www.sanjuanco.com/DocumentCenter/View/20342/">https://www.sanjuanco.com/DocumentCenter/View/20342/</a>

## LAND CAPACITY ANALYSIS (LCA)

The WA State Growth Management Act (GMA) requires counties with urban growth areas (UGA) to conduct a land capacity analysis (LCA) during their comprehensive plan periodic update. The LCA is a study of existing development and current regulations to determine if UGAs have enough capacity for development to accommodate the projected population and employment growth. Capacity is expressed as potential dwelling units (residential) and possible building square footage (commercial/industrial). GMA only requires the County to conduct a LCA for established UGAs. San Juan County has elected to conduct the LCA countywide to include activity centers, rural lands, and natural resource lands.

The LCA evaluated the following aspects of growth:

- How many dwelling units could be constructed in the County based on developable acreage and the maximum residential density allowed by the *Plan* Official Maps. This is referred to in the LCA as gross capacity;
- How much commercial/industrial building square footage could be constructed in the County based on the number of developable commercial/industrial designated acres and the achieved land use intensity in those designations;
- The maximum amount of nonresidential development in the County based on what the San Juan County Code (SJCC) allows. This is referred to in the LCA as maximum capacity;
- The amount of residential and commercial/industrial development capacity that will be available to accommodate the forecasted population and employment growth through the year 2036. This is referred to in the LCA as final capacity. Final capacity includes reductions for the following factors:
  - Market factor (25% reduction): approximates the amount of land that will be held out of development for speculative holding. Both residential and commercial/industrial capacity were reduced by the market factor;
  - Public use factor (5% reduction): approximates the amount of land that will not be available for development because it must be provided for public uses such as rights-of-way. Both residential and commercial/industrial capacity were reduced by the public use factor;
  - Seasonal and Recreational Home Factor (35% reduction): approximates the amount of housing that will be used for second homes, vacation homes, and short-term rentals. This reduction only applies to residential capacity. The 35% figure is based on the U.S. Census Bureau occupancy figures for the years preceding the analysis, which moved between 30 and 40% between 2010 and 2016; and
- The number of jobs that could be accommodated in commercial/industrial development capacity. This is referred to as employment capacity in the LCA.

## **CAPITAL FACILITIES LEVEL OF SERVICE ASSESSMENT**

Comprehensive Plan Appendix 7, Capital Facilities Plan, includes location and capacity information for capital facilities such as solid waste, community water systems, and sewage treatment systems. GMA requirements for the Capital Facilities Element include an inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities, and a forecast of the future needs for such capital facilities. This plan includes a Level of Service (LOS) Assessment, which fulfills the requirement for a forecast of future needs.

- The Capital Facilities Plan discusses a wide range of facilities that contribute to quality of life. These facilities are: solid waste, community water systems, community sewage treatment, government administration, public works, stormwater utilities, County parks and recreation, public schools, fire protection and EMS, ports, health and services, and education and recreation.
- The formulas for calculating LOS are established in the 2009 Capital Facilities Element and are based on per-capita standards.
- LOS standards help identify the need for capital improvements by evaluating the present LOS and the capacity needed to serve the projected 2036 population.
- Residential development capacity is contingent on the availability of “Category A” capital facilities: solid waste, community water systems, and sewage treatment systems. These facilities must be available concurrently with development. Building permits will be denied if adequate Category A capital facilities are not available.

## **TRANSPORTATION LEVEL OF SERVICE ASSESSMENT**

One of the primary criteria for identifying needed capital improvements for transportation systems is the establishment of LOS standards to measure the capacity of transportation facilities and services necessary to support new development and maintain or enhance the quality of life in the community. The LOS standards adopted by the County are based on the community's values and vision of its future. LOS standards serve as a gauge to judge the performance of the transportation systems and ensure that the community has set realistic, measurable and attainable transportation goals; accounts for the impacts of growth and development; and makes transportation planning and programming decisions based upon community valued policy direction.

The LOS standards for San Juan County’s road transportation systems are based on the physical capacity of the facility or service, as well as development projections. Appendix 6, Transportation shows the LOS calculations for the present (2018 or 2019, depending on the island) and through the 2036 planning period.

Consistent with GMA requirements, the County has adopted development regulations that prohibit development approval if a development would cause the level of service on a transportation facility to decline below the adopted standards, unless transportation improvements or strategies to accommodate the impacts of the development are made concurrent with the development.

## **HOUSING NEEDS ASSESSMENT (HNA)**

The HNA is an appendix to the *Plan*. It provides an inventory and analysis of existing and projected housing needs. The HNA is a required component of the *Plan* (WAC 365-196-410(1)(a)). The HNA provides data on the existing housing stock in the County. It examines the demographics in the County, how they are expected to change in the next twenty years, and the housing needs for all economic segments in the County. The HNA pulls together various housing data sets to provide a picture of what housing needs can be expected in the County through the year 2036.

A key component of the HNA is the housing unit forecast, which projects the number of housing units that might be expected in the County through the year 2036 based on historic housing numbers dating to 1980. Between 1980 and 2016 housing units in the County increased by an average of 209 units per year. This average includes the decades preceding the adoption of the *Plan*. The number of permits in the 1980s and '90s was higher than in the years following the adoption of the *Plan* in 1998. From 1990 to 1999, an average of 334.6 housing units were added each year. On the other hand, between 2000 and 2016, housing units increased by an average of 173.06 per year. In the end, the HNA forecasts 4,180 new units in the County, reaching a total of 18,059 housing units by 2036.

## **POPULATION PROJECTION**

The GMA requires the *Plan* include a population forecast that determines the amount of population growth expected throughout the planning period. For the current *Plan* update, the population projection must extend to the year 2036. The population projection must be based on population numbers provided by the WA Office of Financial Management (OFM). RCW 36.70A.115 requires that the County population projection be consistent with the OFM twenty-year population forecast. The GMA does not require that the County-adopted population projection be exactly the same as the options provided by the OFM, but it must be consistent with the OFM provided range. The County set a population forecast for the *Plan* update with Resolution 27-2017. This population projection is consistent with the OFM forecast based on the County's proportionate share of state population. The population projection forecasts that the County population will reach 19,423 people by the year 2036. This projected population is central to the other analyses discussed in this memo because this is the number of people the *Plan* must prepare the County for.

## **COMPREHENSIVE PLAN INTRODUCTION**

Through the *Plan* update, Section A, Introduction will be repealed and replaced with a new introduction that is clearer and more engaging than the existing Introduction and that includes updated information. The purpose of the Introduction is to present the community's vision; explain the *Plan's* purpose, contents, and implementation; and orient readers to the San Juan County context.

The current draft of the Introduction begins with the Vision and includes information on its purpose in planning and on the public's involvement in updating it in 2018. The Vision is part of Section A because it guides the goals and policies in the *Plan* elements in Section B. Staff, the Planning Commission, and the County Council have worked to ensure consistency with the 2018 Vision throughout the process of updating the *Plan* elements.

After the Vision, the Introduction discusses what the *Plan* is, how it works, and the framework within which it operates. In summary:

- The 10 *Plan* elements encompass a wide range of interconnected aspects of life in San Juan County.
- The *Plan* Vision guides the goals and policies in each element along with the official maps, which then shape the County's regulations, programs, and other plans.
- The *Plan* is shaped by early and continuous public involvement.
- Overall, the *Plan* aims to accomplish the 14 GMA planning goals while anticipating population growth.
- The *Plan* is implemented by the Department of Community Development along with other County departments and community organizations.

The final section of the Introduction provides a County profile, including information on population, place, and key challenges the County is facing. The population part of this section provides the current and projected number of residents, demographic data, and information on visitors. Then, place is discussed, including transportation access to the Islands and the varied and unique landscapes and habitats. Finally, key challenges are discussed to highlight the overarching concerns that have been identified throughout the *Plan* update process and which are addressed throughout the *Plan* elements.

### **VISION ADOPTED IN 2018**

The vision statement is established in the *Plan* Introduction. It provides a high-level picture of where the community wants the *Plan* to guide the County through the planning period. In general terms it describes what the realization of the *Plan* ought to look like. The San Juan County vision is unique in that it is divided into topic-specific sections that describe the community's vision for individual subjects. The length of the San Juan County vision is another distinctive feature of the vision. While many comprehensive plans dedicate a few sentences to the vision, San Juan County has dedicated over two pages to describing where the *Plan* ought to guide the County through 2036. The current vision is included with Resolution 27-2018.

The vision was initially adopted with the County's Growth Management Act (GMA) Comprehensive Plan in 1998. It was the product of an extensive public process that spanned months and included citizen advisory committees and numerous comments. Due to the extensive public process, the vision appears to be a rare point of consensus in the initial adoption of the *Plan*. The strength of the originally adopted vision was apparent nearly 20 years later, when the County began considering possible amendments to the Vision. An update to the vision was ultimately adopted in 2018 by Resolution 27-2018.

Reexamining the vision was included in the scope of work for the *Plan* update, adopted in 2016 by Resolution 21-2016. The intent was to ensure that vision still reflects where the community wants the *Plan* to take the County. Bearing in mind the history of public participation and the vision, the County hired consultants from Studio Cascades Inc. (SCI) to conduct broad-based public outreach and prepare a report of the findings with recommendations for possible updates.

Public outreach was conducted in September and October 2017 and included interviews with selected stakeholders, pop-up studios, mini polls, community workshops and an online questionnaire that followed. In-person outreach took place on San Juan, Orcas, and Lopez islands and included over 100 participants. Through the mini-poll and online questionnaire, over 700 responses were gathered.

The responses and results of the public outreach were compiled into a summary report with recommendations for possible updates dated December 2017. This summary report is posted online at: <https://www.sanjuanco.com/DocumentCenter/View/13890/San-Juan-County-Vision-2036-Update-Process>

In 2018, the County Council and Planning Commission went through a public process to consider the results of the public outreach, discuss possible amendments of the vision, create a 'public hearing draft' of amendments, consider additional public comments, make revisions, and hold public hearings to adopt the new vision by Resolution 27-2018.

The vision updated by Resolution 27-2018 reflected broad public outreach with input from a wide range of stakeholders. The history of the *Plan* vision as a bottom-up community-drafted document was honored and expanded by the extensive opportunities for the public to provide comments throughout the update process. This was evidenced by public comments submitted in support for the proposed vision (see public comments under the 'vision and introduction' tab at:

<https://www.sanjuanco.com/1306/Comprehensive-Plan-Elements>

Much of the input from this community engagement process informed later work on the *Plan* update, refining the focus for the policy work that followed. The vision updated by Resolution 27-2018 has guided all of the amendments to the *Plan* that have been proposed throughout the *Plan* update. The updated vision has been woven into each of the draft elements to ensure that the proposed changes to the *Plan* will guide the County to a future the community desires.

## **WATER RESOURCES**

Draft Element 4, Water Resources, includes goals and policies for managing water resources, protecting water quality, and ensuring a coordinated effort between County departments, service providers, and the public. The goals and policies below address the concerns in Request 21-0003 about ensuring that development does not outpace the availability of vital resources, such as water.

### Draft Goals

6. Manage water resources in San Juan County by monitoring and measuring the amount of fresh water used for domestic, industrial and agricultural purposes and characterize the amount of water available from ground water and surface water sources.
10. Ensure new development has adequate water availability prior to permitting to prevent impairment of existing users that include designated beneficial uses, and fish and wildlife habitat that rely on fresh water.

### Draft Policies

2. Develop and maintain a County-wide water budget that tracks water use from residential, agricultural, commercial and industrial uses.
14. Develop a water use efficiency program for the County's Group B water systems. This program will track annual water use and efficiency, and require water systems to have a plan to achieve and maintain water use efficiency. The program will recognize systems with lowest water loss.

15. Require all new water well and surface water users to install a water meter that is capable of electronically reporting water use data.
16. Create incentives for all existing water users to install a water meter that is capable of electronically reporting water use data.