

**Lewis County Planning Commission
Lewis County Courthouse
351 NW North St.
Chehalis, WA 98532**

**September 22, 2009 – 7:00 PM
Meeting Notes**

Planning Commissioners Present: Rachael Jennings, Mike Mahoney
Planning Commissioners Excused: Arny Davis, Richard Tausch
Planning Commissioners Absent: Jim Lowery, Bill Russell, Bob Guenther
Staff Present: Glenn Carter, Phillip Rupp, Barbara Kincaid, Pat Anderson
Consultants Present: Andy Lane, Cairncross and Hempelmann; Marnie Allen, ESD112
Others Present: Please see sign in sheet

Handouts/Materials Used:

- Agenda
- Meeting Notes from September 8, 2009
- Memo from Barbara Kincaid re: Chehalis UGA
- Rezone Matrix
- School Capital Facilities Plans
- Power Point on School Capital Facilities Plans

I. Call to Order

Chairman Jennings called the meeting to order at 7:03 P.M. The Commissioners introduced themselves.

II. Old Business

A. The meeting notes from September 8, 2009 could not be approved as there was not a quorum of the Commission present.

Chairman Jennings skipped to New Business so Mr. Lane could brief the Commission on the Trans Alta Industrial Land Bank.

Mr. Lane stated he was representing the Lewis County Economic Development Council and the industrial park at Trans Alta. Mr. Lane briefed the Planning Commission on the background. In 2006 when Trans Alta shut down its coal mining operation it donated 1000 acres for industrial and manufacturing use. The Growth Management Act did not provide a method for taking advantage of that site and in 2007 an amendment was proposed to the legislature that is uniquely for the Trans Alta site and for Lewis County. The specific provisions of that amendment state the qualifications of the site to be designated as an industrial land bank. There are several stipulations that apply only to that site, one of which is there must be at least 1000 acres available, that do not need to be contiguous, and it must be suitable for industrial, manufacturing or commercial purposes. The infrastructure must be provided for and there must be an environmental

review. After the area is designated there must be specific users that can come in and those sites have to be 100 or more acres for each site.

It is designed for industrial and manufacturing uses but there can be commercial uses that must be directly related to the industrial and manufacturing uses. There is a size limit to commercial uses relative to the total development.

One of the unique things about the legislation is it makes it very clear that the designation is a Growth Management action. Once the designation is set and an individual user comes in and wants to put their facility at that site it becomes a project level action. That is reviewed through the Hearings Examiner and if it is appealed it would go through the LUPA process to Superior Court.

Mr. Lane stated in a few weeks the Planning Commission will be seeing some proposed amendments to the Comprehensive Plan that will allow the County to take advantage of this statutory provision and then there will be policies that implement what the statute says have to be in the policies. There will be some code provision amendments that will create the review process for when an individual user comes in with an application and wants to have his project evaluated for approval. We will also have a map that will show the location of the site.

Commissioner Mahoney asked if there is any statutory regulation as to how the site might be developed: will it be a port district, an industrial park or will it have its own board of commissioners.

Mr. Lane asked Mr. Bill Lotto to speak to that.

Mr. Lotto stated he is with a new corporation called The Industrial Park at Trans Alta which is a 501c3 corporation. Part of the study that the EDC has gone through for the donation of the land suggested that it would be in the best interests of the community and the work of the EDC to form a separate corporation since the EDC has a county-wide charter and is charged to represent economic development activities throughout the County. Rather than have this specific project in conflict with that charter, they encouraged the formation of a new corporation with its own board of directors who will have ownership of that 1000 acres and will make the request for change.

II. Old Business

2nd Workshop on Comp Plan Amendments, Batch 1 Rezone Requests

Ms. Kincaid stated at the last meeting maps had been distributed that showed the requested zoning. The majority of the applications are the same as the 2008 recommendations. On three applications, #31, 33 and 96, the recommendations were tabled because of the ARL designation. Applications 89 and 91 requested to be withdrawn. That leaves three applications where the recommendation differs from what the Planning Commission saw in 2008. Those are Applications 13, 63 and 156.

The matrix that will go to the public hearing shows the recommendation after Ms. Kincaid spoke with the applicant regarding #156. There is also a memorandum in the Commissioners' packets regarding this decision.

Application #13

The current zoning is RDD-20 and the request is change to RDD-10. In 2008 the recommendation from staff was to leave it RDD-20; however Ms. Kincaid believes RDD-10 is an appropriate zone for this property.

Chairman Jennings asked if the BOCC recommended this be left as RDD-20.

Ms. Kincaid stated the 2008 recommendation from staff was to leave it as RDD-20. That recommendation was forwarded to the BOCC and it is one of the rezone remands.

Ms. Kincaid stated the RDD-10 is the default zoning. RDD-20 zoning criterion is applied when there are significant critical areas. The thought in 2008 was that this area had a lot of steep slopes. There are some steep slopes but there are buildable areas and Ms. Kincaid believes it qualifies for the RDD-10 zoning.

Application #63

This parcel is zoned RDD-20 and the applicant is requesting RDD-5. In 2008 the recommendation was to leave it as RDD-20 because to change it would create an irregular boundary and it is part of a 1 in 20 block. After analysis, there is a pattern of development that does support the RDD-5 zoning and it is close to the city limits of Toledo. Ms. Kincaid recommends changing it to RDD-5.

Application #156

This parcel is about 2000 acres around Mineral Lake and is currently zoned Forest Resource Land (FRL) of long term commercial significance. The county code has two designations for FRL: one is long term commercial significance and the other is local importance. Local importance is an opt in and Ms. Kincaid has had two conversations with the applicant to be sure she understood what they were trying to do. The applicant indicated that FRL of long term commercial significance is not a good fit there and they are requesting local importance. The difference is the 5000 contiguous acres as a qualifier as Commissioner Russell noted at the last meeting. Long term commercial significance is an 80-acre minimum parcel size and the local importance is a 20-acre minimum parcel size.

Ms. Kincaid stated considering the options and potential for what might occur there the area does appear to be part of the contiguous 5000 acre FRL long term commercial significance and it is being managed as a forest. The way the code discusses the local importance speaks to whether or not this is resource land. It is managed as forestry but there may be other things that support and implement the 20-acre lot size. That includes 20-acre home sites that are conducting forest practices and could be served by public facilities and whether or not the evidence of economics are causing the long term commercial significance to not be practical. It did not appear that that fit and in the

memo Ms. Kincaid explained that. She recommends this land remains in FRL of long term commercial significance.

Commissioner Mahoney asked if the applicant would be able to present their argument at the public hearing.

Ms. Kincaid stated they could and she encouraged them to speak at the Good of the Order as well, with the understanding that it is not public testimony at that time.

The opt in is a special process in the code and calls for 30 days notice before a public hearing can be held. This application must have a public hearing date that is different from the other rezone requests to meet that requirement. There is a schedule on page 2 of the memo for the process. The notice of hearing would go out on September 30 and the public hearing would be held on November 10. There is a 5-day window for the Planning Commission to transmit its findings to the Board and the Board is scheduled for a December 7 public hearing on all of the comp plan amendments.

With the exception of Application #156, there is a public hearing scheduled for the rezone applications on October 13.

New Business

UGA Expansion Requests

Ms. Kincaid stated the comprehensive plan amendment package on the Planning Commission docket will include the rezones, the UGA expansions and some comprehensive plan text changes. Specifically, on the UGA expansions, the City of Chehalis submitted a request for a one-parcel UGA expansion off of Hillburger Rd. The process for city UGAs is to go to the Planned Growth Committee (PGC) to have a discussion with all the cities and the county on how that may impact the other cities' goals. This parcel is located in the 100-year flood plain and staff does not believe it can support Chehalis' UGA. With that, the City has asked to table that discussion until the City can talk to the property owner.

Ms. Kincaid asked Mr. Rupp and Mr. Carter to speak about the Centralia UGA expansion.

Mr. Rupp stated in 2008 the City of Centralia requested an amendment to its UGA, asking to add over 300 acres. The two parcels involved consisted of 80 acres along the Chehalis River in the flood plain and about 290 acres in north central Centralia. The Planning Commission recommended approval; the Board adopted that recommendation and the amendment that went to the Growth Board was appealed. Mr. Rupp pointed out the areas on the map.

Following the appeal there were several actions that took place trying to resolve the appeal through various agreements. This is a unique situation and it may or may not be included in the annual comp plan amendment process. The City is asking to redesignate the UGA boundary for Centralia to remove the 80 acres and go back to the original

zoning which is RDD-20 and retain the 290 acres in north central Centralia for industrial development.

Mr. Carter stated after the appeal was filed it appeared that the only issue in question was concerning the 80 acres. At the time of the pre-hearing Futurewise and Mr. Eugene Butler indicated that it was not only the 80 acres, that they were appealing the determination and designation of the 297 acres. The Growth Board allowed them to add the challenge to the 297 acres. Negotiations were entered into with Frank Schmidt Profit Sharing Trust, owners of the 297 acres, Futurewise and Mr. Butler.

A tentative settlement was reached and provided for the determination to withdraw the challenge by Futurewise and Mr. Butler to the 297 acre expansion. In exchange, the 80 acres was to be taken out and reconsidered by the Planning Commission and the Board as to whether it should be included in the UGA.

At that time there was an agreement signed by everyone but once the agreement was sent to Futurewise for a signature on behalf of Mr. Butler, Mr. Butler withdrew the authorization to settle because of the pending matter in Cowlitz Superior Court concerning the amendments of the 2007 Critical Areas Ordinance (CAO) and other expansions to UGAs. It was determined by Mr. Butler that if he settled this case it would hurt the other case.

There were motions filed for summary judgment and before it came to hearing another settlement was reached. In that settlement it was determined that Mr. Butler and Mr. Curtis would dismiss their litigation regarding challenging our prior CAO and the other ordinances in 2007. At the same time, they agreed they would reinstate the settlement they initially authorized regarding the Centralia UGA.

We are back now at the point where the parties had signed the settlement agreement with respect to the Centralia UGA to bring back the 80 acres for reconsideration by the Planning Commission and eventually the BOCC as to whether the ordinance designating it as part of the UGA would be repealed.

Commissioner Mahoney stated if we agree that this is not part of the UGA what happens to that land as far as zoning goes and does it become part of the County.

Mr. Rupp stated we are asking to set a public hearing for consideration of revision of the UGA boundary and the rezoning. We would need to consider a re-drawing of the map as well as a resolution and ordinance adopted by the BOCC to change the land use and the boundary. We would have liked to set a public hearing tonight for October 13 but we do not have a quorum.

Commissioner Mahoney asked if the Planning Commission decides it should stay in the UGA and the County Commissioners agree, what does that do to the settlement?

Mr. Carter stated the commitment by the County, as he reads the settlement agreement, is to have this returned to the Planning Commission at the request of the City of Centralia and that the County and the BOCC would make a determination as to whether it should be returned to its original zoning or not.

Commissioner Mahoney stated if the County decides not to make any changes the settlement stands.

Mr. Carter stated as far as he is concerned it does; that is his interpretation of the settlement agreement.

Commissioner Mahoney asked if a vote for a public hearing of the Planning Commission could be taken other than at the regular meeting, such as by phone or e-mail.

Mr. Carter stated he would prefer not to do it that way. Because of past issues regarding the public process he would like to keep this as clean as possible and take a vote at a regularly scheduled meeting.

After discussion it was decided there was not enough time to meet deadlines and get materials out for an October 13 hearing. Mr. Carter suggested asking for an extension by the Growth Board for its November 30 hearing.

School Capital Facilities Plans

Ms. Kincaid stated Ms. Marnie Allen, ESD 112 would give a presentation on the School Capital Facilities Plans. The presentation is setting the stage for a comprehensive plan text amendment this year that adopts the schools' capital facilities plans. By state law, that needs to be part of the County's capital facilities plan.

Ms. Allen stated she works for the Educational Service District 112 out of Vancouver and they contract and provide support for school districts in this region. She works with Centralia, Chehalis, Napavine, Onalaska, Toledo and Winlock districts in helping them prepare capital facilities plans (CFPs).

Ms. Allen stated the four reasons why school districts prepare capital facilities plans are: the CFP provides the district with the six-year roadmap on growth, what the facilities can house and to help plan for the future; they are a tool to help evaluate and prioritize needs; they are used to facilitate government partnerships, such as providing buildings for adult education or childcare, or partnering with a city for parks or playing fields. The CFPs are also required in order for school districts, cities and counties to collect school impact fees. Ms. Allen will not spend much time on school impact fees because the county has not adopted a school impact fee ordinance.

CFPs address the requirement under the Growth Management Act and the state subdivision act and under SEPA to plan for adequate public schools. The GMA defines schools as one of those public facilities.

In terms of the County's comprehensive land use plan, the vision statement talks about growth being supported by adequate public services. The Countywide Planning Policies state that public facilities and services will be integrated into the comprehensive plan, so adopting a school CFP complies with the Countywide Planning Policies and implements it. There are also specific goals in the capital facilities element that talk about having adequate schools, roads, etc to serve the growth.

Ms. Allen spoke briefly on the process for adopting a school district capital facility plan because you are working with another governing body. The school district CFP starts with the school board and the CFP is adopted at a public meeting. The school board then sends the plan to the County and City (or cities) and then those jurisdictions adopt the plan as part of their annual amendments to the comp plan. It is typically adopted by reference in the comprehensive plan and it is an appendix to show in your capital facility element how schools will be provided.

Ms. Allen explained about the components of the plan: start with existing facilities and capacity; identify what the standard of service is; look at projected student enrollment or growth over the next six years; set forth the cost to build those facilities and prepare a finance plan. If the plan is going to be used to collect school impact fees then there must be a school impact fee calculation using the information in the plan.

Ms. Allen stated student enrollment drives the plan. You know what schools you have and how many students those facilities can serve and the challenge is to know how many more students you need to serve in the six-year time frame. Ms. Allen explained the three approaches to determine the student enrollment. All three approaches were used to determine the forecast for student enrollment and produced low, medium and high enrollment forecasts. The medium enrollment forecast was used for these plans.

Ms. Allen summarized the key elements in each districts' capital facility plan which are shown in each plan.

Chairman Jennings asked if taxes collected for new households are calculated into this plan.

Ms. Allen stated the finance plan shows three sources of funding to pay for schools: bond proceeds through property taxes that new home owners pay for; there is a state match and the third is impact fees or SEPA. Yes, the plan does take into account property taxes through a bond.

Ms. Allen went through the expectations of all districts regarding their individual needs for expansion and the costs associated with those expansions and then briefly summarized the funding sources available to pay for school facilities.

Chairman Jennings asked if we approve the capital facilities plan and a school district does want to implement impact fees, what the process would be for that.

Ms. Kincaid stated the County or City would need to adopt an ordinance and part of that ordinance would include the formula and the impact fee amount. The school district would request that the County adopt the impact fee and the County would go through the process of adopting the ordinance. That would set the funding structure in place as to when the impact fee is paid and where the money goes. The Government is the entity that must adopt the ordinance to collect the impact fee.

Chairman Jennings would like to know what the increase in student enrollment is over the last ten years per year. She would also like to know what the school districts' budgets are: what is the increase in the budget over the past ten years.

Ms. Allen stated she could get information and submit it to Ms. Kincaid.

Ms. Kincaid stated the proposed text amendment in the comprehensive plan in the capital facilities element is what will be presented at the public hearing.

Commissioner Mahoney asked if the County is in a position to say "yes or no" to any of the plans. This process is to get everything in place if impact fees or other funding is requested. The school boards set their own budgets.

Ms. Allen stated the County does not have any say over the school districts budgets, but it does have primary responsibility to adopt a capital facility element in its comprehensive plan that addresses schools.

Commissioner Mahoney asked what we do if we look at the plan and think it is too much or not enough. We have no control over any of the figures.

Ms. Allen stated you can review the plan to decide if the growth and the facility needs and costs the district gave you are reasonable. It is then up to the school district and the County to decide how it is going to be funded.

Commissioner Mahoney stated Toledo and Winlock are close to the same size districts. Toledo is proposing to expand and improve the high school for three classrooms but they have over a \$20 million price tag on that. Winlock wants to build an entire new middle school and it is at \$9 million. What is the difference in the cost?

Ms. Allen stated Toledo is building a new high school not only for growth but for all of the current population as well; in essence, building a new high school.

Chairman Jennings stated Toledo had a four-year bond that they voted on last year. Has that bond been taken into consideration?

Ms. Allen said no, that bond was for maintenance and operations and you cannot use a maintenance and operations levy that you have to renew every few years to pay for salaries, etc. The capital project bond is an entirely different bond.

IV. Calendar

The next meeting will be on October 13, a public hearing on the Batch I Rezones. Ms. Kincaid stated there will be a workshop for the Chehalis UGA.

V. Good of the Order

Mr. Chris Butler, Butler Surveying, is a consultant for Forecastle Timber, LLC on Application #156. Forecastle Timber disagrees with how this application has been interpreted. We believe staff interpretation of 17.30.420.430, which is the opt in provision, is more of a policy decision than an application of Lewis County Code. Forecastle Timber will be glad to provide its interpretation at any workshop or public hearing.

VI. Adjourn

There was no other business before the Planning Commission and adjournment was at 8:17 PM.