## AGENDA REPORT COMMUNITY DEVELOPMENT DEPARTMENT

TO: Wenatchee City Council

FROM: Community Development Staff

**SUBJECT: Workshop- 2017 Comprehensive Plan Update** 

DATE: May 15, 2017 MEETING DATE: May 18, 2017

## I. WORKSHOP OVERVIEW

The May 18, 2017 Workshop is the last of three workshops held by the Wenatchee City Council to discuss the process and draft components of the 2016-17 comprehensive plan update process. In this third workshop staff will discuss the Land Use and Housing Elements in addition to a review of submitted public and agency comments on the draft amendments.

The Planning Commission will conduct a continued public hearing on May 17, 2017 and forward their recommendation(s) to the City Council for final action at a Public Hearing on June 8<sup>th</sup>. The City Council may optionally conduct an additional public hearing on the proposed amendments, if needed. The City must complete the amendment process by the end of June 2017, to remain in compliance with the Growth Management Act update requirements.

The two remaining plan elements and a workshop summary of each element, along with copies of public and agency comments addressed in a Supplemental Staff Report dated May 10, 2017 are enclosed. To view the complete package of draft amendments on the internet select the "2017 60-Day Review" link under the heading of "Current Projects" in the Community and Economic Development Section of the Government heading on the City of Wenatchee website: www.wenatcheewa.gov. The documents are specifically listed toward the end of that page under the heading of "Draft Documents".

Have questions before the meeting? Please contact Glen DeVries or Matt Parsons at 509-888-3256

#### II. ATTACHMENT(S)

- 1. Land Use Element and summary
- 2. Housing Element and summary
- 3. Supplemental Staff Report, May 10, 2017; and Appendix "A" Public and Agency Comments

#### **III. ADMINISTRATIVE ROUTING**

# AGENDA REPORT COMMUNITY DEVELOPMENT DEPARTMENT

Tammy Stanger Kim Schooley

## LAND USE / URBAN GROWTH AREA

#### **TOPICS**

- Purpose
- Referenced Plans
- Background
- Land Capacity Analysis and Employment Projections
- Urban Growth Area
- Olds Station and Sunnyslope
- Arterial Corridors
- Infill
- Districts/Neighborhoods
- Coordinated Planning
- Goals & Policies
- Implementation

## **PURPOSE**

The Growth Management Act requires a Land Use Element. It is the heart of the entire Comprehensive Plan. All other elements are interrelated with and are affected by the Land Use Element. The Element establishes the land use pattern which is a strong determinant of the character, quality and culture of Wenatchee. This chapter reflects the vision and values of citizens while attempting to balance the diverse land use needs. It provides for an adequate supply of residential, commercial, industrial, public facility, and natural resource land.

### **REFERENCED PLANS**

The Growth Management Act requires that lands useful for public purposes such as utility corridors, transportation corridors, landfills, sewage treatment facilities, stormwater management facilities, recreation, schools and other public uses be identified in the plan. These facilities are either identified in the Land Use Map, or are included in another element of this plan, or are included in other plans that are adopted by reference. Plans, documents or studies which have been adopted as a component of this plan or serve as adopted guidance materials are listed in their entirety under the section, Relationship to Other Plans & Studies, in the Wenatchee Urban Area Plan. Plans adopted by reference, as now or hereafter amended, include:

- City of Wenatchee Comprehensive Stormwater Management Plan
- City of Wenatchee Comprehensive Sewer Plan
- City of Wenatchee Sewer Facilities Plan
- City of Wenatchee and Regional Water Plan
- Chelan County Solid Waste Management Plan
- Wenatchee Valley Transportation Council's Confluence 2025: A Strategic Transportation
   Plan for Wenatchee Valley

- City of Wenatchee's Six Year Transportation Improvement Program 2012-2017
- City of Wenatchee Capital Facilities Plan 2012-2017
- Creater Wenatchee Bicycle Advisory Board's Master Plan

#### **BACKGROUND**

Poised at the confluence of the Wenatchee and Columbia Rivers, the city City of Wenatchee serves as the major cultural and economic hub of north central Washington. With 29,92033,510 residents, Wenatchee is currentlywas the 34th largest city in the state of Washington on April 1, 2016. The 4,725 acres 8.8 square miles currently that were within city limits at that time are framed by the rivers and foothills surrounding the community. Of all cities in Washington State, Wenatchee placeds 12th in terms of people per square mile<sup>1</sup>. An adjusted population estimate for November 30, 2016 was 33,550 reflecting the Olds Station Annexation<sup>2</sup>. The total area within city limits at this point was 9.9 square miles<sup>3</sup>. If the Olds Station Annexation had taken effect in time to be factored into the April 1, 2016 estimate of population density, Wenatchee would have ranked 34th in the state.

Wenatchee experienced <u>strong moderate</u> growth in the <u>1990s2000s</u>. Between <u>1990-2000</u> and <u>20002010</u>, Wenatchee's population grew <u>2815</u>%, <u>similar tomore than</u> the growth rate of Chelan County (<u>279</u>%). Wenatchee's population represented <u>42%</u> <u>42%</u> of the total county population in 2000 and <u>44% in 2010</u>. <u>during both census years</u>.

Migration into Wenatchee and Chelan County comprised 7135% of this its growth patternbetween 2000 and 2010. Net migration for the County is expected to be 5,309 from 2000 to 2010, accounting for approximately 57% of total growth.

Table 1: Population, <del>1990</del>-2000 and <del>2000</del>2010

	Ye	Year		
Location	<del>1990</del> 2000	<del>2000</del> 2010	<del>1990-2000</del> 2000-2010	
Wenatchee	<del>21,756</del> 27,856	<del>27,856</del> 31,925	<del>28</del> <u>15</u> %	
Chelan County	<del>52,250</del> 66,616	<del>66,616</del> 72,453	<del>27</del> 9%	
Washington	<del>4,866,692</del> <u>5,894,121</u>	<del>5,894,121</del> 6,724,540	<del>21</del> <u>14</u> %	
Source: U.S. Co	ensus.			

In terms of ethnicity, Hispanics make up a larger percent of the population in Wenatchee than in the county or the state. Between 1990 and 2000, the Hispanic population of Wenatchee grew by 220% to 5,996.

## **Population Projections**

The Office of Financial Management (OFM) released population projections in February of 2002. These projections provided three alternative growth scenarios for Chelan County and its incorporated cities to consider: a high, medium, and low projection. Table 2 identifies the three growth projections for the county.

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<sup>&</sup>lt;sup>1</sup> Washington State Office of Financial Management, (OFM)

<sup>&</sup>lt;sup>2</sup> Washington State Office of Financial Management (OFM)

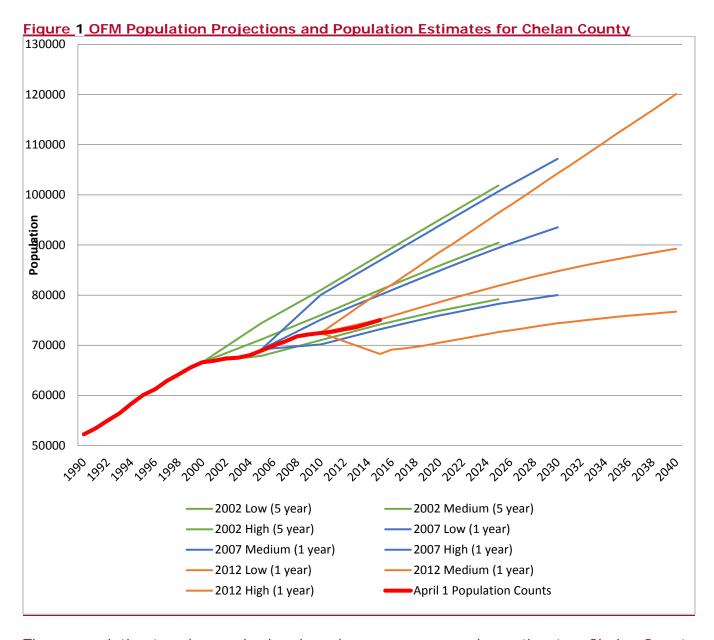
<sup>&</sup>lt;sup>3</sup> City of Wenatchee

<sup>4</sup> Washington State Office of Financial Management (OFM), 2004.

**Table 2: Chelan County OFM Population Projections** 

	<del>2000</del> 2010	<del>2005</del> 2015	<del>2010</del> 2020	<del>2015</del> 2025	<del>2020</del> 2030	<del>2025</del> 2035	<u>2040</u>
Low	<del>66,616</del> 72,453	<del>67,913</del> <u>68,266</u>	<del>71,015</del> - <u>70,499</u>	<del>74,146</del> <u>72,634</u>	<del>76,8</del> 48 <u>74,396</u>	<del>79,176</del> <u>75,695</u>	<u>76,706</u>
						<del>90,461</del>	<u>89,246</u>
Intermediate	<del>66,616</del> 72,453	<del>71,169</del> <u>75,180</u>	<del>75,993</del> <u>78,586</u>	<del>81,056</del> 81,885	<del>85,864</del> 84,778	<u>87,168</u>	
						<del>101,859</del>	<u>120,084</u>
High	<del>66,616</del> 72,453	<del>74,443-</del> 80,634	<del>81,009</del> -88,524	<del>88,027</del> -96,414	<del>94,966</del> -104,304	112,194	

The cities and Chelan County chose to plan for the <a href="https://high-medium">high-medium</a> projection as they felt it best matched the <a href="https://high-rates.org/right-nates.org/r



These population trends can also be viewed as average annual growth rates. Chelan County experienced an average annual population change of 1.27% between 1995 and 2015. From 2000 to 2015 it only saw a 0.90% average annual population change. Under the 2012 OFM Population Projections for Chelan County, the high projection is a 1.73% average annual population change, medium is 0.77%, and low is 0.53%.

In cooperation with Chelan County and the other jurisdictions, the medium projection was selected and it was decided that growth would be allocated to each UGA in accordance with each UGA's share of population growth experienced during 1990-2010. The City of Chelan requested a slightly higher allocation and the difference was taken from the rural allocation. Table 3 (below) notes the population projection allocations by urban growth areas (UGA) to the year 2025, as agreed to by Chelan County and the cities within. Wenatchee must plan for an additional 16,945 people.

Table: 20 Year Population (New Growth) Allocations

	Wenatchee UGA	Other UGAs	Rural and Resource Lands	Chelan County Total
Projected Growth (Persons)	16,945	11,610	3,793	35,348

Chelan County passed Resolution 2015-112 adopting the medium population projection for the county and specific allocations of growth for each Urban Growth Area. The table in Exhibit A of Chelan County Resolution 2015-112 can be seen in Table 3 below.

Exhibit A - Jurisdiction Specific Population Projections based on Share of Population Growth Between 1990 and 2010
Using OFM 2012 Medium Projection for Chelan County

	Share of 1990-2010 Population Growth	Adjusted Population Allocations	2014 OFM Estimate	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2037 Projection	2040 Projection
Manson UGA	3.69%	3.69%	2,032	2,064	2,190	2,312	2,418	2,507	2,538	2,583
Chelan UGA*	2.88%	3.61%	4,384	4,416	4,539	4,658	4,762	4,849	4,880	4,924
Entiat UGA	2.01%	2.01%	1,143	1,161	1,229	1,296	1,354	1,402	1,420	1,444
Leavenworth UGA	1.71%	1.71%	2,404	2,419	2,477	2,534	2,583	2,624	2,638	2,659
Peshastin UGA	0.32%	0.32%	671	674	685	695	705	712	715	719
Cashmere UGA	2.88%	2.88%	3,742	3,767	3,865	3,960	4,043	4,112	4,137	4,172
Wenatchee UGA	53.09%	53.09%	38,454	38,921	40,729	42,481	44,017	45,286	45,741	46,389
Urban	66.58%	67.31%	52,830	53,422	55,715	57,935	59,883	61,491	62,069	62,890
Rural	33.42%	32.69%	21,470	21,758	22,871	23,950	24,895	25,677	25,957	26,356
TOTAL	100.00%	100.00%	74,300	75,180	78,586	81,885	84,778	87,168	88,026	89,246

<sup>\*</sup>Modified based on population changes from 1990-2015

## Table 3 Exhibit A from Chelan County Resolution 2015-112

Although, the adopted table does not show the 20 year projected growth figure for each Urban Growth Area, the 20 year population change for 2017-2037 in the Wenatchee Urban Growth Area would be 6,093 people as can be seen in Table 4Table 4 which is the extended version of the adopted table.

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Table 4 Exten	able 4 Extended version of the population projections adopted in Chelan County Resolution 2015-112															
-	Share of 1990-2010 Population Growth	adjusted	2014 OFM Estimate	2015 Projection	2016 Projection	2017 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2015-2035 20 year change	<u>2036</u> Projection	2016-2036 20 year change	2037 Projection	2017-2037 20 year change	2040 Projection
Manson UGA	3.69%	3.69%	2,032	2,064	2,089	<u>2,115</u>	<u>2,190</u>	<u>2,312</u>	<u>2,418</u>	<u>2,507</u>	<u>442</u>	<u>2,523</u>	<u>433</u>	<u>2,538</u>	<u>423</u>	<u>2,583</u>
Chelan UGA	2.88%	<u>3.61%</u>	<u>4,384</u>	<u>4,416</u>	<u>4,440</u>	<u>4,465</u>	<u>4,539</u>	<u>4,658</u>	<u>4,762</u>	<u>4,849</u>	<u>433</u>	<u>4,864</u>	<u>424</u>	<u>4,880</u>	<u>414</u>	<u>4,924</u>
Entiat UGA	2.01%	<u>2.01%</u>	<u>1,143</u>	<u>1,161</u>	<u>1,174</u>	<u>1,188</u>	1,229	1,296	<u>1,354</u>	1,402	242	<u>1,411</u>	<u>237</u>	1,420	<u>231</u>	<u>1,444</u>
<u>Leavenworth</u> <u>UGA</u>	<u>1.71%</u>	<u>1.71%</u>	2,404	2,419	2,431	2,442	2,477	2,534	2,583	2,624	205	2,631	<u>201</u>	2,638	<u>196</u>	2,659
Peshastin UGA	0.32%	0.32%	<u>671</u>	<u>674</u>	<u>676</u>	<u>678</u>	<u>685</u>	<u>695</u>	<u>705</u>	<u>712</u>	<u>39</u>	<u>714</u>	<u>38</u>	<u>715</u>	<u>37</u>	<u>719</u>
Cashmere UGA	2.88%	2.88%	3,742	3,767	3,787	3,807	<u>3,865</u>	3,960	4,043	4,112	<u>345</u>	4,125	338	4,137	<u>330</u>	4,172
Wenatchee UGA	53.09%	53.09%	<u>38,454</u>	<u>38,921</u>	<u>39,279</u>	<u>39,649</u>	40,729	42,481	44,017	<u>45,286</u>	<u>6,365</u>	<u>45,517</u>	<u>6,238</u>	<u>45,741</u>	<u>6,093</u>	46,389
<u>Urban</u>	66.58%	67.31%	52,830	53,422	53,876	54,344	<u>55,715</u>	57,935	<u>59,883</u>	61,491	8,069	61,784	7,908	62,069	<u>7,724</u>	<u>62,890</u>
Rural	33.42%	32.69%	21,470	21,758	21,978	<u>22,206</u>	<u>22,871</u>	23,950	24,895	<u>25,677</u>	3,919	<u>25,819</u>	3,841	<u>25,957</u>	<u>3,752</u>	<u>26,356</u>
<u>Total</u>	100.00%	100.00%	74,300	75,180	75,854	<u>76,550</u>	<u>78,586</u>	81,885	<u>84,778</u>	<u>87,168</u>	11,988	<u>87,603</u>	11,749	88,026	<u>11,476</u>	<u>89,246</u>

## Housing Projections

The expected population increase for the Wenatchee urban area creates a demand for housing. Table 4-5 below identifies the housing demand based on the population projections of 8,3752,497 housing units. This projection is based on the average household size in Wenatchee and does not factor in the current deficit of units. This number is simply the number of units required to maintain the current vacancy rate as population increases. The September 2016 Housing Needs Assessment indicated that 252 new multi-family rental units and 675 new for-sale units are necessary in the Urban Area<sup>5</sup> to bring the area to a healthy 5% vacancy rate. and includes a market factor of 25% designed to preclude a scarcity of land supply for urban uses.

**<u>Table 5</u> <u>Table : Housing Forecast</u>** 

	Avg.			<del>Total</del>
Population	Household	Housing	Market	Housing
Forecast	Size	Demand	Factor	Units
<del>16,945</del> 6,093	2. <del>53</del> 44	<del>6,700</del> 2,497	<del>25%</del>	8,375

## **Existing Land Use**

Residential land use dominates the land use in Wenatchee, with over 60% of the land use in Wenatchee. Slightly more than 10% of the urban area is used for commercial purposes. Table: Land Use Inventory (County Assessor)

Land Use		
Civic & Cultural	<del>78</del>	<del>1.5%</del>
Commercial	<del>538</del>	<del>10.5%</del>
Industrial	<del>-216</del>	4.2%
Multi-family	<del>188</del>	<del>3.7%</del>
Parks & Open Space	<del>199</del>	3.9%
Public Facilities	<del>526</del>	<del>10.3%</del>
Resource Lands	<del>206</del>	4.0%
Single Family	<del>2,948</del>	<del>57.4%</del>
Undeveloped	<del>234</del>	<del>4.6%</del>
TOTALS	<del>5,136</del>	<del>100.0%</del>

#### Land Capacity Analysis and Employment Projections:

WAC 365-196-325(1)(a). and RCW 36.70A.115 -requires counties and cities to ensure that, taken collectively, comprehensive plans and development regulations provide sufficient capacity of land suitable for development within their jurisdiction to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical governmental, educational, institutional, commercial, and industrial facilities

<sup>&</sup>lt;sup>5</sup> The urban area is a US Census Bureau geography that includes the developed land in the vicinity of Wenatchee and East Wenatchee. This includes some land that is outside the urban growth areas and excludes some land that is inside the urban growth areas.

related to such growth, as adopted in the applicable county-wide planning policies and consistent with the twenty-year population forecast from the office of financial management.

To demonstrate this requirement is met, counties and cities must conduct an evaluation of land capacity sufficiency that is commonly referred to as a "land capacity analysis".

## City of Wenatchee Land Capacity Analysis-

In coordination with Chelan County, the City of Wenatchee must demonstrate that sufficient land for development or redevelopment is available to meet adopted growth targets. The land capacity analysis is a comparison between the collective effects of all development regulations operating on development and the assumed densities of all development regulations operating on development and the assumed densities established in the land use element. This analysis also factors in the built and natural environment and infrastructure along with historical trends and forecasted needs.

Appendix "A", City of Wenatchee Residential Land Capacity Analysis discusses the approach chosen by the City of Wenatchee to provide a meaningful analysis and review of the availability and sufficiency of residential land in the City of Wenatchee Urban Growth Area to meet estimated growth demands and housing needs.

This land capacity analysis is intended to address a 20 year planning period extending from 2017-2037 for the City of Wenatchee Urban Growth Area. The last review and update of the City of Wenatchee Urban Area Comprehensive Plan was completed in 2006. The Sunnyslope Sub-Area Plan was adopted in 2007, as a component of the Wenatchee Urban Area Comprehensive Plan and the Chelan County Comprehensive Plan.

In coordination with the Chelan County Community Development Department, the City of Wenatchee Community and Economic Development Department conducted this land capacity analysis for the entire incorporated and unincorporated portions of the City of Wenatchee Urban Growth Area. Review of development trends and achieved densities evaluated growth which occurred since the last comprehensive plan update and review between 2007 and 2015. Given that the last Federal Census was completed in 2010, where available new estimates and projections from multiple resources were utilized with the intent of providing a greater degree of accuracy.

The detailed methodology and factors used in the land capacity analysis are described in detail in the document. In general, the first step in the assessment of land supply is to identify all vacant residential land within the Urban Growth Area. Categories included lands considered vacant, partially used, or under-utilized. The criteria and assumptions used in inventorying vacant lands under these categories included factors and assumptions which addressed:

- Critical areas deductions
- Deductions for public uses and infrastructure

- A market factor deduction
- An analysis of achieved development densities and a review of comprehensive plan density ranges to develop density formulas for buildout
- A pertinent persons per housing unit factor considering the most recent resources and data
- Specific direction in the comprehensive plan documents for growth, development patterns and infrastructure
- A consideration of underutilized lands and future opportunities
- Additional factors, a category that included 11 additional specific unique criteria

These criteria and topics are listed and discussed in detail in the Land Capacity Analysis. The resulting analysis indicates that land supply is sufficient to accommodate the necessary new housing units in the 20 year horizon to address the population allocation for the City of Wenatchee Urban Growth Area. Not including the potential for redevelopment of underutilized land and designation changes which increased density through the 2017 Comprehensive Plan update process, the analysis identifies a capacity to accommodate 4,460 new housing units, which exceeds the projected new 2,497 housing units which need to be accommodated in the 20 year planning period. This analysis is based upon the assumption that sewer service will be extended to the identified areas within Sunnyslope.

The Housing Element discusses the Wenatchee Urban Area Housing Needs Assessment and Market Demand Study, September 2016. In conducting a review of housing needs for an urban growth area it is not sufficient to solely review land supply calculations for the potential buildout of residential units. The data from that analysis must also be coordinated with a review of existing deficiencies and vacancy rates to determine the real need for housing. Current vacancy rates for multi-family units are 1% vs. a healthy standard of 5%. Median value per square foot in Wenatchee is 72% higher than Yakima, 49% higher than Spokane, and 39% higher than the Tri-Cities. Exhibit 45, Rental Income and Gap, 2010-2014, Wenatchee CCD and East Wenatchee CCD indicates a need for 1601 market rate housing units at 100-120% ratio to 2014 median household income in the Wenatchee Urban Area.

The Housing Study indicates further that since there is a deficit of units for those with incomes above the AMI, the middle to high income households are likely occupying some share of the units that would otherwise be affordable to those with lower incomes. The Growth Management Act requires that the City address Adequate provisions for existing and projected housing needs for all economic segments of the community, under RCW 36.70A.070(2)(d) and WAC 365-196-410. In order to meet housing needs and to have an impact on providing affordable housing units, simply accommodating the necessary population growth is not sufficient.

The City of Wenatchee must work diligently to facilitate the development of 1601 additional housing units in the Wenatchee Urban Area. While the entire 1601 units do not have to be accommodated by Wenatchee, the majority of units would given that the majority of the housing needs and the urban population is in the Wenatchee Urban Growth Area. The combination of the existing housing gap and the units necessary in the future for growth,

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demonstrate that the current boundary does not significantly exceed future needs. The most significant concern with the existing boundary is ensuring that sewer service is successfully extended into the identified 20 year sewer service area prior to non-urban densities being extended, precluding urban growth. If sewer service is not successfully extended providing for urban residential densities, existing typical densities in Sunnyslope at 2.66 units per acre with onsite septic systems will cause the existing urban growth boundary to be deficient in meeting the Wenatchee Urban Area's housing needs.

## **Employment Projections-**

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Employment growth within the Wenatchee Urban Growth Area (UGA), through the year 2040, is anticipated to remain consistent with the historical local trends. Employment within the Metropolitan Statistical Area (MSA) will continue to concentrate within the Wenatchee UGA with an increase in the number of non-residents working within the city limits. An estimated 20,000 jobs will exist within the Wenatchee UGA in 2040. Current commercial, industrial, and mixed use land capacity can accommodate this employment projection.

The geographic proximity of the cities of Wenatchee and East Wenatchee and their respective counties of Chelan and Douglas creates difficulty in trying to evaluate employment information at an individual city level. Employment data sources typically track job location and not where a person resides; many employees work outside of their jurisdiction of residence. The Chelan-Douglas Transportation Council 2040 Transportation Plan identifies the 2015 ratio of non-residents to residents working within the City of Wenatchee at 2 to 1.

Employment projections within the Wenatchee UGA have been estimated in the context of overall employment and population trends within the Metropolitan Statistical Area (MSA) comprised of Chelan and Douglas counties. Future employment within the Wenatchee UGA will continue to develop proportionately with the current top three sectors for Chelan County; agriculture, government, and health care.

Additional employment in the service and trade sectors to support growth occurring in the MSA as a whole is anticipated. A significant change in employment, such as a major employer locating from outside the MSA and requiring 500+ local employees is not anticipated. Conversely, the loss of a major employer in the top three sectors is not anticipated.

In terms of land capacity, excluding public lands, the Wenatchee UGA is 75 percent residential, 11 percent industrial, 8 percent commercial, and 5 percent mixed use. The estimated increase in the number of jobs through the year 2040 can be accommodated through existing land use classifications at current percentages. Many of the commercial and industrial land uses are underutilized in terms of vacancy, allowed heights, lot coverage, and occurrence of surface parking lots.

The following three charts display employment, population growth, and the ratio of population to employment within Chelan and Douglas counties between the years 1969 and 2014. The charts identify overall employment has steadily increased in both counties, the employment to job ratio in Douglas County has remained balanced, and the employment to job ratio in Chelan County has increased.

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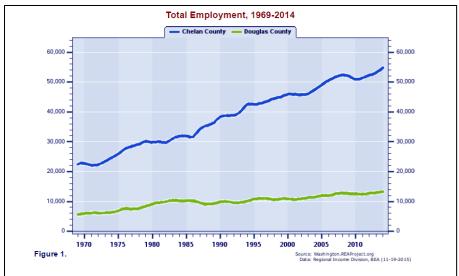


Figure 1 tracks Chelan County's and Douglas County's annual total employment for the period 1969-2014 to illustrate total employment patterns over time. During this 46-year period, Chelan County's total employment rose from 22,491 in 1969 to 54,815 in 2014, for a net gain of 32,324, or 143.7%. In comparison, Douglas County's total employment increased from 5,639 in 1969 to 13,335 in 2014, for a net advance of 7,696, or 136.5%. Chelan County's total employment ranked 12th among the 39 counties in 2014, Douglas County's ranked 27th.

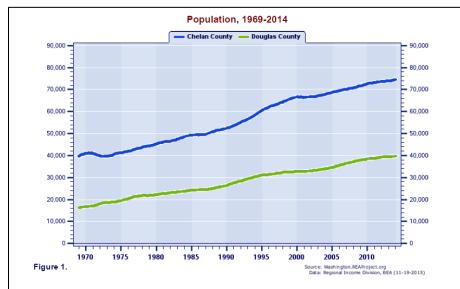
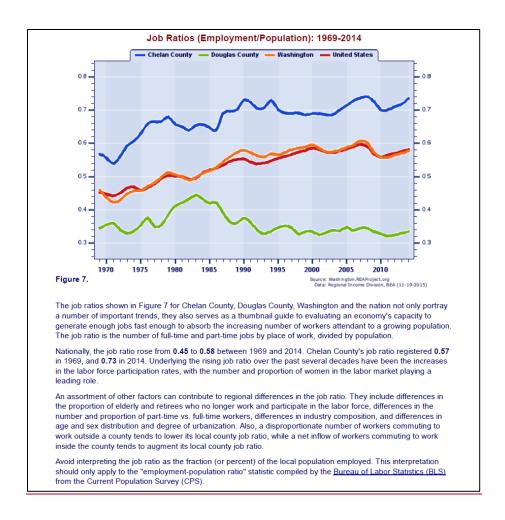


Figure 1 traces Chelan County's and Douglas County's annual population for the period 1969-2014 to illustrate population patterns over time. During this 46-year period, Chelan County's population rose from 39,659 in 1969 to 74,588 in 2014, for a net gain of 34,929, or 88.1%. In comparison, Douglas County's population advanced from 16,336 in 1969 to 39,804 in 2014, for a net gain of 23,468, or 143.7%. Chelan County's population ranked 17th among the 39 counties in 2014, Douglas County's ranked 26th.

NOTE: The county and state population totals reported by the Bureau of Economic Analysis (BEA) are from the Bureau of Census midyear (July 1) estimates. These estimates may differ from those prepared independently in some states by various agencies and/or universities.



#### **URBAN GROWTH AREA**

The Growth Management Act requires an urban growth area be established that is sufficient to accommodate population and employment growth for the next twenty years. The Growth Management Act also encourages development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner. The land capacity analysis, mentioned above and in Appendix A, demonstrateds sufficient capacity to accommodate future urban growth as well as addressing a deficiency in existing market rate units if sewer service is successfully extended to identified areas in Sunnyslope prior to land being consumed at rural or suburban densities. that even under a conservative estimate of housing buildout, there is a surplus of land available to accommodate population growth. It is necessary to pursue policy implementation of the elements in the comprehensive plan to be able to effectively accommodate this growth in a manner which implements the vision of the comprehensive plan.

Figure 2: Wenatchee Urban Growth Area



In 2005, the City and County agreed to an expansion of the urban growth area that includes the Sunnyslope residential area. Yet, will that expansion be sufficient (or inadequate) to meet future growth needs?

For the purpose of calculating land demand for the urban growth area, the planned residential densities of 6.22 housing units (h.u.) per net acre from the low-density residential district were used. While this density may be less than ideal for encouraging growth in an efficient manner, it is a higher density than the pattern of development that has been occurring (2.2 h.u./net acre).

Table 6 combines the calculation of housing potential on all vacant lands within the city, the Waterfront sub-area and the 2005 Urban Growth Area (not including Sunnyslope).

Table: Potential Housing Units in City and 2005 Urban Growth Area

	Housing Units
Unrestricted (mostly flat) Land	1,972
Restricted (slope, access, etc.) Land	<del>1,065</del>
Wenatchee Waterfront	<del>1,440</del>
<del>Totals</del>	4,477

Table 6 shows that existing vacant land within the previous urban growth area cannot accommodate the population forecasts, with a deficit of 3,898 housing units left to accommodate. An inventory of the Sunnyslope target area shows the vacant land available and the housing potential that it could provide. This is shown in Table 7.

Table: Sunnyslope Vacant Land and Housing Potential

Net	Housing	Housing
Acres	Densities	Units
381	6.22	2,370

Table 7 shows that the Sunnyslope area cannot accommodate the rest of the projected housing units, falling short by 1,528 housing units. Since the population allocation is based on the "high" OFM estimate, it is possible that the total housing units will not be necessary. Alternatively, the deficit can be accommodated by several strategies, including:

- 1.—<u>Mandate density</u>. The city could require that new subdivisions in targeted areas meet minimum density standards.
- 2.—<u>Infill</u>. The city could adopt an aggressive strategy for infill development and higher densities.
- 3.—<u>Expand UGA</u>. The city could expand the urban growth area. Options include some of the foothills around the city, up the canyons, west towards Monitor, or south/east towards Malaga and Mission Ridge.

#### **OLDS STATION AND SUNNYSLOPE**

The interim Sunnyslope Urban Growth Area is estimated to accommodate 2,370 housing units at a density of over 6 units per acre. Lower densities, based upon current development patterns, will reduce the housing potential of Sunnyslope. The Olds Station area includes land and buildings for industrial and other economic development opportunities.

Planning for the Sunnyslope and Olds Station area is led by Chelan County and a sub-area plan will be incorporated into the city's comprehensive plan. The city has a couple of clear interests in the area, such as:

- 1.—Ensuring that the projected number of housing units can be accommodated through land use and infrastructure plans.
- 2.-Providing strategies for the extension of sanitary sewer that will be provided by the city.
- 3.—Ensuring that level of service standards for public facilities and services in the area are consistent with city standards.
- 4.—Ensuring that industrial land uses are protected in the area.
- 5.—Coordinating development with traffic impacts on North Wenatchee Avenue.

## **Proposed Land Use Districts and Overlays**

The land use map provides a mix of zoning designations that in any given location provide the potential for equal or higher densities when compared to the previous land use map. The breakdown of how much area is covered by each zoning designation and overlay can be seen in Table 5. It should be noted that publicly owned land and public right-of-way is included in the figures in Table 5 therefore the actual amount of privately-owned developable or re-developable land in each district or overlay is less than the area listed.

Table 5 Area of Zoning Districts and Overlays in the Wenatchee UGA

- 1	<u> </u>	<u> </u>	<u> </u>	<u> </u>	ti ioto aiid	<u> </u>	0 111 1110	TT OI IGTO	<u></u>
								<u>% of</u>	
	Zone*				Ab	breviation	Acres	UGA	

Central Business District	CBD	<u>186.9</u>	2.0%
North Wenatchee Business District	NWBD	<u>602.1</u>	<u>6.5%</u>
South Wenatchee Business District	<u>SWBD</u>	<u>67.3</u>	<u>0.7%</u>
Neighborhood Commercial	CN	22.8	0.2%
<u>Industrial</u>	<u>1</u>	942.9	10.2%
Waterfront Mixed Use	<u>WMU</u>	<u>590.5</u>	<u>6.4%</u>
Office Mixed Use	<u>OMU</u>	<u>116.2</u>	<u>1.3%</u>
Residential Mixed Use	<u>RMU</u>	<u>60.6</u>	0.7%
Residential Foothills Low	<u>RF</u>	<u>29.2</u>	0.3%
Residential Single Family	<u>RS</u>	2134.2	23.2%
Residential Low	<u>RL</u>	<u>795.9</u>	<u>8.6%</u>
Residential Moderate	<u>RM</u>	2389	26.0%
Residential High	<u>RH</u>	1205.9	<u>13.1%</u>
<u>Live-work Corridor</u>	LWC	<u>25.2</u>	<u>0.3%</u>
Highway Commercial	<u>HC</u>	<u>41.9</u>	<u>0.5%</u>

Overlay	Abbreviation	Acres	% of UGA
Historic / Entertainment Overlay	HEO	43.9	0.5%
Columbia Street Overlay	<u>CSO</u>	<u>18.9</u>	0.2%
Mixed Residential Corridor	MRC	<u>347.1</u>	<u>3.8%</u>
Waterfront Industrial Overlay	<u>10</u>	<u>78.5</u>	0.9%
Waterfront Pedestrian Overlay	PO	<u>39.4</u>	<u>0.4%</u>
Waterfront Recreational / Residential			
<u>Overlay</u>	RRO	<u>7.7</u>	<u>0.1%</u>
Grandview Historic District	GHD	<u>36.2</u>	<u>0.4%</u>
Neighborhood Commercial Overlay	CNO	<u>66.6</u>	<u>0.7%</u>
North Wenatchee Master Plan Overlay	NWO	<del>89.5</del>	<del>1.0%</del>

Total Area of UGA (Acres)

9204

## **ARTERIAL CORRIDORS**

Arterial corridors, such as Wenatchee Avenue, 5<sup>th</sup> Street and Western Avenue, are the linking elements of the City. They provide mobility to citizens between and within districts. Corridors provide connections between different areas and destinations within Wenatchee, as well as to places beyond. These corridors carry the largest volume of traffic. Minor arterials also serve a significant role and function for traffic circulation—also.

<u>Historically in the City of Wenatchee</u>, these corridors may have been treated predominantly as commercial or residential. In 2006, the City of Wenatchee adopted a more mixed use

<sup>\*</sup>Overlays partially cover parts of these zoning districts and therefore change the character of the proposed, form and land use.

philosophy for its arterials and many minor arterials. Relationships between residential uses and non-residential uses on these corridors and with adjacent neighborhoods or districts are important to consider for the design, character and scale of buildings. Continuing to provide the opportunity for the mixture of these uses along these corridors can provide for a more walkable community with neighborhoods having access to goods, services and meeting points for community activities. The elements of the comprehensive plan consider the initial experiences of the city in looking at a mixture of uses in these corridors and provide direction on many topics recognizing the significantee function that these corridors provide currently and the opportunities they provide for the future. There are two types of corridors: commercial corridors and residential corridors. In commercial areas along such corridors, the development has been predominately auto- oriented. Where these arterials bisect traditionally residential areas, many non-residential uses, such as schools, churches, public facilities and some businesses have already located.

Land uses along these Corridors should consider the following:

- 1.—<u>Circulation</u>. Any land use should minimize impacts to circulation by combining access points, providing turn pockets, and ensuring safety.
- 2.—<u>Non-residential</u>. The corridors that bisect residential neighborhoods provide visibility for non-residential uses (e.g. churches, small businesses and schools) and are usually compatible with adjacent uses.
- 3.—<u>High Density Residential</u>. Town homes and multi-family could be considered a compatible land use in residential neighborhoods along these corridors.
- **4.** <u>Pedestrian Scale</u>. Strategies to reduce the clutter and auto-orientation of commercial corridors should be pursued.

### **INFILL**

With growth constrained by the physical features of the foothills and the Columbia River, development trends will naturally focus on increased density and height within the City. There are many different ways to approach this situation. One way that is both effective in providing opportunity for housing development and respects the residential character of existing neighborhoods is referred to as "Missing Middle Housing". The "missing middle" refers to the smaller multi-family structures that historically were built alongside single family homes but today are often not allowed in residential areas. These are the duplexes, tri-plexes, townhouses, etc that are often found in older neighborhoods and usually fit in to the neighborhoods quite nicely. If the City adopts the proper design standards, many additional opportunities for housing development will be created while providing minimal disruption to neighborhoods. This concept and many others have been set as policy objectives in the comprehensive plan to effectively look for infill opportunities that augment the positive characteristics of existing neighborhoods. Based on the urban growth area study, infill development needs to accommodate at least 1,500 housing units. This figure will be higher if development does not occur at the projected densities contained in the study.

Residential development within Wenatchee is primarily single family homes. Whereas approximately 15% of the land base is designated for multi-family, only 3.7% is used as such. This is true in spite of the fact that less than 25% of the new residential market is

families with children, resulting in an increased demand for housing options beyond the single family home.

There are many infill strategies that could be considered including:

- 1.—<u>Arterial Corridors</u>. Identify opportunities for townhouses and multi-family units along arterials in the city.
- 2.—<u>Accessory Apartments</u>. Providing more opportunities for accessory apartments or "granny flats" in all areas of the city.
- 3.—<u>Mixed Use</u>. Provide for upper floor and ground floor residential uses in appropriate commercial areas.
- 4.—<u>Smaller Lots</u>. Allow narrow lots or alternative housing options, such as cottage style housing that increase density.

### **DISTRICTS/NEIGHBORHOODS**

Wenatchee is composed of several districts and neighborhoods. Some of these include:

- Downtown
- Columbia Street
- Waterfront
- North Wenatchee Avenue
- South Wenatchee
- Canyons and Foothills
- Grandview Historic District
- Olds Station and Sunnyslope
- Canyons and Foothills
- Historic Districts

#### **Downtown**

Wenatchee's downtown can be considered the heart and soul of the community. Retail, restaurants, banks, small offices, theaters, arts, and entertainment thrive in this location. Downtown has faced—and survived—competition from big-box retailers that have come into the area in the last <u>fifteen\_few\_decadesyears</u>. What's more, Wenatchee received the Great American Main Street Award in 2003.

The Central Business District Subarea Plan, which guides development in the downtown, was adopted in April 2007. The Subarea plan seeks to strengthen the vitality of downtown, create a cohesive identity, and provide incentive for downtown redevelopment and business retention. It makes a variety of recommendations to help improve streetscapes, foster ongoing investment, and led to the creation of development standards that seek to preserve and enhance downtown's historic and unique identity.

## Options to consider for downtown include:

- 1.—<u>Architectural Design</u>. New construction and alterations to buildings should protect the architectural and historical character.
- 2.—<u>Ground Floor Retail</u>. Limiting ground floor uses to pedestrian oriented retail, services or entertainment, and prohibiting non-pedestrian uses such as offices and churches.

3.—<u>Upper Story Residential</u>. Residential uses in the downtown provide opportunities for services and entertainment after typical "business hours".

A parking study was completed for the downtown area in 2016 that documented the amount of parking available in this area. This study will be utilized in the future as the City revisits parking requirement for downtown uses, specifically residential, to further accommodate ongoing investment in Wenatchee's downtown core.

### Columbia Street

The urban form along Columbia Street is a distinct asset for the City and the Columbia Street Overlay seeks to enhance and preserve its unique character. Previously, the Columbia Street Overlay extended into areas that did not have frontage on Columbia Street and excluded areas that did. The new boundary as seen in the land use map, will better carry out the intent of the overlay zone.

#### Waterfront

The City adopted the Wenatchee Waterfront Sub-Area Plan in 2004. For years, the waterfront was a neglected part of our community, bisected by the railroad and discarded as industrial lands. The waterfront plan sought a new direction by encouraging development that takes advantage of the waterfront location and builds on the amenities provided by the parks, trail, river, and close proximity to downtown. Pedestrian oriented development is encouraged, along with residential uses. Industrial uses are limited to select areas that will likely continue to be viable for the foreseeable future.

Much progress has been made implementing the Waterfront Sub-Area Plan including the construction of Riverside Drive, Riverside Apartments, Pybus Public Market, and adoption of the Waterfront Mixed Use Zone and associated overlays. In the near future, the City expects to see the construction of a hotel on the old City public works site and another mixed-use housing development along Riverside Drive.

## North Wenatchee Avenue

Many citizens and visitors have complained about the visual appearance of North Wenatchee Avenue. For those that don't recall, however, this stretch of commercial development used to lack sidewalks and had overhead electrical lines. In the late 80's and early 90's, an effort was made to improve the appearance of the Avenue. Still, this district represents the gateway and first impression to our community.

Options to consider in this area include:

- 1.—<u>Congestion</u>. This corridor is near the limits for meeting level of service standards. See Transportation chapter for more information on strategies to reduce congestion.
- 2.—<u>Design</u>. Enhancing the appearance of this stretch through landscaping, medians, reduction of signage, parking lot placement and building design could be pursued.
- 3.—<u>Pedestrian Scale</u>. Creating an area as a distinct destination through shared parking, sidewalks, design standards and other amenities would create a destination for the corridor and break up the auto-oriented uses.

North Wenatchee Ave is a major gateway to the City that has long suffered from traffic congestion, poor pedestrian/bicycle/ADA accessibility, and an undesirable urban form mostly characterized by disjointed auto-oriented development. Between this corridor and

the Columbia River to the east, is an area that historically was characterized by industrial development. The Waterfront Subarea Plan established a new vision for the area east of the railroad tracks and the North Wenatchee Master Plan establishes a more specific vision for part of the Waterfront Subarea and an area west of it extending to North Wenatchee Ave. A study of the North Wenatchee Ave corridor is ongoing and will likely have wide ranging implications on how this corridor looks and functions.

The City has developed the North Wenatchee Avenue Master Plan to guide redevelopment of an area including and surrounding the area that saw several warehouses burn during the 2015 Sleepy Hollow fire. This plan substantially revisits many aspects of how this area functions including revisiting land use, transportation, and economic development among other things. This plan would transition the area from industrial and commercial uses to a mix of retail, residential, office space, and light industrial, while allowing existing land uses to continue for as long as the property owners desire. In the process, the street network would be altered to improve access. An overlay is included in the land use map to help implement this plan.

#### South Wenatchee

South Wenatchee has generally referred to an area south of Orondo, east of Okanogan, north of the southern Urban Growth Area boundary, and east of the Columbia River. Some of the characteristics of this part of the city have typically involved high poverty rates, poor quality of housing stock, high dependence on non-motorized modes of transportation, and a high proportion of locally owned businesses. This part of the city has been the focus of many efforts to improve the quality of life including the construction of the community center, AIA SDAT process, Chelan Avenue Sidewalk Project, and finally the Action Plan. The South Wenatchee Action Plan was adopted as a guidance document by the Wenatchee City Council in December 2016 and is adopted by reference in this plan. It is a subarea plan with a heavy focus on utilizing human capital, however, there are some distinct proposals as it relates to land use:

- A new zone in the vicinity of the George Sellar Bridge to better accommodate highway commercial land uses in an area that is a well-traveled gateway to the City.
- An overlay district in the area surrounding Columbia Station to promote Transit Oriented Development.
- A new zone near the south end of the Chelan/Mission couplet to better accommodate the live-work and other mixed use developments. It also identifies many opportunity sites for both public and private investment.
- An overlay zone in the vicinity of Bridge Street and Columbia Street to provide opportunity for food trucks, restaurants, and other small service businesses if the pedestrian bridge is ever extended over the railroad tracks.
- More flexibility for ground floor uses in mixed use zones.

Land use is a critical component that affects many different aspects of the community including housing, the economy, transportation, and many other things. The proposed land use changes should be viewed as one of many actions necessary to improve the quality of life in South Wenatchee.

The City targeted South Wenatchee as the priority for the neighborhood program established in 1998. This neighborhood is characterized as largely Hispanic with low- and moderate-income households.

- One out of every four youth in the neighborhood is in poverty
- Nearly half of the residents in the neighborhood are Hispanic, compared to 20% in the city
- Three of four Census block groups in the neighborhood are amongst the lowest median household incomes in the state
- Residents rely on public transportation and non-motorized routes twice as much as other city residents
- o Nearly 72% of households are renter occupied, compared to only 42% in the city
- Almost half of the homes in the neighborhood were built before 1939, and over 84% were built prior to 1970

The City has been working aggressively on strategies to revitalize South Wenatchee, but much still needs to be done. Some of the recent efforts and accomplishments include:

- Construction of a new Community Center located at the former St. Joseph's Catholic Church,
- Rehabilitation of homes in the neighborhood as part of the city's Community Development Block Grant program,
- Construction of new homes by Habitat for Humanity,
- Construction of new sidewalks, including several pending segments,
- Installation of street lights,
- Increased enforcement of nuisance issues, like junked cars,
- Establishment of a Police Neighborhood Resource Team and substation.

The South Wenatchee residential area has received considerable attention over the past several years. However, there has been little attention given to the economic development and revitalization of the commercial district. In several neighborhood meetings, we have heard the request for a grocery store in the neighborhood.

Some options to consider in South Wenatchee include:

- 1.—<u>Strengthen Residential Neighborhood</u>. Continue to support increased home ownership and consider reduction of multi-family zoning.
- 2.—<u>Provide Commercial and Neighborhood Focus</u>. Improving and/or creating a distinct commercial business district area would benefit the neighborhood. Concepts such as a mercado or town square with entrepreneurial opportunities could be pursued.
- 3.—Residential Development. The largely Hispanic population tends to favor single family homes and extended families. Providing for narrower lots and other innovative development might provide more home ownership opportunities at an affordable price.

## Olds Station and Sunnyslope

Olds Station, Chatham Hill, and Sunnyslope are the portions of the Urban Growth Area north of the Wenatchee River. The Olds Station area is characterized by industrial and commercial development while the Sunnyslope area is characterized by large lot subdivisions and large

tracts of land, some with orchards. The Sunnyslope Subarea Plan was adopted by the City in 2007 and is designed to guide development decisions through the 20 years after adoption. The plan outlines the goals and policies that, in concert with the proposed land use scenario, will guide growth in the Sunnyslope subarea. Sunnyslope has been experiencing a significant amount of residential growth. This growth has been at low densities supported by onsite septic systems within the unincorporated portion of the urban growth area.

In May 2016, the area known as Olds Station was annexed into the City of Wenatchee. This brought city limits to the edge of Sunnyslope. With the update of the Sewer Comprehensive Plan, the extension of sewer trunk lines north into Sunnyslope are closer to becoming a reality. Once sewer has been extended to this area, urban residential densities the possibility of the higher density residential in addition to the neighborhood commercial development proposed in the Sunnyslope Subarea Plan can be achieved. become a possibility. The Sunnyslope Sub-Area Plan considers that the Olds-Station Area is an area of transition which and encourages opportunities for residential uses including higher density residential development. Mixed use urbanization is encouraged with patterns that minimize reliance on the automobile. As these uses transition, there are opportunities to revisit Olds Station and engage property owners in this area in a Master Plannedmaster planning exercise, recognizing the importance in supporting industrial users and industries, while providing opportunities for a walkable mixed--use environment.

## Canyons and Foothills

Number One and Number Two canyons have seen increased development pressure. These canyons are subject to flooding and have limited secondary access routes, which are especially important during emergency events.

The foothills to the west of Wenatchee are an under-appreciated natural treasure; ideal for wildlife viewing and recreation. Recognizing the value of the foothills to the community the City of Wenatchee and non-profit organizations have made significant strides to protect these areas for future generations enhancing and conserving wildlife habitat and educational/recreational opportunities for these natural areas. The City of Wenatchee Habitat Plan and Foothills Trails Plan are representative of these efforts

In response to flood hazards and wildfire events the City has developed partnerships and relationships with local governments, state and federal agencies and nonprofit organizations studying hazards and opportunities to minimize and adapt to these hazards. These efforts are discussed further in the Natural Element. Secondary access is important to the community and especially of value to residents in the foothills and canyons during hazard events. The provision for secondary access has been evaluated and established in the Transportation Element. Since 2006 the City of Wenatchee has made progress in prioritizing the community's interest and relationship with Wenatchee's foothills and canyons and has identified that additional work needs to be done.

As development creeps up the hillsides, the community is beginning to realize how special the foothills are and how great a loss it would be if the public is denied access to these areas. However, public access and use of the foothills' recreational resources impacts dozens of landowners and is an issue for the entire Wenatchee community to discuss.

Issues facing the canyons and foothills to the west of the city center include:

<u>Secondary Access Routes</u>. Finding a secondary access route in the event of emergencies and/or limiting new development until such routes are established.

<u>Preserving Open Space</u>. Limiting urban development in the foothills and encouraging acquisition of significant parcels for public purposes or conservation.

Trails. Encouraging the development of trails for public recreational use.

#### **Historic Districts**

The city established its first historic district (Grandview) in 2006 with the adoption of the Grandview Historic District Sub-aArea Plan. This is largely a residential district to the south and west of the Chelan County eCourthouse comprised of six full blocks and two partial blocks of 150 properties bound by Delaware, Washington, Miller, Idaho, and Alaska streets. It also incorporates those portions of Douglas, Emerson, Franklin and King Streets (south of Washington and north of portions of Alaska). Found in the district are almost exclusively residential properties and largely single family homes with a few converted or actually built for multi-family use. A progression of housing forms can be identified based on the decade of construction. The neighborhood's housing stock as a whole reflects the middle-class economics and popular tastes of the decades in which it was built.

Other opportunities for historic districts could be considered in the future including the downtown area and South Wenatchee. The city established its first historic district (Grandview) in 2005. This is largely a residential district to the south and west of the County courthouse. Other opportunities for historic districts might be found, including the downtown area.

#### **COORDINATED PLANNING**

The city has enjoyed mutually beneficial, coordinated planning efforts with Chelan County and other regional agencies. The City and County have entered into agreements on several occasions, including:

- 1) An agreement that the County adopts the City's plan and development standards for the unincorporated parts of the urban growth area; and
- 2) An interlocal agreement regarding planning, <u>annexations</u> and revenue sharing for Olds Station and Sunnyslope.

The City and County also coordinate on many other topics in the valley and region including but not limited to transportation, law and justice, infrastructure issues such as sewer service, economic development, parks and recreation, housing, hazard planning and adaptation to a multiple hazards such as flood and wildfire hazards, shorelines, the transition of annexation services and many others.

The city has also worked cooperatively with other agencies on long-range transportation planning. A regional agency (Wenatchee Valley Transportation Council) was created in 2003 to develop a coordinated transportation plan for the greater metropolitan urban area, including East Wenatchee and Rock Island.

Other cooperative efforts include coordinated parks and recreation plans, economic development and regional dispatch services, to name a few.

The City and County understand and appreciate the need and benefits of ongoing coordination and effective communication on a range of issues which affect county and city residents. Policy 6 of the Countywide Planning Policies establishes that county and city planning efforts will be coordinated within urban growth areas. The Countywide Policies were developed by Chelan County and the cities within the County in the early 1990's as a fundamental first step in developing and then maintaining locally developed comprehensive plans and development regulations consistent with the Growth Management Act. These policies have been a beneficial foundation for more than 2 decades of local coordinated planning. The jurisdictions will likely revisit and discuss these fundamental guiding policies in the near future to consider any necessary changes or updates that may be required in order to maintain effective local coordinated planning into the future.

Chelan County has commented on the update process for the 2016-2017 update of the Wenatchee Urban Area Plan. This comment included a request to evaluate the size of the existing urban growth boundary for Wenatchee given County, "...concerns about the size of the planning area given the disparity between the projected residential units and urban growth area capacities." The City of Wenatchee does not concur with the analysis provided by Chelan County on the housing needs for the Wenatchee Urban Area and agrees that additional language was necessary in the Land Use Element to highlight the relationship to the Housing Element analysis. The City wants to work with the County in a cooperative collaborative manner consistent with the provisions of the Countywide Planning Policies. The primary concern of the City of Wenatchee for the reduction of the urban growth area is that if sewer service is not successfully extended prior to the urban area in Sunnyslope being developed in suburban and rural densities, the existing urban growth boundary will be deficient in size not being able to accommodate urban densities.

The City is committed to working with the County on strategies that can be agreed to ensure the successful extension of sewer service. These may include but not be limited to sewer development standards; removal of the 2005 interlocal agreement between Chelan County and the City of Wenatchee which would allow the City to pursue annexations and conduct planning in the Sunnyslope component of the Wenatchee Urban Growth Area in the same manner as the other cities in Chelan County; and road repair standards as sewer lines are extended. If these strategies can be agreed to there is a portion of Sunnyslope, referred to as the "Area of Protection", outside of the 20 year sewer service boundary that could be considered for an urban growth area modification. The City of Wenatchee continues to work with Chelan County on this issue. It is unclear whether Chelan County will meet 2017 timelines for GMA compliance. At this time, the City does not propose an amendment until discussions and agreements can be reached for the successful implementation of sewer service in Sunnyslope.

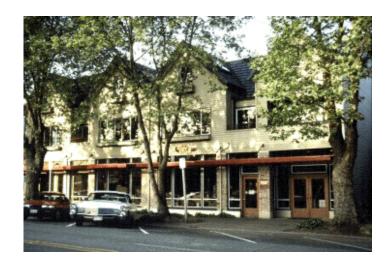
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## **GOALS AND POLICIES**

<u>GOAL 1. URBAN GROWTH AREA</u> – Promote a compact urban form that encourages infill and discourages sprawl within a well-defined boundary.

- **Policy 1:** Discourage development on the hillsides surrounding the city to preserve open space and public safety.
- **Policy 2:** Ensure that sufficient land is set aside for urban growth for population and economic growth.
- **Policy 3:** Urban growth shall occur within urban growth boundaries where adequate public utilities and services exist or can be provided in an efficient manner.
- **Policy 4:** Due to physical constraints and limits on density, the City should limit allocation of new population growth to the Wenatchee Urban Area unless the Urban Growth Area is increased in size to accommodate the projected growth.
- **Policy 5:** Wenatchee's Urban Growth Area should be reviewed and revised at least once every ten years to accommodate the urban growth projected to occur in the urban area for the succeeding twenty-years.
- **Policy 6:** Large blocks of contiguous land are limited within the Urban Growth Area. It is important to develop new tools, processes and standards for use by the development community that can build upon the positive features and characteristics of existing neighborhoods. These tools are necessary to facilitate the infill of vacant or partially used land which may have smaller lot sizes or increased development constraints.
- GOAL 2. PROPERTY RIGHTS Protect property rights from arbitrary and discriminatory actions.
- **Policy 1:** Ensure all proposed regulatory or administrative actions do not result in an unconstitutional taking of private property, in accordance with RCW 36.70A.370.
- **Policy 2:** Procedures for avoiding takings, such as variances or exemptions, should be maintained in the City's regulatory scheme.
- GOAL 3. ARTERIAL CORRIDORS Provide opportunities for infill, redevelopment and neighborhood services along the city's arterial corridors that traverse residential neighborhoods.
- **Policy 1:** New services, conveniences, and/or gathering places will be supported in an existing neighborhood that lacks such facilities, provided they meet performance and architectural standards respecting the neighborhood's positive characteristics, level of activity, and parking and traffic conditions.

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**Policy 2:** New residential infill development will be supported along the corridors, consistent with the neighborhood's existing positive characteristics and subject to architectural standards.

**Policy 3:** Adopt standards for development along corridors to promote clustering of uses.

**Policy 4:** In the 2006 comprehensive plan update process, a number of arterial corridor overlay designations were established. These designations often do not follow property boundaries and provide multiple layers of standards that apply to projects. Review these designations, and standards, and development which has occurred since initial adoption to identify opportunities to facilitate and improve the implementation of desired corridor development.

**Policy 5:** Evaluate and determine which overlay districts could transition to new or revised zoning districts in order to provide greater clarity and effective implementation of desired outcomes.

Policy 6: Study what changes to both land use designations, regulations and transportation facilities may be necessary need to be made to encourage and enable redevelopment in the vicinity of the interchange at the SR285/Stevens Street and Mission Street. A master planning effort might be an appropriate approach to properly address all of the issues.

GOAL 4. OLDS STATION AND SUNNYSLOPE – Coordinate with Chelan County to address public facilities, services and housing issues.

Policy 1: Adopt development standards within those residential components of Sunnyslope anticipated for public sewer service, which pertain to development patterns prior to the extension of service. The intent of these standards is to not preclude higher densities when sewer service is extended. Tools including but not limited to "shadowplatting" and other methods consistent with the 2017 City of Wenatchee Sewer General Plan can ensure that existing land use patterns will be able to accommodate targeted densities when sewer service is provided.

**Policy 2:** In coordination with Chelan County, develop and implement strategies for the extension of the sanitary sewer system in Sunnyslope consistent with the City of Wenatchee 2017 General Sewer Plan. Work to ensure that sanitary sewer systems are extended to the urban area in a timely manner.

Policy 3: Engage property owners and the public in a master planned exercise in Olds Station to implement the policy direction of the Sunnyslope Sub-Area Plan. Through this process the City:

- Acknowledges and reinforces the Sunnyslope Sub-Area Plan vision of allowing for and promoting residential growth in Olds Station;
- The City will lead a master planning process for Olds Station on behalf of the public and all of the property owners in Olds Station;
- The City recognizes the value and opportunity associated with its' waterfront properties in Olds Station; and
- The City will work with the Port of Chelan County to encourage the removal of restrictive covenants to allow for development consistent with the Sunnyslope Sub-Area Plan and future changes in a master planning process for Olds Station.

**Policy 2:** Chelan County should adopt land use controls that work towards meeting housing targets.

## GOAL 5. INFILL - Promote infill opportunities within the urban area.

- **Policy 1:** Provide incentives for quality developments at higher densities, such as narrow lots or cottage style housing.
- **Policy 2:** Support the development of "granny flats" and accessory apartments within all residential areas.
  - **Policy 3:** Encourage and promote residential uses on upper floors in business districts.
- **Policy 4:** Consideration will be given to the neighborhood in determining acceptable intensity and character of infill and redevelopment.
- **Policy 5:** Ensure that higher density development includes usable open space within the development or within walking distance (1/4 mile) to development.
- **Policy 6:** Develop a system and criteria to consider city investment in the extension of public services and infrastructure for residential infill projects that could result in tangible affordable housing opportunities for households that are at or below low to moderate income thresholds.
- **Policy 7:** Utility relocation costs can preclude the development of residential infill projects. In coordination with the Chelan County Public Utility District and other public and

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private utility purveyors, seek opportunities to support the development of residential infill projects by re-evaluating franchise agreement standards for utility relocation costs associated with small scale residential development in neighborhoods which are at or below low to moderate income thresholds.

**Policy 8:** Discourage the proliferation of flag lots which consume limited land resources and provide an inefficient land use pattern. Where public health, safety and general welfare can be addressed, accommodate the use of easements or alley access for infill residential development.

**Policy 9:** Historical land use patterns in the city included multiple unit housing blended within residential neighborhoods which typically had limited onsite parking and a reliance on on-street parking. Incorporate the opportunity for onsite parking reductions where street widths and capacity, pedestrian networks and transit systems are sufficient.

# <u>GOAL 6. COMMERCIAL DISTRICTS</u> – Work to promote distinct commercial and business districts to serve citizens and visitors of our city.

- **Policy 1:** Differentiate various commercial districts in terms of physical character, types of business, pedestrian orientation, and site configuration. The districts should not be thought of as one homogeneous corridor.
- **Policy 2:** Different types of uses should be encouraged to cluster at separate points to create special sub-districts.
- **Policy 3:** Build on various districts' positive assets as a welcome alternative to corporate logos and homogeneous architecture.
- **Policy 4:** Provide opportunities for expansion of existing or new neighborhood commercial areas to better serve neighborhoods.
- Policy 5: Review park and recreation facilities within the city and determine appropriate locations where complimentary park oriented uses could be added as a beneficial mixed use component. Locations should be chosen which could benefit neighborhoods providing additional amenities in a walkable environment but do not fragment cohesive historical residential neighborhoods.

# GOAL 7. INDUSTRIAL DISTRICTS – Ensure that the city and county set aside sufficient land for industrial opportunities.

- **Policy 1:** Support Chelan and Douglas counties in designation of industrial areas both within and outside of urban growth areas where compatible with adjacent development.
- **Policy 2:** Protect the viability of Wenatchee's limited industrial areas by restricting incompatible development adjacent to these uses.

**Policy 3:** Provide opportunities for light manufacturing and flexible space, such as foundries and welding, within some of Wenatchee's commercial districts.

## **GOAL 8. DOWNTOWN** – Strengthen the vitality of downtown.

- **Policy 1:** Promote activity at the street level through appropriate uses in buildings, art and street amenities, and encourage offices and residential development in upper floors.
- **Policy 2:** Promote expansion of the downtown and connection with adjacent districts, such as the waterfront and courthouse.
- **Policy 3:** Provide infill opportunities and retail market support by encouraging residential development downtown.

# <u>GOAL 9. WATERFRONT</u> -- Encourage positive redevelopment that enhances the community's most precious resource – its waterfront.

- **Policy 1:** Create a series of development nodes or focal points along the waterfront each with a different type of setting, different mix of land uses, design emphasis, and park improvements.
- **Policy 2:** Provide a variety of housing types on the waterfront to increase pedestrian activity and vitality, increase the market for area businesses, and accommodate a significant share of the city's projected population growth.
- **Policy 3:** Encourage office uses on the waterfront as a secondary use.
- **Policy 4:** Maintain viable industrial uses in the waterfront area where related access and use impacts to the development nodes can be mitigated.
- **Policy 5:** Promote quality development to strengthen the waterfront's character and sense of identity.
- GOAL 10. SOUTH WENATCHEE ACTION PLAN. Implement the South Wenatchee Action Plan utilizing identified goals, policies, and implementation measures as a component of the Wenatchee Urban Area Plan. Plan implementation is intended to provide for active review and performance measures with a focus on a plan of action developed by the community.
- Goal 11. North Wenatchee Master Plan. Implement the North Wenatchee Master Plan as the City moves past but does not forget the devastation of wildfire events, and chooses to redefine it's future in this area based upon a vision of a vibrant mixture of multi-family residential, public spaces, light industrial, and office and commercial opportunities. This new unique space is intended to augment and link to the rest of the City with new and enhanced corridors, but not compete with the many positive attributes of the City. Work cooperatively with property owners to evaluate implementation of the North Wenatchee Master Plan as the City moves past but does not forget the devastation of wildfire events.

- **Policy 1:** Evaluate implementation of the plan along with property owners. Adoption of this plan is solely for the purposes of:
  - Performing environmental review which is part of this Comprehensive Plan
     Update;
  - Supporting the City in pursuit of funding for infrastructure;
  - <u>o</u> Facilitating the creation of a development agreement consistent with the plan at the sole option of property owners.
  - Recognize the development of the North Wenatchee Master Plan in 2016 as an optional redevelopment plan to support the property owners and city in disaster recovery and facilitating higher and better uses over time.
- Policy 2: Maintain existing zoning code and Waterfront Subarea plan for the purposes of addressing development permitting.
- Policy 3: Support property owners in sustaining economic value of their properties while the North Wenatchee Master Plan is being evaluated for future implementation.

## **SOUTH WENATCHEE** - Promote the continued revitalization of South Wenatchee.

Policy 1: Review residential development standards to promote infill development compatible with the neighborhood.

Policy 2: Seek opportunities to create distinct commercial districts in South Wenatchee that serves the neighborhood and urban area.

GOAL 10. SOUTH WENATCHEE ACTION PLAN. Implement the South Wenatchee Action Plan utilizing identified goals, policies, and implementation measures as a component of the Wenatchee Urban Area Plan. Plan implementation is intended to provide for active review and performance measures with a focus on a plan of action developed by the community.

# GOAL 12. RESIDENTIAL DEVELOPMENT – Promote increasingly attractive neighborhoods with convenient access to services.

- **Policy 1:** Promote higher densities along major corridors and in existing neighborhoods already characterized by density.
  - **Policy 2:** Discourage lower density development on flat, easily developed ground.
- **Policy 3:** Enhance Wenatchee's residential neighborhoods with more services, open space, and pedestrian/bicycle improvements to support appropriate infill development.
- **Policy 4:** Provide more green space, community gardens and quality streetscapes with street trees and sidewalks.

- **Policy 5:** Adopt more flexible design standards for residential development that will permit the construction of different housing types compatible with surrounding neighborhoods.
- **Policy 6:** New non-residential development in existing residential neighborhoods should be designed (landscaping and building design) and operated (traffic, noise, lighting, hours) to be compatible with the existing neighborhood. Compatibility for design can take the form of guidelines which objectively define a range of acceptable neighborhood non-residential building types and architectural details.
- **Policy 7:** Family daycare providers (as defined in RCW 74.15.020) may be permitted in a residential dwelling in all residential and commercial zones as conditioned by RCW 36.70.450.
- Policy 8: Conduct a comprehensive review of dimensional and density standards for residential development. Where appropriate increase residential densities to accommodate a wider range of housing types. An increase in housing options and densities should include a review of new design tools and dimensional standards that protect or build upon neighborhood character.
- Policy 9:7 Compatible blended density housing: Develop design standards and evaluate appropriate locations for diverse housing types within neighborhoods, utilizing blended densities, and evaluating and recognizing the differences between neighborhoods. The review should look at the character, form, intensity of development, and type of place as well as the mix of uses in the area. Relationships to surrounding neighborhoods are important as tiers or hierarchies of uses are evaluated. This approach to housing is more focused on desired form, with a range of housing types vs. a density based zoning approach.
- GOAL 13. CANYONS AND FOOTHILLS –Conserve open space in the foothills surrounding the city and ensure appropriate development in the canyons.
- **Policy 1:** New residential development at the edge of the urban growth area should not impact the open qualities of the hillsides or disrupt the small-scale qualities of existing neighborhoods.
- **Policy 2:** Carefully consider new development in the canyons for impacts from flooding, circulation and other emergencies.
- GOAL 14. COORDINATED PLANNING Continue to work cooperatively within the region to address transportation, public services and facilities, and land use.
- **Policy 1:** Encourage Chelan County to continue implementation of the City's Comprehensive Plan and development regulations within the planning area.

- **Policy 2:** Support the development of regional public and commercial facilities, such as the airport, landfills, industrial parks, Mission Ridge, medical facilities and academic institutions.
- **Policy 3:** The City will work with Chelan County and other regional entities to identify lands useful for public purposes such as utility corridors, transportation corridors, landfills, sewage treatment facilities, storm water management facilities, recreation, schools, and other public uses.
- **Policy 4:** Ensure the goals and policies of the City's Comprehensive Plan are consistent with Chelan County's County-wide Planning Policies.
- <u>GOAL 15. NEIGHBORHOODS</u> Utilize neighborhood planning as a way to tailor the comprehensive plan and implement it in areas that reflect the neighborhood's history, character, current conditions, needs, values, vision and goals.
- **Policy 1:** Recognize neighborhood planning and implementation as critical tools for refining and turning into a reality the vision of the Comprehensive Plan.
- **Policy 2:** Give all community members the opportunity to participate in shaping the future of their neighborhoods.
- **Policy 3:** Build strong, effective strategies for developing and implementing neighborhood plans.
- **Policy 4:** New non-residential development in existing residential neighborhoods should be designed (landscaping and building design) and operated (traffic, noise, lighting, hours) to be compatible with the existing neighborhood.

# GOAL 16. LANDS FOR PUBLIC PURPOSES – Identify lands useful for public purposes.

- **Policy 1**: Evaluate whether a separate land use designation system should be developed for existing public facilities such as schools, parks and openspace, cemeteries, and significant utility facilities in residential districts. If a public lands designation is developed, incorporate standards in the zoning code which address potential impacts and protect the character of neighborhoods.
- Policy 2: Coordinate with the Washington State University and Wenatchee Valley Community College and surrounding neighborhoods to consider revised land use designations and standards for higher education facilities, such as a college district. If developed, such a designation should also look at the relationship and opportunities with surrounding land use designations and corridors.
- **Policy 3**: If established, a college district designation and standards should support and encourage maintenance and investment in these facilities to meet community and regional educational and training needs while also addressing the needs and concerns of surrounding neighborhoods. This approach should provide for predictable outcomes for both the college facilities and neighborhoods.

<u>NEIGHBORHOOD PLANS</u> - The following neighborhood plans are adopted by reference and incorporated as if fully set forth herein:

- Wenatchee Waterfront Sub-Area Plan
- Central Business District Sub-Area Plan
- Sunnyslope Sub-Area Plan
- GOAL 17. PERMITTING PROCESS AND STANDARDS The permitting process should establish procedures and standards which provide meaningful opportunities for citizen input, fair and timely permit processing, and effective implementation of the comprehensive plan.
- **Policy 1**: Current code and development regulations provide a series of standards and layers of regulation which are not always clear or predictable for the community. Reshape the zoning code and development standards to be an integrated code that reflects the direction of the comprehensive plan.
- **Policy 2:** Ensure that permit standards have clear criteria and performance measures to achieve desired goals. Maintain effective notice and participation procedures for significant projects while seeking opportunities to streamline permit procedures through administrative performance standards and criteria.
- **Policy 3:** Evaluate and consider revising locally adopted State Environmental Policy Act<sub>7</sub> (SEPA), categorical exemption thresholds where it is determined that existing city code and policies are sufficient to address potential environmental impacts.
- **Policy 4:** Conduct a thorough review of the comprehensive plan and it's associated adopted plans and studies to verify and facilitate plan implementation in city codes and programs.
- **Policy 5:** Overlay zoning districts have been an effective tool for the city to implement new policy directives. These districts should now be reviewed to examine their effectiveness and opportunities where appropriate to transition any of the overlay districts with their underlying zoning layer into distinct separate zoning districts.
- Policy 6: Review opportunities to streamline permitting systems in commercial and industrial districts considering tools such as performance standards and administrative conditional uses replacing conditional uses where appropriate. Standards should provide meaningful approaches to implement the comprehensive plan and consider public and agency comments.

## **IMPLEMENTATION**

The conceptual land use map proposes land use categories for Wenatchee. The following table reflects the beginning elements of the zoning and development standards that might be adopted to implement this plan-, —in addition to policy direction of the comprehensive plan.

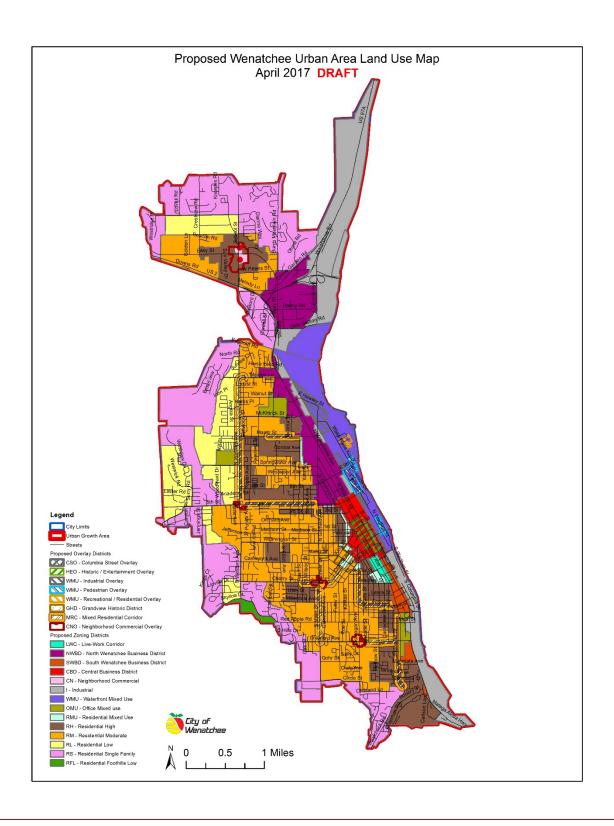
District	Primary Uses	General
DISTITICE	Pililal y Uses	Development Standards
Central Business District	Primary Uses:  Ground floor retail, food and beverage, entertainment Governmental offices Secondary Uses: Upper floor offices Upper floor residential Limited light manufacturing	<ul> <li>Limited on-site parking</li> <li>Architectural design controls</li> <li>Tallest buildings</li> <li>No setbacks or lot coverage limits</li> <li>Design Controls on buildings and parking lots</li> <li>Signage controls for illumination, sandwich boards, off-premise, size and location</li> </ul>
North Wenatchee Business District	Primary Uses:     Retail     Restaurants     Banks and services Secondary Uses:     Upper floor residential	<ul> <li>Height: 4 to 6 stories 4 to 6 story height limit</li> <li>Landscaping and signs</li> <li>Access control</li> <li>Develop pedestrian destination or orientation</li> <li>Work on entrance and gateway improvements (landscaping, signage, public art, etc.)</li> </ul>
South Wenatchee Business District	Primary Uses:     Ground floor retail, food and beverage, entertainment     Professional services Secondary Uses:     Light manufacturing     Auto repair     Upper floor residential	<ul> <li>Identify blocks for ground floor pedestrian activity</li> <li>Four story height limit Height: 4 to 6 stories</li> <li>Work on entrance and gateway improvements (landscaping, signage, public art, etc.)</li> </ul>
Highway Commercial	Primary Uses:  - Ground floor retail, food and beverage, entertainment - Professional services  Secondary Uses: - Light manufacturing - Auto repair - Upper floor residential	<ul> <li>Height: 4 to 6 stories</li> <li>Landscaping and signs</li> <li>Access control</li> <li>Develop pedestrian destination or orientation</li> <li>Work on entrance and gateway improvements (landscaping, signage, public art, etc.)</li> </ul>
Corridor Live- Work	Primary Uses:  Residential live-work  New (not converted) attached multi-family units  3 or more attached single-family units  Ground floor retail, food and beverage, entertainment Professional services  Secondary Uses: Light manufacturing	<ul> <li>Identify blocks for ground floor pedestrian activity</li> <li>Height: 4 to 6 stories</li> <li>Work on entrance and gateway improvements (landscaping, signage, public art, etc.)</li> </ul>

District	Primary Uses	General Development Standards
	<ul><li>Auto repair</li><li>Upper floor residential</li></ul>	
North Wenatchee Master Plan Overlay	Please see North Wenatchee Master Plan	Please see North Wenatchee Master Plan
Waterfront	Primary Uses: Development varies by node Ground floor retail, food and beverage, entertainment Residential Secondary Uses: Limit industrial activity to active areas Upper floor offices Upper floor residential	<ul> <li>Land use controls applicable to land along Columbia Riverfront</li> <li>Architectural design controls</li> <li>Emphasis on connection with waterfront</li> <li>Height: 4 to 6 stories</li> </ul>
Mixed Residential Corridor	Primary Uses:  Variety of housing choices Schools, churches, public buildings Adult homes Secondary Uses: Apartments Neighborhood services Professional offices	<ul> <li>Architectural controls on multifamily and non-residential development</li> <li>Development limited to suitable locations only</li> <li>Focus on intersection development as first phase</li> <li>Could require road improvements</li> <li>Landscaping required</li> <li>Signs strictly limited</li> </ul>

District	Primary Uses	General Development Standards
Office & Residential Mixed Use	Primary Uses:  Variety of housing choices  Professional offices  Neighborhood services  Medical centers  Apartments  Secondary Uses:  Retail and food service  Light manufacturing	<ul> <li>Mixed use zone suitable for residential, professional office, and in some limited areas, light industrial uses</li> <li>Height: 2-4 stories</li> </ul>
Neighborhood Commercial	<ul> <li>Primary Uses:</li> <li>Neighborhood services, such as banks, convenience store, bakery, coffee, book stores</li> <li>Secondary Uses:</li> <li>Upper floor residential uses</li> </ul>	<ul> <li>Neighborhood commercial zone intended to provide services at a neighborhood level</li> <li>Height: 4 stories</li> </ul>
Industrial	Primary Uses:  Manufacturing  Auto repair  Warehouses and storage  Secondary Uses:  Commercial uses that provide services	<ul> <li>Industrial land uses</li> <li>Allow commercial uses in industrial land uses</li> <li>Height: 6 stories</li> </ul>
Residential Foothills Low	Primary Uses: Single family	<ul> <li>Very low density residential suited for foothills area</li> </ul>

	Secondary Uses:	<ul> <li><u>Density</u>: 1-2 units per acre</li> <li><u>Height</u>: 2 stories</li> </ul>
Residential Single Family	Primary Uses: Single family, and very low density residential planned developments Compatible blended density housing Secondary Uses: Accessory Dwelling Units Agricultural uses Home based business	<ul> <li>Very low density residential suited for outlying areas</li> <li><u>Density</u>: 4-6 units per acre</li> <li><u>Height</u>: 2 stories</li> </ul>
Residential Low	Primary Uses: Single family, and low density residential planned developments Compatible blended density housing Secondary Uses: Accessory Dwelling Units Agricultural uses Home based business	<ul> <li>Low density residential single family development</li> <li>Density: 6-8 units per acre</li> <li>Height: 2 stories</li> </ul>
Residential Moderate	Primary Uses: Single family, duplex, and moderate density residential planned developments Compatible blended density housing Secondary Uses: Accessory Dwelling Units Agricultural uses Home based business	<ul> <li>Moderate density residential development</li> <li><u>Density</u>: 8-20 units per acre</li> <li><u>Height</u>: 2 - 3 stories</li> </ul>
Residential High	Primary Uses:     Entire range of housing choices     Apartments Secondary Uses:     Adult care facilities     Home based business	<ul> <li>Mixed residential densities suitable to a variety of housing choices depending on location and compatibility with neighborhood</li> <li>Density: 10 - 40 units per acre</li> <li>Height: 3 - 6 stories</li> </ul>

**Policy 4:** Coordinate with regional jurisdictions to develop a regional assessment and report to share in the responsibility for achieving a reasonable and equitable distribution of affordable housing to meet the needs of middle and lower income persons.



#### Land Use and Urban Growth Area Element

# a) Text, goals and policies:

- a. Purpose: The Growth Management Act requires a Land Use Element in RCW36.70A.070(1). It is the heart of the entire Comprehensive Plan and all other elements are interrelated with and are affected by it. The Element establishes the land use pattern which is a strong determinant of the character, quality and culture of Wenatchee. This chapter reflects the vision and values of citizens while attempting to balance the diverse land use needs. It provides for an adequate supply of residential, commercial, industrial, public facility, and natural resource land.
- b. Statutory Requirements:
  - i. RCW36.70A.070(1) "A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound."
- c. General Summary of Key Updates
  - i. Updated and more detailed land capacity analysis
  - ii. Updated population and employment projections
  - iii. Incorporation of a new approach to infill development:
    - 1. encouraging the inclusion of "missing middle" housing types into existing neighborhoods
    - 2. discouraging the proliferation of "flag lots"
    - 3. seeking to address the impact that the extension of public services has on development
  - iv. Updated to reflect, and provide guidance in the implementation of, new plans and studies such as the North Wenatchee Master Plan, South Wenatchee Action Plan, Sunnyslope Subarea Plan, Downtown Strategic Parking Management Plan, and the Wenatchee Urban Area Housing Needs Assessment & Market Demand Study.
  - v. New policy framework to address how lands for public purposes are handled.

- vi. New policies to guide the permitting process and development standards.
- vii. Various revisions to the land use implementation table including one new zoning district.
- viii. Update to "Coordinated Planning" section to reflect current situation.

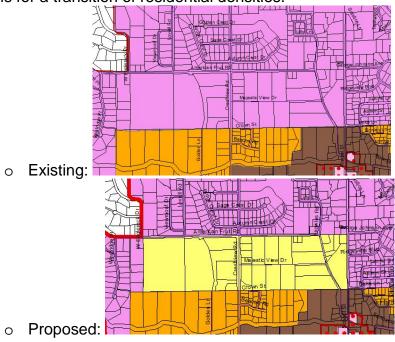
# b) Land use designation amendments:

The proposed Zoning Code Map Amendments are documented below. The map legend is located at the end of this section.

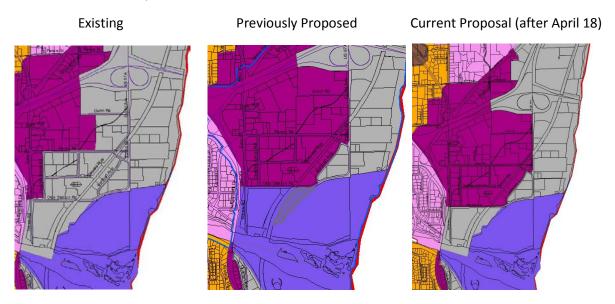
 Revision to Columbia Street Overlay (CSO). The existing CSO extends beyond Columbia Street to the north to areas without street frontage. This proposed area better carries out the intent of the overlay by including the areas along Columbia St with old warehouses.



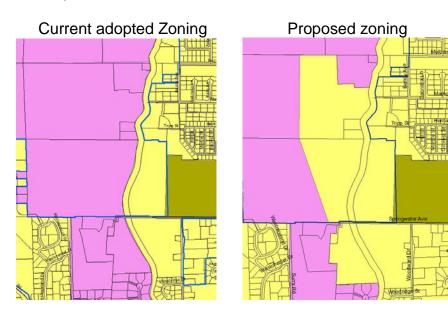
 Rezone of an area in Sunnyslope from Residential Single Family (RS) to Residential Low (RL). The proposed change would assist with facilitating and supporting the eventual extension of sewer service and provide additional residential opportunities in keeping with the Sunnyslope Sub-Area Plan which calls for a transition of residential densities.



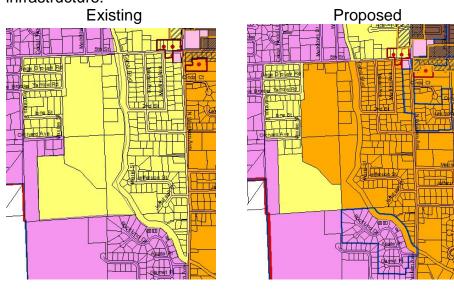
Rezone of an area in Olds Station. Expansion of North Wenatchee Business District (NWBD) to the east. The original proposal was to expand the Waterfront Mixed Use (WMU) to the west, and the addition of Industrial Overlay (IO) (over McDougall Property) in an area south of Olds Station Road. On April 18, 2017 the proposed change in the area south of Olds Station Road was withdrawn at the direction of the Mayor.



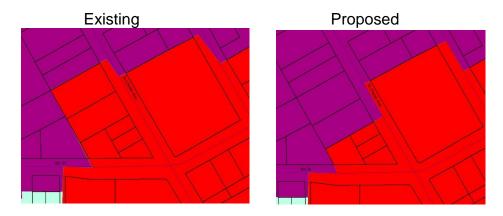
• There is a proposal to expand the Residential Low district west to the base of the foothills. The idea behind this was to increase permitted densities in areas with relatively flat ground and keep areas with steeply sloped ground at the same low density. The new boundary has been drawn so that the area south of Springwater Ave does not bisect parcels. The area north of Springwater bisects parcels but a legal description has been developed to create predictability for developers.



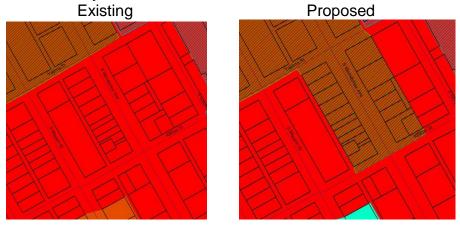
 Rezone of area in West Wenatchee from Residential Low (RL) to Residential Moderate (RM) and Residential Single Family (RS) to Residential Low (RL). The purpose of this change is to accommodate higher densities than previously permitted on this level, easy to develop land. Multiple property owners have requested this change to increase the range of opportunities in the types of housing units and assist in making it cost effective to construct necessary infrastructure.



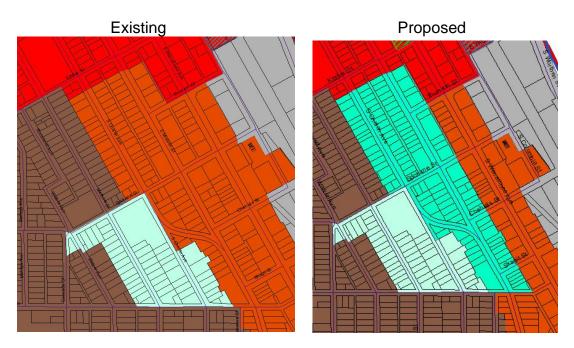
 Rezone of two parcels on the west side of N Chelan Ave, north of 5<sup>th</sup> Street, from Central Business District (CBD) to North Wenatchee Business District (NWBD), re-aligning the boundary of the two districts consistent with the character of the area and intent of the designations.



Extension of Historic Entertainment Overlay (HEO) district to cover parcels on both sides of S Wenatchee AVE between Yakima and Kittitas Streets. Underlying Zoning District of Central Business District (CBD) remains the same. After years of applying the provisions of the Historic Entertainment Overlay, staff identified as a proposal that the character and form of this area was cohesive with the existing HEO Overlay.



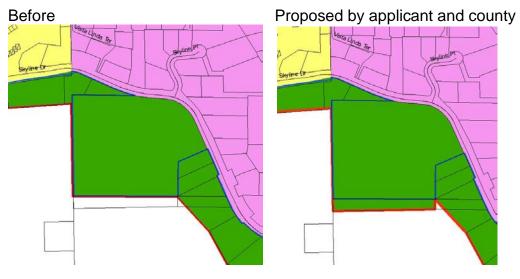
 New zone, called Live-Work Corridor, in the vicinity of the south end of the Chelan/Mission couplet. This area is specified in the South Wenatchee Action Plan. The reason a new zone is proposed is to recognize the significance of the intermixed residential components in this area which remain, and encourage the positive development of this area as a mixed use location.



 Revision to MRC – WCC10.40.070 specifies that the MRC extends 200ft from the edge of the right-of-way (ROW). Previously, the MRC overlay was drawn 200ft from the centerline rather than the edge of the ROW. This has now been corrected throughout the city. Also, some mapping errors had been made over the years (not shown below). For several years, MRC was excluded from unincorporated areas which affected the area shown below. The overlay has been corrected to reach all the way to the intersection.



Expansion of Urban Growth Area to include parcel number 222009705830. Staff
is proposing a slightly larger expansion so that all of parcel number
222009705825 is included in the UGA. Rezone from Chelan County Zoning
Designation Residential/Resource 5 (RR5) to City of Wenatchee Zoning
Designation of Residential Foothills Low (RF).





# Legend

Proposed Overlay Districts CSO - Columbia Street Overlay HEO - Historic / Entertainment Overlay WMU - Industrial Overlay WMU - Pedestrian Overlay WMU - Recreational / Residential Overlay GHD - Grandview Historic District MRC - Mixed Residential Corridor CNO - Neighborhood Commercial Overlay Proposed Zoning Districts LWC - Live-Work Corridor NWBD - North Wenatchee Business District SWBD - South Wenatchee Business District CBD - Central Business District CN - Neighborhood Commercial I - Industrial WMU - Waterfront Mixed Use OMU - Office Mixed use RMU - Residential Mixed Use RH - Residential High RM - Residential Moderate RL - Residential Low RS - Residential Single Family RFL - Residential Foothills Low Streets

Urban Growth Area

Parcels

# **HOUSING**

#### **TOPICS**

- Purpose
- Referenced Plans
- Background
- Housing Affordability
- Housing Equity
- Housing Mix
- Maintenance & Preservation
- Generational Trends
- Goals and Policies

#### **PURPOSE**

The purpose of the housing element is to establish policy directives for future housing in Wenatchee. In addition to accommodating projected growth, these strategies are designed to preserve and protect existing neighborhoods, stabilize and enhance threatened neighborhoods, and meet the housing needs of all segments of the population including lower income and special needs groups. To these ends, Wenatchee has identified a number of components which will inform its housing policies including:

- (a) Identifying the existing housing stock
- (b) Determining housing preferences and demand
- (c) Identifying housing types acceptable to the community
- (d) Compliance with GMA County-wide fair share housing policies
- (e) Implementation strategies to meet housing goals

Related to the Housing Element <u>are is</u> the <u>recently adopted</u> City of Wenatchee <u>2013-2017</u> Housing & Community Development Consolidated Plan and The Ten Year Plan to Reduce Homelessness in Chelan and Douglas Counties. —The City of Wenatchee Housing & Community Development Consolidated Plan plays a significant role in the City of Wenatchee's blueprint for community development activities, including housing. Required by the Department of Housing and Urban Development (HUD) as a condition of receiving federal Community Development Block Grant (CDBG) funds, the Plan analyzes factors impacting quality of life for the community's low- and moderate-income residents, including poverty, poor housing quality, overcrowding, scarcity of living wage jobs, low educational achievement, and other social issues. In addition to prioritizing the use of federal funds, the Plan's goals, objectives, and strategies provide a <u>significant component of the City of Wenatchee's housing policy.</u>

State House Bill 2163 directed local governments to prepare and enact a 10-year Homeless Housing Strategic Plan with a minimum goal of reducing homelessness by 50 percent. The Bill authorized the County Auditor's Office to collect a \$40 recording fee and allows a percentage of the funds to be applied locally to complete tasks and contribute toward meeting goals and objectives identified in the plan. After developing The Ten Year Plan to Reduce Homelessness in Chelan and Douglas Counties in 2005, participating jurisdictions signed an inter-local agreement, naming the City of Wenatchee as the implementing agency for the Chelan-Douglas County Program.

A Homeless Housing Task Force, made up of local agency representatives, meets periodically to update priorities for homeless services and programs and reviews progress made on achieving objectives and activities identified in the plan. The goals, objectives, and activities identified in the plan guide the annual funding allocation.

#### REFERENCED PLANS

Plans, documents or studies which have been adopted as a component of this plan or serve as adopted guidance materials are listed in their entirety under the section, Relationship to Other Plans & Studies, in the Wenatchee Urban Area Plan. This housing element addresses general housing issues for the City. The City has also adopted and is implementing two additional housing and community development plans. These plans include additional information regarding housing and are adopted by reference as now or hereafter amended:

City of Wenatchee 2013-2017 Housing & Community Development Consolidated Plan Ten-Year Plan to Reduce Homelessness in Chelan & Douglas Counties

#### **BACKGROUND**

Wenatchee is a city of neighborhoods with a historical preference for single family detached housing. As Wenatchee has grown and its diversity increased, however, the demand for a wider mix of residential types including multifamily renter- and owner-occupied housing has increased and will continue to do so in the future. Rising home, construction, fuel and social costs combined with a diminishing supply of available land and changing demographics are expected to speed Wenatchee's transition from its historical development patterns to more compact urban forms.

Wenatchee's developable land supply is limited by the Columbia River to the east and the steep topography and constrained access of the foothills to the west<u>north</u> and south. The current urban growth area (UGA) encompasses nearly all of the developable land contiguous to the existing city limits.

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The population of Wenatchee is projected to grow by 16,9456,093 residents over the next 20 years<sup>1</sup>. Based on the average local household size of 2.53 44 residents per homehousing unit, this translates into a need for 6,6982,497 new housing units. It should be noted that this is simply the amount needed to maintain the current housing supply as a proportion of the total population. Many more units will be needed to achieve an equitable housing market. The September 2016 Wenatchee Urban Area Housing Needs Assessment cites a need for 252 new multi-family units and 675 new single family homes in the urban area<sup>2</sup> in order to achieve a 5% vacancy rate. These figures do not include any additional units needed to accommodate population growth.

As shown in the Land Capacity Analysis for the Land Use Element, there is capacity for approximately 4,460 housing units in the Urban Growth Area not including existing capacity in commercial zones and the Waterfront Mixed Use District. For more details regarding the capacity for residential development, please see the Land Use Element.

In an effort to prevent potential housing shortages and a subsequent escalation in prices, the Growth Management Act (GMA) allows cities and other jurisdictions to plan for an additional 25 percent housing unit need. Including this market factor allowance, the total number of housing units planned for within the UGA over the 20-year period is 8,373.

# **Housing Units**

According to 2000-2010 Census data, the City of Wenatchee had 11,48613,175 total housing units that year. The Office of Financial Management estimates that in 2015 there were 13,808 Housing Units in the City. Between 1990-2000 and 2000-2010, the total housing stock increased by 2,0331,689 units, an average annual rate of two-1.5 percent. Between 2010 and 2015 the housing stock increased by 633 units, an average annual rate of 1.0percent. This rate of growth was highly comparablewas a little below with those of Chelan and Douglas Countyies and Washington State during the 2000-2015 period. During the 2010 to 2015 period, Wenatchee had a higher rate of growth than Chelan County or Washington State. in general. Despite the growth in the total number of housing units (housing stock), the rate of growth did not keep pace with the rate of population growth (2.5 percent annually) during the '90s.

Table 8: Housing Units by Area 1990-2000

_	<del>2000</del>	<del>Annuai</del> <del>Growth Rate</del>
Wenatchee	<del>11,486</del>	<del>2.0%</del>
<del>Chelan County</del>	<del>30,407</del>	<del>2.0%</del>
Washington State	<del>2,451,075</del>	<del>1.9%</del>
Source: US Census		

<sup>&</sup>lt;del>-</del>

<sup>1</sup> Chelan County Resolution 2015-112 <sup>2</sup> The urban area is a US Census Bureau geography that includes the developed land in the

vicinity of Wenatchee and East Wenatchee. This includes some land that is outside the urban growth areas and excludes some land that is inside the urban growth areas.

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Table 1 Housing Units by Area 2000-2015; Source: Washington State Office of Financial Management

	2000	2010	2015	Avg Annual Increase 2000-2010 (without annexed HU)	Avg Annual Increase 2010-2015 (without annexed HU)
Washington State	2,451, 081	<u>2,885,</u> <u>677</u>	3,008, 881	1.8%	0.9%
Wenatchee UGA	22,923	26,689	27,704	1.6%	0.8%
Chelan County	30,407	35,465	36,933	1.7%	0.8%
<u>Chelan County -</u> <u>Unincorporated</u>	14,180	16,858	17,562	1.9%	0.8%
<u>Chelan County -</u> <u>Incorporated</u>	16,227	18,607	19,371	1.5% (1.2%)	0.8% (0.7%)
City of Wenatchee	<u>11,486</u>	<u>13,175</u>	13,808	1.5% (1.2%)	1.0% (0.8%)
City of East Wenatchee	2,429	<u>5,275</u>	5,330	11.7% (4.9%)	0.2%

Note: Housing Counts for Incorporated Areas include increases attributed to annexations, subsequently the numbers are higher than they would be if they only included new construction.

Source: Washington State Office of Financial Management April 1 Intercensal (2000-2010) and Post Censal (2010-2015) estimates of population and housing

At the time of the 2010 Census, the US Census Bureau estimates that 0.4% of housing units in the City of Wenatchee were used "For seasonal, recreational, or occasional use" while 15.4% were used for the same purpose in Chelan County as a whole<sup>3</sup>. This indicates that the vast majority of the housing stock in the City of Wenatchee is in active use.

The 2013-2017 Wenatchee Consolidated Plan documented the existence of 295 Shelter Beds in service and another 23 under development<sup>4</sup>. The same plan shared data from the 2012 Point in Time Homeless Count where 241 persons were documented as sheltered and 40 as unsheltered<sup>5</sup>. There were an estimated 383 persons temporarily living with family or friends who are at risk of homelessness<sup>6</sup>. It should be noted that not all shelter beds are available to all people. Many are

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<sup>&</sup>lt;sup>3</sup> US Census Bureau 2010 Decennial Census Summary File 1 Table H5 Vacant Housing Units and H1 Housing Units

<sup>&</sup>lt;sup>4</sup> Table 72 of the 2013-2017 Wenatchee Consolidated Plan

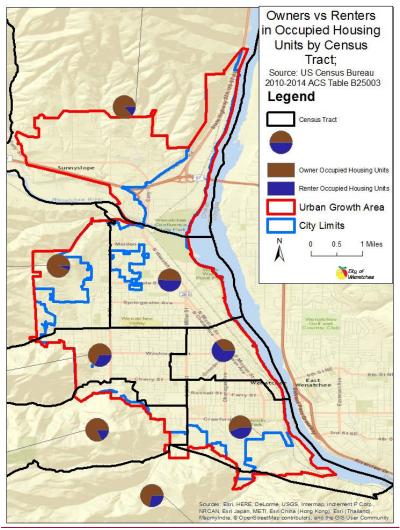
<sup>&</sup>lt;sup>5</sup> Table 71 of the 2013-2017 Wenatchee Consolidated Plan

<sup>&</sup>lt;sup>6</sup> Page 186 of the 2013-2017 Wenatchee Consolidated Plan

limited to a specific group such as men, women, families, etc. This demonstrates a need for additional shelter beds both now and in the future until a greater share of the population is in permanent housing.

## Housing Tenure

While the majority (57–56 percent) of households in Wenatchee owned the unit in which they lived in 2000during the 2010-2014 period, the percentage of owner-occupied units was lower than in Chelan County, which averaged 64–65 percent as a whole, and Washington State at 63 percent. Housing tenure, which refers to the financial arrangements under which someone has the right to live in a home, also varied significantly among Wenatchee's neighborhoods. Based on 2000 Census Tract data, over 70 percent of occupied units in West Wenatchee (west of Miller & south of 5<sup>th</sup>) were owner-occupied compared to less than 40 percent in the Historic Center (east of Miller, south of 5<sup>th</sup>, north of Peachey). The map below demonstrates that housing tenure varies greatly throughout the Wenatchee Urban Area. In general, the areas that were developed earlier in the city's history have higher shares of renter occupied housing units while the more recently developed areas have higher rates of owner occupied housing units.



<u>Figure 1 Owners vs Renters in Occupied Housing Units by Census Tract in the vicinity of the Wenatchee Urban Growth Area;</u> Source: US Census Bureau 2010-2014 American Community Survey Table B25003

# Housing Types

Single-family housing is the predominant housing type in Wenatchee and represents nearly two-thirds of all housing units. Although Wenatchee's total share of single-family housing units is comparable to state and national averages, the housing type mix varies significantly among Wenatchee's neighborhoods. Although the majority of housing in each of the tracts is single-family in nature, the degree of that majority ranges from 56 percent in the historic center to over 77 percent in West Wenatchee.

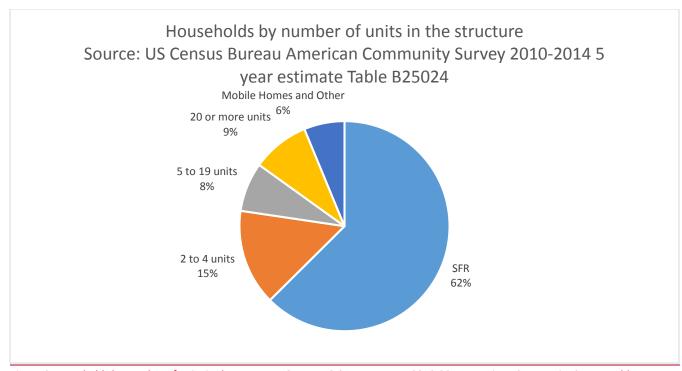


Figure 2 Households by number of units in the structure; Source US Census Bureau 2010-2014 American Community Survey Table B25024

# HOUSING AFFORDABILITY

As of the <del>2000-</del>2010-2014 Census American Community Survey, the median value of all owner-occupied housing in Wenatchee was \$133,700199,200, lower than the median values in both Chelan County and Washington State at \$247,800 and \$257,200 respectively. The median gross rent in <del>2000-</del>2010 of \$545-788 was also lower than Washington State (\$663995</del>), but higher than Chelan County (\$535785)8. Since <del>2000</del>2007, however, home prices decreased until about 2012, then have begun climbing again finally reaching and even exceeding their 2007 levels have escalated significantly in Wenatchee. As of February 2006 In calendar year 2015, the average median home sales price was nearly \$219,000\$250,0009. This spike in real estate has also driven up rental costs. Rental prices have also risen alongside home prices.

In general, housing is considered to be affordable when it equals no more than 30 percent of household income, including expenditures for utilities. Over the years housing costs have escalated at a significantly higher rate than household incomes. This reduces overall affordability and is especially true for Wenatchee renters. As of 1999According to the 2010-2014 American Community Survey, more than 45—44 percent of renters were paying more than 30 percent of their household income on housing. At the same time, less than 25–37.6 percent of all home owners were paying that amount 10.

<sup>&</sup>lt;sup>7</sup> US Census Bureau American Community Survey 2010-2014 Table B25077

<sup>8</sup> US Census Bureau American Community Survey 2010-2014 Table B25064

<sup>&</sup>lt;sup>9</sup> Pacific Appraisal Associates, P.L.L.C. (February, 2006 December & EOY 2015). Snapshot.

<sup>&</sup>lt;sup>10</sup> US Census Bureau American Community Survey 2010-2014 Table GCT2515

Between 1989 and 1999 the disproportion between renters and homeowners decreased, however, due to rising housing costs as a percentage of household income for homeowners. Over the ten-year period, the percentage of homeowners paying less than 20 percent of their incomes on housing decreased significantly while the percentage paying more than 35 percent nearly doubled. Given the escalating housing costs over the last five years, affordability among both renters and owners has only continued to decrease.

Another measure of owner-occupied housing affordability is the National Association of Realtors (NAR) Washington State Center for Real Estate Research (WCRER) housing affordability index (HAI). HAI measures whether or not a typical family could qualify for a mortgage loan on a typical home 1. A typical home is defined as the median-priced single-family home. The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census Census Bureau. The prevailing mortgage interest rate is based on the Freddie Mac Mortgage Market Survey. The formula assumes a 20% down-payment, a 30 year fixed mortgage, and a household will not spend more than 25% of their income on principal and interest payments. In the case of the First Time Homebuyer's Affordability Index, mentioned below, the assumption is a home that is 85% of median price, 10% down payment, 30-year fixed mortgage, and mortgage costs that are less than 25% of household income.

As of 1999, Quarter 3 of 2015, a family in Wenatchee Chelan County earning the median family income had 97–131 percent of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. By early 2006, this figure dropped to 78 percent of the required income. First-time homebuyers on the other hand are in a much different situation with 73.8 percent of the income required to make payments on a median price resale home.

The growing disconnect between both housing prices and household income and also housing supply and population growth can negatively impact the community in a number of ways. Young companies, professionals, and couples who once moved to Wenatchee for its affordability or quality of life may choose to live elsewhere or not be able to find housing at all. In some cases, Ffamilies will-may continue to move further and further away from the traditional downtown to afford a home, thereby increasing traffic congestion and degrading air quality. In other cases, certain households may end up living in a space that is below the standard they would otherwise live at and therefore displace lower income households that would have otherwise lived there. Since they will remain as the sole providers of affordable housing, distressed neighborhoods are unlikely to undergo revitalization or leverage new investment. Finally, Wenatchee could lose one of its key assets important to the

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<sup>&</sup>lt;sup>11</sup>-The accuracy of the HAI is based on two key assumptions. The calculation is based on a qualifying ratio of 25 percent. That is, the monthly principal and interest payment cannot exceed 25 percent of the median family monthly income. The down payment assumption of 20% may significantly overestimate the affordability of an area for first-time homebuyers (e.g. young couples and families) given the increasing rarity of 20 percent down payments.

new economy's creative companies: social and cultural diversity<sup>12</sup>. The current housing crisis is impacting the Wenatchee area in many different ways including making it difficult for local employers to hire out-of-town job candidates for living wage jobs and adding additional financial stress to households overly burdened by their housing costs,

The Wenatchee Urban Area Housing Needs Assessment & Market Demand Study of September 2016 produced by BERK showed that many different factors are contributing to the city's current housing crisis. Some of these include rising housing costs, low vacancy rates, high rate of cost burdened households, a mismatch between household size and housing stock, inadequate supply of subsidized units, and an ongoing increase of senior residents. The housing policies contained in this element and related policies in other elements of the plan are directed at addressing these identified issues and trends.

#### **HOUSING EQUITY**

Housing equity is related to affordable housing and describes the fair distribution of housing types throughout a community. Mixed-income neighborhoods promote equity by providing safe housing environments and equal opportunities for upward mobility. The City must seek to affect the housing market in such a way that he households of all income classes have equal access to education, employment, and social interaction opportunities. Neighborhoods with different housing types for different income groups also allow residents to remain in their community or "age in place." That is, residents are able to stay close to friends and family regardless of their age or economic status by transitioning from different housing types in the same neighborhood.

The typical suburban land use/housing patterns that characterize most of Wenatchee require the use of an automobile to reach services and amenities. A lack of pedestrian and bicycle infrastructure further aggravate an already challenging situation for residents without access to an automobile. This is something that is addressed in greater detail in the Transportation Element but the relevant topic here is that some housing is located adjacent to complete, or nearly complete, transportation facilities (including facilities to safely accommodate pedestrians, bicycles, and automobiles) while other housing is only safely accessible by automobile. All residents need access to housing that matches the transportation needs of all members of their household. Some of the groups that are affected by this issue include the young (under 16years), the elderly (no longer able to drive), the disabled, and those that for financial or other reasons do not have access to an automobile. According to the US Census Bureau's 2010-2014 American Community Survey, 12.2% of the population of the City of Wenatchee had some type of disability<sup>13</sup>. In the same survey it was determined that 90% of households have access to one or more vehicles<sup>14</sup>.

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<sup>&</sup>lt;sup>12</sup> Florida, Richard (2004). *The Rise of the Creative Class*. New York: Basic Books

<sup>13</sup> Table DP02

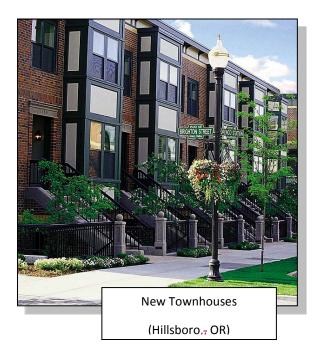
<sup>14</sup> Table B25045

Concentrated affordable housing, on the other hand, can inequitably result in overcrowding, segregation, and the social isolation of lower income and special needs populations. Many of these neighborhoods do not have equal access to employment centers, public and cultural facilities, or important middle class social networks.

Development standards and practices that inhibit the development of mixed-income communities are often called "exclusionary zoning." In contrast, "inclusionary zoning," actively promotes a mix of housing options within communities. In addition to creating incentives or requirements for mixed-income housing, this strategy promotes more flexible design standards (e.g. narrow lots) within residential neighborhoods.

## **HOUSING MIX & DENSITY**

A number of factors are converging in Wenatchee to warrant the provision of more compact residential neighborhoods and housing types. Wenatchee's supply of buildable land has decreased significantly as many former orchards have been sold and developed. Combined with rising construction costs and historically low interest rates, the scarcity of land has driven up home prices and rents.





It is no coincidence that scarce land availability and the decreasing affordability of traditional single family homes have resulted in a growing number of smaller households. These smaller households are primarily used by the elderly, active retirees, empty nesters, childless couples, single parents, and singles, for whom housing preferences and demands are different. Whereas families with school-age children tend to favor traditional single-family housing arrangements. During the 2010-2014 period, the Census Bureau estimates that only 21.6% of households

include both a married couple and at least one child under the age of 18<sup>15</sup>. In the same survey, it was found that 60% of households were made up of just one or two people 16. the This "new majority" 17 of smaller households are smaller with different needs. Subsequently they are more likely to prefer the affordability, access, convenience, and lower maintenance associated with multifamily renter- and owner-occupied units.

Between April 1<sup>st</sup> 2000 and April 1<sup>st</sup> 2005 January 2010 and December 2016, the City of Wenatchee issued building permits for 566 669 dwelling units. Despite the changing demographics and housing preferences mentioned above, the majority of building activity in Wenatchee continues to be single-family in nature. During thise timeframe, over 400305 units (4671 percent) of all residential units permitted were single-family structures and 360 units (54 percent) were in structures that had two or more dwelling units. It should be noted that if the 312 unit Riverside9 apartment complex is excluded from the figures, single family residences make up 85% of the new dwelling units permitted during this time period. A wider assortment of housing types including cottage housing, townhouses, condominiums, and accessory dwelling units (ADUs) would be more responsive to market dynamics, help increase affordability, expand home ownership, conserve space, and yield cost efficiencies for both the private and public sectors.

#### HOUSING MAINTENANCE & PRESERVATION

Whereas well-maintained historic homes and districts can significantly increase tourism, property values, affordable housing opportunities and neighborhood cohesiveness, poorly maintained older housing can depreciate property values while proving dangerous and unsightly. Although many of Wenatchee's historic homes and neighborhoods, including the newly instituted Grandview District, have been well preserved over the years, many others have been neglected. In 2002, a visual assessment of the South Wenatchee neighborhood (south downtown, east of Okanogan Street, west of Chelan/Mission Street, and north of Crawford Street) found that an estimated 50 percent of homes required rehabilitation.



<sup>&</sup>lt;sup>15</sup> US Census Bureau 2010-2014 American Community Survey Table S1101

<sup>&</sup>lt;sup>16</sup> US Census Bureau 2010-2014 American Community Survey Table B11016

<sup>&</sup>lt;sup>17</sup>According to the Census, married couples with children now represent less than 25% of the population US Census Bureau's 2010-2014 American Community Survey (Table S1101), 21.6% of households in the City of Wenatchee included a married couple and at least one child under 18 years of age.

The easiest way to provide housing and make it affordable is to preserve the existing stock. Construction of new real estate expands the available building stock and generally induces movement toward newer housing products. Upward movement to higher-valued real estate parallels the downward "filtering" of existing real estate. As most structures age, wear, and become obsolete, they filter down to lower-income occupants 18. The process enables lower income households to move up as well, and to occupy units that at one time had been the preserve of middle- or even upper-income households.

This natural recycling or "filtering" of previously owned housing relies on private maintenance and investment. If homes are allowed to deteriorate beyond the point of safe habitability, the supply of affordable housing is diminished. Communities whose officials recognize this and take timely actions are most likely to preserve historic housing stock. With public and private resolve to maintain homes and neighborhoods, buildings can last hundreds of years.

In addition to adopting its first historic district, Wenatchee has begun to address housing preservation by instituting utilizing the special property valuation for historic structures. This program allows historic property owners that make qualified improvements to designated structures to deduct the cost of making the improvements from the assessed value of the home for a period of 10 years if the cost of the qualified work exceeds 25% of the current assessed value. Wenatchee Housing Rehabilitation Loan Program for low- and moderate-income households. No interest loans are made available for eligible maintenance costs including safety/health, adaptations for disabilities, weather proofing, and energy efficiency. Payments on the loan are deferred until the sale of the home or its conversion to a rental. The program also encourages participants to stay in their community by forgiving 10 percent of the debt each year after completion of the project for up to 50 percent of the total loan. Between 2004 and early 2006, the program provided loans in South Wenatchee for improvements totaling \$163,695 in rehabilitation costs and \$41,382 in lead-based paint abatement.

#### **Generational Trends**

There are shifts occurring and projected between the housing preferences of the various generations currently in the housing market. Millennials, who are typically defined as those born between 1980 and 2000, have so far demonstrated a preference to live in large urban centers as they get their education and start their careers. However, as they enter into a phase of life where they consider starting families, that preference is changing. While some will stay in dense urban areas, many are seeking a version of the suburban setting and lifestyle that they may have experienced growing up. That setting and lifestyle however, will have some distinct differences. Millennials are seeking some urban amenities while still having the benefits of a single-family home with a yard. Many desire walkable neighborhoods

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<sup>&</sup>lt;sup>18</sup>Bear, William C. and Christopher B. Williamson, "The Filtering of Households and Housing Units." *Journal of Planning Literature* 3:2 (1988), 127-152.

with reasonable pedestrian access to basic services such as a grocery store or school. Many invite greater diversity and variety in their surroundings, eschewing the "cookie cutter" subdivisions that they may have grown up in. In many cases this might mean that they end up purchasing a higher-density form of housing such as a townhouse or even a condominium if needed to allow them access to the lifestyle they desire. Furthermore, given the substantial student debt many carry as well as the lower wages many are earning, millennials are generally apprehensive or unable to take on a mortgage. Having watched, and in some cases experienced, the housing crisis during their formative years, millennials are expected to take a different approach to housing than previous generations. Affordable units for both rent and sale will be necessary.

Baby Boomers, who were born between 1943 and 1964, are in the process of entering retirement. Many are preparing for the time when they will have diminished mobility. Some are retrofitting their suburban homes to accommodate wheelchairs and live-in caretakers while others are moving to appropriately designed units in urban areas where they can age in place even after they have to give up driving. Nearly all will need to give up driving at some point in the coming decades. For those living in suburban homes far from services, this will likely require them to sell their home at some point if they don't have access to or can't afford the services they need at that location.

Due to the situations described above, as well as other situations described in this element, it is important for regulations to be adopted that will allow existing housing stock to be retrofitted, and new appropriately designed housing, to be constructed to meet current and future demands. This might include accessory dwelling units, conversion of large homes to include multiple living units, small infill projects such as small multifamily-unit or multifamilyplex structures, or conversion to a coliving scenario or group home.

The two charts below demonstrate that the age makeup of the City of Wenatchee has some of the same general characteristics as the nation as a whole with definable generational groupings for baby boomers and millennials.

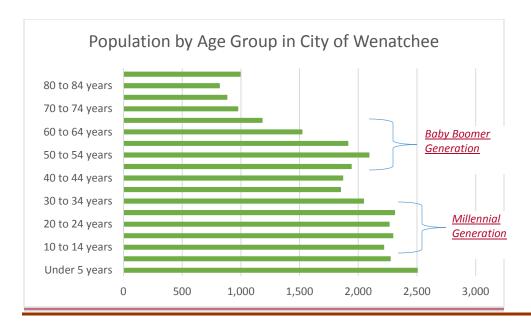


Figure 3 Population by Age Group in City of Wenatchee; Source US Census Bureau 2010 Decennial Census SF1 Table DP-1

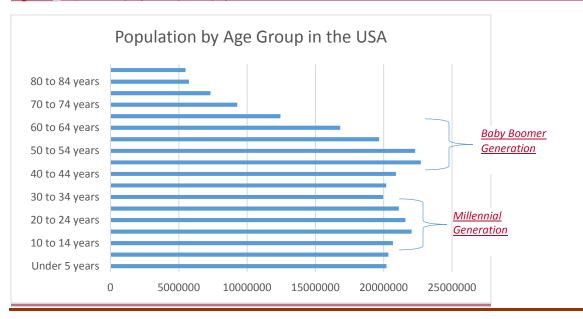
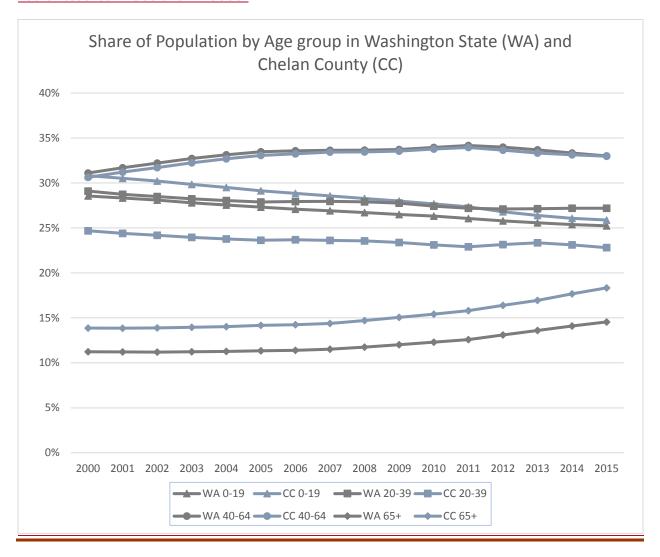


Figure 4 Population by Age Group in the USA; Source US Census Bureau 2010 Decennial Census SF1 Table DP-1

<u>Source: US Census Bureau 2010 Decennial Census Table Summary File 1 Table DP-1</u>

The chart below demonstrates that residents age 65+ make up a significantly higher share of the population in Chelan County than in the state as a whole. Residents age 20-39 make up a significantly lower share of the population than the state as a whole. Residents 40-64 and 0-19 make up very similar shares when Washington State and Chelan County are compared. It should also be noted that the shares of 0-19 and 20-39 age groups, which include millennials, decreased over the 15 year period shown while the 40-64 and 65+ age groups increased. This chart demonstrates that elderly

residents will likely continue to make up an increasing share of the population and the built environment, including residential development, should be built and/or retrofitted to meet their needs.



<u>Figure 5 Share of population by age group in Washington State (WA) and Chelan County (CC); Source: Washington State Office of Financial Management Intercensal Estimates of April 1 Population by Age and Sex: 2000-2010 and Small Area Demographic Estimates 2000-2015</u>

# **GOALS AND POLICIES**

- GOAL 1: HOUSING AFFORDABILITY Encourage the availability of affordable housing to all economic segments of the population.
- **Policy 1:** Develop and implement regulations that encourage diversity of new housing types and expand housing choices throughout Wenatchee. allow targeted densities to be achieved with reasonable likelihood while mitigating potential negative impacts.
- **Policy 2:** Provide incentives including density bonuses, parking reductions, and flexible design standards to developments that include a percentage of affordable units to households at 30%, 50%, and 80% of median income. Said incentives should be regularly reevaluated to ensure that they target specific burdens to development that are hindering production of new units.
- **Policy 3:** Promote residential development of infill sites throughout the urban area by increasing densities where appropriate.
- **Policy 4:** Work in concert with private and nonprofit developers to facilitate the provision of new affordable rental and owner-occupied housing. Expand outreach and marketing to both local and non-local housing developers to ensure that a diverse group of potential developers are aware of the many opportunities and benefits of building in the Wenatchee Valley.
- **Policy 5:** Develop and implement regulations that encourage transit oriented development in select areas such as in the vicinity of Columbia Station.
- **Policy 6:** Study the need for additional standards to accommodate and/or regulate alternative housing situations such as co-housing, and co-living units, and transient rentals (vacation rentals, Airbnb, etc).
- **Policy 7:** Review parking standards for multi-family developments to ensure they match typical demand. Collection of parking data at multi-family residential sites is likely necessary to complete this task.
- **Policy 8:** Work to inform the development community about opportunities for assistance with building affordable and/or high density housing. These opportunities may include but not be limited to tax credits, low interest loans, development incentives, etc.
- Policy 9: Increase market rate housing supply meeting in order to meet the housing needs for local employers and employees and reducing the number of affordable units occupied by households with moderate to high incomes.

- GOAL 2: HOUSING EQUITY Promote Promote diversity in neighborhoods throughout the urban area. The types of diversity should include, but are not limited to, mixed-income, and mixed generational, mixed-race, mixed-ethnicity, and mixed-physical-ability neighborhoods populations. Seek to develop a built environment that affords low-income and special needs populations all residents equal access to civic, educational, economic, and social opportunities.
- **Policy 1:** Strive to increase class, race, and age integration by equitably dispersing affordable housing opportunities. Discourage neighborhood segregation and the isolation of special needs populations.
- **Policy 2:** Facilitate lifecycle or "cradle to grave" neighborhoods and community stability by promoting alternative living arrangements such as accessory dwelling units (ADUs), shared housing, co-housing, and smaller housing types.
- **Policy 3:** Support variable lot sizes in new subdivisions and housing type diversity within development projects.
- **Policy 4:** The installation of an accessory dwelling unit in new and existing single-family dwellings shall be allowed in residential zones subject to specific development, design and owner-occupancy standards.
- **Policy 5:** DiscourageStudy options or tools available for regulatingAdopt regulations to address the conversion of multi-family housing to condominium conversions to have aensure no net loss of affordable rental housing stock.
- **Policy 6:** Continue to study and monitor opportunities for accommodating national trends in alternative and affordable housing.
- **Policy 7**: Accommodate the housing needs of baby boomers and senior households as this demographic increases their share of new housing demand.
- <u>GOAL 3: HOUSING MIX & DENSITY</u> Provide an adequate distribution of housing types consistent with land constraints and changing market demographics and preferences.
- **Policy 1:** Expand housing options to better reflect changing market demographics. This may include, but not be limited to, additional studio or one bedroom rental units.
- **Policy 2:** Adopt more flexible design standards that permit the construction of different housing types (e.g. narrow lots) compatible with surrounding neighborhoods.

- **Policy 3:** Facilitate housing development in the Central Business District and other mixed use areas close to employment, cultural and shopping opportunities.
- **Policy 4:** Explore and support tax exemptions for new and rehabilitated housing units that provide certain kinds of public benefits.
- **Policy 5:** The city may not enact any statute or ordinance that has the effect, directly or indirectly, of discriminating against consumers choices in the placement or use of a home in such a manner that is not equally applicable to all homes, except as allowed by RCW 35A.21.312 as now or hereafter amended. This speaks directly to manufactured homes and group homes.

Policy 6: In low to moderate density neighborhoods, seek to accommodate a range of multi-unit housing types compatible in scale with single family homes that help meet the growing demand for walkable urban living. These building types referred to as "Missing Middle Housing", help bring together the walkable streetscape as they diversify the choices available to boarders of different age, size and income. These units may include but not be limited to:

- The size and shape of stacked duplexes
- Bungalow courts
- Carriage houses
- Four-plexes
- Small multi-plexes
- Townhomes
- Live-walkwork units
- Courtyard apartments.

Policy 7: Two thirds of the housing units in the Wenatchee area have three or more bedrooms while 60% of Wenatchee's households only have one or two members. Increase housing opportunity from the current 11% of supply for single bedroom or studio units to better meet the needs of the majority of Wenatchee's households.

Policy 8: Evaluate and determine appropriate corridors and standards in the Central Business District designation and it's associated overlays where new or converted multi-family residential units which include ground floor units, would be beneficial to the District. Adding population within the District can provide activities and new uses of the spaces in the downtown on weekends and evenings in addition to needed multi-family housing units. Corridors chosen must be sensitive to maintaining and supporting Wenatchee's historic mainstreet emphasis and recognize opportunities with changing demands in retail markets by providing additional support for downtown businesses with a mixed use approach.

- GOAL 4: MAINTENANCE & PRESERVATION Preserve and enhance the value and character of neighborhoods by improving and extending the life of the existing housing inventory. Give special priority to the maintenance of historic properties and the retention of existing affordable housing stock.
- **Policy 1:** Preserve and protect older neighborhoods that demonstrate continuing residential viability.
- **Policy 2:** Encourage private reinvestment in homes and neighborhoods by providing information, technical assistance, and referrals to appropriate agencies and organizations.
- **Policy 3:** Encourage homeowners to take advantage of existing maintenance and preservation programs, services, and resources <u>including the Historic Preservation Tax Credit.</u> including the Wenatchee Housing Rehabilitation Loan Program.
- **Policy 4:** Leverage private investment in distressed neighborhoods through strategic infrastructure and service improvements.
- \_\_\_Policy 5: Support the creation and preservation of manufactured home parks as an important source of affordable housing in the city.
- Policy 6: Raise awareness of available incentives for the creation of or conversion to multi-family housing such as the multi-family tax exemption (RCW84.14 and WCC5.88).
- Policy 7: Partner with landlords to investigate a rental registration program with the goal of promoting crime-free housing and improved neighborhood living conditions.
- **Policy 8:** Preserve the local rental inventory through local code enforcement efforts to promote the safety and quality of rental housing and to encourage landlord compliance.
- **Policy 9:** Single family homes in commercial and mixed use designations continue to serve a role in providing affordable housing units in the city. Evaluate non-conforming standards and determine if changes should be incorporated which accommodate minor additions and renovation of structures as an existing permitted use, prior to the site or structure converting to intended uses of the specific land use designation
- <u>GOAL 5: COORDINATION</u> Work cooperatively with other agencies, non-profits and housing advocates to address housing availability to all economic segments of the population.
- **Policy 1:** Encourage establishment and funding of a Community Affordable Land Trust to acquire land and build affordable housing within the urban area.

Land availability and the cost of property for market rate and affordable housing has been identified as a barrier to the development of new units. The city should encourage creative solutions to securing land for desired housing outcomes including but not limited to securing abatement and foreclosure properties, establishing a communityhousing land trust, and working with housing providers to capitalize on land purchase opportunities

- **Policy 2:** Work cooperatively with Chelan and Douglas counties, and the cities within, to address regional housing issues, including homelessness and farm worker housing.
- **Policy 3:** Coordinate with the homeless housing task force to implement <u>priorities</u> identified in the <u>short and long-term activities as identified in the Ten-Year Plan to ReduceEnd Homelessness in Chelan & Douglas Counties.</u>

  Plan to End Homelessness in Chelan & Douglas Counties.
- **Policy 4:** Coordinate with regional jurisdictions agencies to stay abreast of develop a regional assessment and report to and share in the responsibility for achieving a reasonable and equitable distribution of affordable housing to meet the needs of middle and lower income persons.
- **Policy 5:** Create and maintain an economic analysis to determine baseline development costs and financial returns for various housing types. This analysis should be created and maintained with input from developers with local experience. The results should be used to inform regulatory and policy decisions.
- Policy 6: Work with regional partners to ensure that homeless outreach efforts and services are adequate to ensure all chronically homeless individuals have access to permanent supportive housing and there is low-barrier access to shelter beds.
- GOAL 6: Seek to remove identified impediments to fair housing.

Impediment 1: Lack of access to permanent housing with supportive services for persons with disabilities, including persons with development disabilities, mental illness, and chronic substance abuse

Policy 1: Support permanent supportive housing and associated services for the disabled and special need populations. Seek cooperative efforts of local government, local lenders, landlords, realtors, legal assistance, counseling programs and the state to expand the set of educational and support tools for targeted populations.

Impediment 2: Disadvantaged populations often lack the necessary skills and knowledge to obtain and remain in affordable housing

Policy 2: Support community organization efforts to provide low-and moderate income persons with tools and understanding to prevent poor credit and rent histories. Focus on improving skills and knowledge of budgeting, home maintenance, credit management, loan terminology and financing, real estate transactions, tenant/landlord relations, and the dangers of predatory lending. Encourage bi-lingual instruction and support local banking and real estate efforts to provide culturally sensitive, bi-lingual assistance to homebuyers, renters and borrowers. Continuing to support English as a second language classes is also encouraged.

# Impediment 3: Disadvantaged populations often lack the necessary skills and knowledge to obtain and remain in affordable housing

Policy 3: Maintain and expand as feasible the dissemination of information and education on Fair Housing rights and obligations of tenants, homebuyers, lenders, and landlords. Maintain and update fair housing information on the City's website; encourage key community agencies to include similar information on their websites. Support efforts for conducting bi-lingual workshops and informational meetings targeting low- and moderate income persons, the disabled, landlords, Hispanics and other linguistic minorities as well as protected groups.

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# **Housing Element**

- a) Purpose: The purpose of the housing element is to establish policy directives for future housing in Wenatchee. In addition to accommodating projected growth, these strategies are designed to preserve and protect existing neighborhoods, stabilize and enhance threatened neighborhoods, and meet the housing needs of all segments of the population including lower income and special needs groups. To these ends, Wenatchee has identified a number of components which will inform its housing policies including:
  - (a) Identifying the existing housing stock
  - (b) Determining housing preferences and demand
  - (c) Identifying housing types acceptable to the community
  - (d) Compliance with GMA County-wide fair share housing policies
  - (e) Implementation strategies to meet housing goals
- b) Statutory requirements: RCW36.70A.070(2) "A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community."
- c) General Summary of Key Updates:
  - (a) Response to "Wenatchee Urban Area Housing Needs Assessment & Market Demand Study".
  - (b) Added section about generational trends.
  - (c) Changes to better promote the creation and preservation of affordable housing.
  - (d) Promotion of expanded outreach to developers, both local and non-local, to better promote certain kinds of development that better meet the region's needs.
  - (e) Study parking demand at various types of housing and adjust parking standards accordingly.
  - (f) Accommodate alternative housing situations while mitigating potential impacts.
  - (g) Improve housing mix to better match demand.
  - (h) Promote the production of, and conversion to, "missing middle housing".
  - (i) Improve the quality of the housing stock.
  - (j) Seek to end chronic homelessness by removing barriers to permanent supportive housing.

# SUPPLEMENTAL STAFF REPORT

TO:

City of Wenatchee Planning Commission

FROM:

City of Wenatchee Community Development Staff

DATE:

May 10, 2017

## REQUESTED ACTIONS

On April 19, 2017, the City of Wenatchee Planning Commission held a public hearing on the following proposals:

- Amendments to the Wenatchee Urban Area Plan text, goals, policies, exhibits and studies reflecting the 2016-2017 comprehensive plan update process in compliance with the 8 year cycle update requirements of the Washington State Growth Management Act under RCW 36.70A.130. Plan amendments also include the addition of the Live-Work Corridor Designation (LWC). Accompanying zoning map and text amendments for the new designation will be developed in a future process. Multiple land use designation map amendments are proposed in the urban growth area both north and south of the Wenatchee River in city limits and within unincorporated areas amending the Wenatchee Urban Area Plan and Sunnyslope Sub-Area Plan. Zoning map amendments. under Title 10, WCC, within city limits for existing land use designation categories are being reviewed concurrently with the comprehensive plan land use map designation changes and would be considered for adoption subsequent to the land use designation amendments under a separate adopting ordinance.
- As a component of the update process, two new sub-area plans are being proposed for adoption, the North Wenatchee Master Plan and the South Wenatchee Action Plan. Adoption of the North Wenatchee Plan is being adopted with limitations and policy guidance on its applicability and future steps for implementation in coordination with property owners.

This public hearing was continued until May 17, 2017 at 5:30 P.M. at the City of Wenatchee Council Chambers for the purpose of providing additional time for staff review and analysis of public and agency comments. Staff has provided a summary of comments on the proposal with an accompanying analysis. Staff is recommending a number of changes in response to the comments for the Planning Commission's consideration.

#### II. AGENCY AND PUBLIC COMMENTS:

The City of Wenatchee appreciates the public and agency input provided on the comprehensive plan update process. Public and agency comments have been enclosed as Exhibit "A" of this staff report. Comments submitted included comments on the North Wenatchee Master Plan, proposed land use designation amendments in

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the Olds Station area of Sunnyslope, agency comments, and several comments submitted at the open house meeting. Listed below is a summary and review of submitted comments.

# **Agency Comments:**

Chelan County- Chelan County has provided two comments on the update process. The first comment pertained to proposed land use designation amendments in the West Wenatchee Area, in an e-mail submitted by Lilith Vespier dated January 31, 2017. A portion of the designation changes would split large parcels of land, a 53 acre parcel and a 69.6 acre parcel. The County suggested that the entire parcels be included in the designation changes. The County further notes that if this was done, in combination with good critical area protections, the change could provide the developer options for moving lots to areas of moderate slope while protecting the hillsides.

**Staff Response-** The designation changes were carefully developed by city staff to recognize that significant land area in the areas of proposed changes contain slopes predominantly between 0-15% in slope, which are desirable for urban densities. Slopes to the west of the proposed amendments significantly increase, generally over 33%, and are largely located in areas of potential erosion hazard where geotechnical evaluation would be required in order to develop.

These steeper slopes are already designated as RS, Residential Single Family with a maximum density of 4 dwelling units per acre. Proposed designation changes in the draft proposal with moderate terrain would be Residential Low, with a maximum density of 8 dwelling units per acre. The city already allows for site development that could include clustering or planned developments to utilize the most effective components of the steeper slopes for development, in the area to the west of the proposal. City staff believes that increasing the density further in these hazard areas would be inconsistent with critical area policies, the Natural Environment Element, and the Growth Management Act. The area proposed for change either follows parcel lines or follows a specific legal description developed by the city for predictability for the property owners.

The second comment submitted by Chelan County is dated March 22, 2017, from the Chelan County Community Development Director. This comment included a request to evaluate the size of the existing urban growth boundary for Wenatchee given County, "...concerns about the size of the planning area given the disparity between the projected residential units and urban growth area capacities."

**Staff Response-** The City of Wenatchee does not concur with the analysis provided by Chelan County on the housing needs for the Wenatchee Urban Area and agrees that additional language was necessary in the Land Use Element to highlight the relationship to the Housing Element analysis. Additional language which addresses the discussion below has been included in the Land Use Element as a recommendation to the Planning Commission. The City wants to work with the County in a cooperative

5/10/17 o Staff Report o Page 2 collaborative manner consistent with the provisions of the Countywide Planning Policies.

The City of Wenatchee Land Capacity Analysis indicates that land supply is sufficient to accommodate the necessary new housing units in the 20 year horizon to address the population allocation for the City of Wenatchee Urban Growth Area. Not including the potential for redevelopment of underutilized land and designation changes which increased density through the 2017 Comprehensive Plan update process, the analysis identifies a capacity to accommodate 4,460 new housing units, which exceeds the projected new 2,497 housing units which need to be accommodated in the 20 year planning period. This analysis is based upon the assumption that sewer service will be extended to the identified areas within Sunnyslope.

The Housing Element discusses the Wenatchee Urban Area Housing Needs Assessment and Market Demand Study, September 2016. In conducting a review of housing needs for an urban growth area it is not sufficient to solely review land supply calculations for the potential buildout of residential units. The data from that analysis must also be coordinated with a review of existing deficiencies and vacancy rates to determine the real need for housing. Current vacancy rates for multi-family units are 1% vs. a healthy standard of 5%. Median value per square foot in Wenatchee is 72% higher than Yakima, 49% higher than Spokane, and 39% higher than the Tri-Cities. Exhibit 45, Rental Income and Gap, 2010-2014, Wenatchee CCD and East Wenatchee CCD indicates a need for 1601 market rate housing units at 100-120% ratio to 2014 median household income in the Wenatchee Urban Area.

The Housing Study indicates further that since there is a deficit of units for those with incomes above the AMI, the middle to high income households are likely occupying some share of the units that would otherwise be affordable to those with lower incomes. The Growth Management Act requires that the City address Adequate provisions for existing and projected housing needs for all economic segments of the community, under RCW 36.70A.070(2)(d) and WAC 365-196-410. In order to meet housing needs and to have an impact on providing affordable housing units, simply accommodating the necessary population growth is not sufficient.

The City of Wenatchee must work diligently to facilitate the development of 1601 additional housing units in the Wenatchee Urban Area. While the entire 1601 units do not have to be accommodated by Wenatchee, the majority of units would given that the majority of the housing needs and the urban population is in the Wenatchee Urban Growth Area. The combination of the existing housing gap and the units necessary in the future for growth, demonstrate that the current boundary does not significantly exceed future needs. The most significant concern with the existing boundary is ensuring that sewer service is successfully extended into the identified 20 year sewer service area prior to non-urban densities being extended, precluding urban growth. If sewer service is not successfully extended providing for urban residential densities, existing typical densities in Sunnyslope at 2.66 units per acre with onsite septic systems

5/10/17 Staff Report Page 3 will cause the existing urban growth boundary to be deficient in meeting the Wenatchee Urban Area's housing needs.

The City is committed to working with the County on strategies that can be agreed to ensure the successful extension of sewer service. These may include but not be limited to sewer development standards; removal of the 2005 interlocal agreement between Chelan County and the City of Wenatchee which would allow the City to pursue annexations and conduct planning in the Sunnyslope component of the Wenatchee Urban Growth Area in the same manner as the other cities in Chelan County; and road repair standards as sewer lines are extended. If these strategies can be agreed to there is a portion of Sunnyslope, referred to as the "Area of Protection", outside of the 20 year sewer service boundary that could be considered for an urban growth area modification. The City of Wenatchee continues to work with Chelan County on this issue. It is unclear whether Chelan County will meet 2017 timelines for GMA compliance. At this time, the City does not propose an amendment until discussions and agreements can be reached for the successful implementation of sewer service in Sunnyslope.

**Washington State Department of Transportation-** Cynthia McGlothern with WSDOT provided the following recommendations:

 Pg. 3 of 37 the final paragraph add the term "accessibility" with safety; "by expanding and improving the multi-modal nature of the city's system, safety and accessibility can improve for all users."

**Staff Response**- The City of Wenatchee concurs that the proposed language change will improve the intent of the sentence. This change has been incorporated.

Pg. 12 of 37, Figure 2-3: 2040 Vehicle Mobility Deficiencies show "Failing LOS Intersections" on US 2/SR 285. Access and Safety Improvements on US 2/SR 285 were funded through the Connecting Washington Revenue Package. It would be good to indicate in the plan the strategy to address these deficiencies.

**Staff Response**- The City of Wenatchee concurs and has added language under the Improvements section of the Transportation Element; and under the Levels of Service (LOS) Section-Automobile of the Transportation Element text.

Washington State Department of Commerce- Scott Kuhta, Senior Planner with Growth Management Services provided the following comments that they recommend should be addressed. Wenatchee's Public Facilities and Services Element appears to rely on other documents and plans adopted by reference. This approach is acceptable, but the comprehensive plan must still include an analysis of facility needs over the 20 year planning period based on projected population and adopted levels of service. The draft comprehensive plan does not include sufficient information on facility capacity and projected surplus's or shortfalls. The financing plan must show capital facilities projects

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and costs for the 6 years following adoption of the comprehensive plan. The financing plan must show facility costs and revenue sources for each year. The plan should also note if the project is necessary for accommodating growth based on levels of service.

**Staff Response**- Staff provided updates to the Public Facilities Element and Utilities Element based upon the feedback from the Department of Commerce. These amended Elements are enclosed as Exhibit "B". Additionally, it is unclear whether the Department of Commerce had a copy of the City of Wenatchee Capital Facilities Plan, which is a part of the Wenatchee Urban Area Plan, and includes the city's financial plan. The Public Facilities Element does not include this detailed data.

### North Wenatchee Master Plan Comments:

1. Dan Frazier and Andy Wendell, Chelan County Public Utility District No. 1., Memo dated September 15, 2017.

**Summary of Submitted Comments:** Preliminary technical evaluation of District / Public facilities within the planning area to be addressed, including electrical transmission / distribution facilities, switchyard / substation facility, fiber facilities, domestic and regional water facilities,

2. Colleen M. Frei of Jeffers, Danielson, Sonn & Awlward, P.S.; representing Stemilt Growers, LLC., Letter dated March 15, 2017

**Summary of Submitted Comments:** Request to not adopt the North Wenatchee Master Plan as part of the 2017 Comprehensive Plan Update to allow for additional time to work with stakeholders in the evaluation of redevelopment options, additional analysis, and collective input.

3. Jeff Smith, Managing Director – District Services, Chelan County Public Utility District No. 1., Letter dated March 15, 2017.

**Summary of Submitted Comments:** Concerns with plan implementation affecting continued operation of the District's current Hawley Street site; the District is currently evaluating options for future facilities planning. Request is to delay adoption of the North Wenatchee Master Plan as part of the 2017 Comprehensive Plan Update to allow for additional time in collaboration to develop a proposal which works for all involved.

4. Ron Gonsalves, Blue Bird, Inc. President, Letter dated April 3, 2017.

**Summary of Submitted Comments:** Concerns with outreach, potential unknown negative impacts on Blue Bird operations. Request is to delay adoption of the North Wenatchee Master Plan as part of the 2017 Comprehensive Plan Update to allow for additional time in collaboration to develop a proposal which works for all involved.

**Staff Response-** In response to the comments received requesting that adoption be postponed to allow for additional time, the North Wenatchee Master Plan is proposed

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for adoption as part the City's 2017 Comprehensive Plan Update within the context of the following proposed Land Use Element Goal stating:

 Work cooperatively with property owners to evaluate implementation of the North Wenatchee Master Plan as the City moves past but does not forget the devastation of wildfire events.

The following policies are proposed in support of the North Wenatchee Master Plan Goal as follows:

Policy 1: Evaluate implementation of the plan along with property owners. Adoption of this plan is solely for the purposes of:

- Performing environmental review which is part of this Comprehensive Plan Update;
- Supporting the City in pursuit of funding for infrastructure;
- Facilitating the creation of a development agreement consistent with the plan at the sole option of property owners.
- Recognizing the development of the North Wenatchee Master Plan in 2016 as an optional redevelopment plan to support the property owners and city in disaster recovery and facilitating higher and better uses over time.

Policy 2: Maintain existing zoning code and Waterfront Subarea plan for the purposes of addressing development permitting.

Policy 3: Support property owners in sustaining economic value of their properties while the North Wenatchee Master Plan is being evaluated for further implementation.

In addition to the revised goals and policies stated above, the following items were modified within the Comprehensive Plan.

- Remove North Wenatchee Master Plan as an overlay from the Land Use Map and Implementation Table.
- North Wenatchee Master Plan adoption reference under Plans and Studies; add language to direct to Land Use Goals and Policies.
- Modify Transportation Circulation Map to remove reference to Overlay;
   clarify intent of adoption is to allow pursuing infrastructure funding.

# Olds Station land use designation and zoning map amendment summary comments:

**Peter Spadoni, on behalf of McDougall & sons, Inc.-** A pioneer landowner in Olds Station, the McDougal family, wants to collectively work together with the city and other

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landowners and thoroughly evaluate the Olds Station Area. Requests the City extend the process for more analysis and collective input on zoning in the Olds Station Area, not adopting the proposed rezone in the Olds Station Area as part of the 2017 update.

Jeff Smith, Managing Director, District Services Chelan County PUD - The District is considering locating facilities as an option in the Horan Block, owned by the Chelan County Port District. The PUD sees this as a favorable option and asks that the city not extend the changes in zoning at this time. The PUD requests additional time for property owners and interested parties can develop a proposal that can work for all parties.

Shiloh Schauer, Executive Director Wenatchee Valley Chamber of Commerce - The WVCC Board requests that the Planning Commission recommend that the City participate in a leadership role with the Chelan County Port District and PUD in the activities associated with the interlocal agreement between the Port and PUD related to the relocation of the PUD facilities; and also consider the impacts of the North End Master Planning Project from the Douglas County Port District. It is important that the community better understands how different options in this area will compete, compliment or detract from in development in and around Olds Station and the Greater Wenatchee Area. This approach would support values identified in Our Valley Our Future with a regional collaborative approach.

**Bryan Cook, Sun Basin Theaters -** Supports the concept of high density housing in Olds Station, benefiting existing and potential commercial businesses, providing for positive growth.

Cherry Hill Orchards LLC, Larry King, Chris Quinn - In favor of changes in Olds Station that would provide for housing and retail opportunities. It is a shame to see the area set aside as industrial and storage. Given that the demand for apartments and housing in our area exceeds supply, and this area can meet that need. Our commercial tenants struggle and have a lack of traffic in the shopping center. It is frustrating to see neighboring undeveloped properties hindering progress while enjoying a tax free status. Placing these properties in private hands would be of benefit to the community.

Chris Quinn - In favor of changing the Horan properties to mixed use for uses such as apartments as opposed to the relocation of the PUD headquarters. Rental shortages plague the valley with historic low vacancy rates. There is limited land available with infrastructure that can serve housing. Housing at this location could help meet immediate needs. Housing would also provide needed consumer support to businesses in Olds Station as well as property tax revenues. While some idle properties may be useful for the PUD, a mixture of uses that includes residential units in Olds Station is important. Concerned over the time frames that existing PUD facilities would take to transition to other uses in addition to the falling revenues of the PUD/building new facilities given those falling revenues.

Port of Chelan County Board of Commissioners - If the proposed designations are approved by the City, confusion and conflict will likely arise, which the Port would like to avoid. 1. Will economic development opportunities require a conditional use permit in Olds Station? Marketing activities are based on existing approvals and the ability to proceed as soon as a building permit is obtained (i.e. "shovel ready"). 2. Will existing uses become non-conforming? If so, this could significantly limit negotiations for vacant space or expansion of existing space. 3. How to reconcile the City's desire to locate high density housing on property when the covenants generally prohibit residential development. As noted in the 2007 Sunnyslope Plan, the current Industrial designation is the closest to and most compatible with the 1981 Planned Development. Maintaining the current zoning minimizes the potential conflict and confusion that will arise if rezoned to Waterfront Mixed Use or to North Wenatchee Business District.

### Peter A. Fraley, on behalf of the Chelan County Port District -

The Chelan County Port District supports the decision to pull the Horan block from consideration as Waterfront Mixed Use. Over the last 18 years the Port has declared a number of properties surplus to it's' needs. These properties are now used for offices, medical care facilities, hotel, winery and education services. The Port asserts vested rights associated with the property within the Port's 1981 Planned Development. Uses which were surplused were permitted outright by the planned development. The proposed North Wenatchee Business District would reconcile several conflicts between the planned development and the current industrial zoning for private development.

The conflicts arise with regard to the property owned by the port and leased for light industrial uses, which is a conditional use in the NWBD. This places several leases and future developments in question. All of the uses are permitted outright in the planned development from 1981. Thus the conflict remains, is light industrial permitted outright under the 1981 planned development, or will a conditional use permit be required for any future activity? The Port would like to avoid having to seek the guidance of a judge to determine the scope and rights associated with the planned development.

The Port requests that a foot note be placed on the District Use chart to allow light industrial uses outright in the area North of the Wenatchee River and south of Penny Road to reconcile conflict between the 1981 planned development and the NWBD. The Port also suggests that the governmental and educational use definitions in the code be clarified. The Port suggests that educational uses and governmental office uses be allowed in the NWBD north of the Wenatchee River and South of Penny Road, east of the highway and west of Euclid Avenue, similar to the 1981 Planned Development.

In reviewing alternatives, an additional alternative provided by the Port, was to leave all Port Property in the current zoning designations, but allowing for the other changes to proceed.

**Staff Response-** The annexation of Olds Station in 2016 in conjunction with the comprehensive plan update process has resulted in a new city review of progress for the Sunnyslope Sub-Area Plan. This plan adopted in 2007, includes a land use element and accompanying goals and policies with specific direction for Olds Station. Multiple dated priorities were also listed in the plan with the majority of these dated priorities not being carried out by Chelan County. Under the terms of an agreement between Chelan County and the City of Wenatchee in 2005, the County was the lead planning agency for Olds Station. While the majority of these priorities and timelines were not followed, the land use element and goals and policies still remain in place and were adopted to provide the fundamental land use decisions guiding the development of Olds Station for the County and the City.

## Applicable excerpts from the Sunnyslope Sub-Area Plan Land Use Element and Goals and Policies include:

- Chapter 4, Land Use Element, Zone of change: "New residents are coming. If
  preserving existing lot patterns is crucial to existing Sunnyslope residents, then
  other areas must intensify to accommodate forecasted growth. The primary
  strategy developed through the public process to accommodate this growth
  establishes a "Zone of Change" generally including Olds Station and that portion
  of Sunnyslope south of Beacon Road, identifying those places where land uses
  must evolve to provide increased housing density and new local services." Pg.
  36
- "The Zone of Change represents an opportunity to manage land development in a new way. It anticipates a gradual evolution of land use in Olds Station, and a more rapid transformation of land uses in what are now some of Sunnyslope's last remaining orchard areas. Olds Station, now an employment, shopping, and services center, is largely governed by a Planned Development District overseen by the Port of Chelan County. This plan anticipates Olds Station will evolve over time into a district including residential use, mixing apartments or condominiums along with or in proximity to office and light industrial development." Pg. 37 (Staff notes that the prior planned development rezones are not vested and no longer govern zoning in Olds Station. This determination was made in Fall 2016.)
- Industrial- Olds Station will remain an employment center with the Port of Chelan County and other property owners continuing to develop industrial and professional offices in this area, consistent with planned development permit approvals. The Industrial designation will accommodate this, however, the increased demand for high-density housing in Sunnyslope calls for the inclusion of residential uses in Olds Station as part of a larger urban mixed-use strategy. Today's market may not support residential uses in Olds Station, but areas of Wenatchee's waterfront are now undergoing a transition that could be extended into the Olds Station area." Pg. 39-40 (Staff notes that the prior planned development rezones are not vested and no longer govern zoning in Olds Station. This determination was made in Fall 2016.)

Applicable goals and policies from the Sunnyslope Sub-Area Plan:

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- Goal 3 Policy C: Encourage residential development in Olds Station
- Goal 3 Policy D: Direct residential intensity into Central Sunnyslope and, in the future, Olds Station.
- Goal 8 Develop additional housing in Olds Station and along the waterfront.
- Goal 8 Policy A. Encourage eventual permitting of housing in Olds Station and along the Columbia River/Wenatchee River waterfront.
- Goal 9 Increase diversity of housing types within the planning area.
- Goal 9 Policy A. Permit a variety of housing types within the planning area.
- Goal 9 Policy B. Encourage experimentation in housing in Sunnyslope and Olds Station.
- Goal 9 Policy C. Broaden the list of permitted housing in traditional non-housing land use classifications and zoning districts.
- Goal 9 Policy D. Coordinate with the Port of Chelan County and others to encourage residential development in Olds Station.
- Goal 11 Policy A. Encourage increased housing densities in Central Sunnyslope and Olds Station.
- Goal 11 Policy E. Coordinate with other local jurisdictions to assess housing needs and encourage the retention of housing affordable to all economic segments.

The City of Wenatchee conducted a Housing Study to review housing needs in the Wenatchee Valley. The results of the study indicated that there was a need for 1600 market rate housing units in the Valley in order to bring housing to a more affordable level. This is in addition to the need for 2,497 new housing units necessary to accommodate the 20 year growth projection. These housing needs are impacting the ability to meet the needs of residents in the valley for all economic segments of the population. Additionally, business are challenged in recruitment efforts to attract new employees, for the growth of their businesses. The Wenatchee Waterfront Sub-Area Plan is actively being implemented. 312 housing units were constructed; and approximately 145 additional units are being permitted at this time. The housing needs and demands referenced within the Sunnyslope Sub-Area Plan are active and occurring. The City of Wenatchee as a priority is seeking to move forward with this Sub Area Land Use Element, goals and policies.

The proposed changes to Old Station would extend the North Wenatchee Business District into an area currently designated Industrial, which contains a variety of uses such as light industrial, offices, a hotel, educational services, medical care facilities, a winery, and vacant parcels. Each of these uses are either permitted uses or uses permitted as conditional uses in the North Wenatchee Business District. Additionally, the North Wenatchee Business District provides the opportunity for multi-family housing where the housing is not occupying ground floor street frontages. A number of the existing uses such as standalone offices, a hotel, and medical facilities are not permitted uses in the Industrial District. Currently, these uses are considered non-conforming uses by the City. The interpretation of the City's legal counsel is that the

1981 Planned Development rezone established by the Port through Chelan County is not vested as a rezone, and has since been replaced by the current industrial zoning. Extensive covenants were established by the Port District in this area which duplicate or do not align with current development and zoning standards.

A number of property owners support the proposed amendments with an interest in providing a mixture of uses in Olds Station, and the opportunity for housing. The mixture can assist existing businesses being more successful and spur potential new development and redevelopment. This same interest is clearly identified as a priority by the significant body of policies in the Sunnyslope Sub-Area Plan. The Port has an interest in existing or future leaseholders being able to expand their light-industrial uses. This opportunity would be supported by the proposed change, in that light-industrial uses are allowed by conditional uses. The system is administered by the hearing examiner in a fair, efficient and impartial manner. The mixture of uses in Old Station, light industrial and commercial, has in part been facilitated by the Port's actions on surplusing land. The intermixing of uses is a blend of uses, envisioned by the comprehensive plan. Light industrial uses sometimes have impacts or needs that other uses do not have. A conditional use permit process is an opportunity to review those uses and allow for expansion or new industrial development. The pattern present though, is not solely industrial, it is a mix. A review process is helpful as these uses interface together. A suggested new policy, could provide additional assistance in blending these uses, moving to performance standards and/or administrative conditional use permits saving additional time. It is the intent of the suggested new policy that these standards would be reviewed for the commercial and industrial districts throughout the City. Code changes for new additional development standards would need to be part of a new public process with appropriate notification and opportunities for public and stakeholder participation.

**Draft Policy 6:** Review opportunities to streamline permitting systems in commercial and industrial districts considering tools such as performance standards and administrative conditional uses replacing conditional uses where appropriate. Standards should provide meaningful approaches to implement the comprehensive plan and consider public and agency comments.

A second proposed policy speaks to moving forward the concept of master planning in Olds Station engaging property owners and the public.

**Draft Policy 3:** Engage property owners and the public in a master planned exercise in Olds Station to implement the policy direction of the Sunnyslope Sub-Area Plan. Through this process the City:

- Acknowledges and reinforces the Sunnyslope Sub-Area Plan vision of allowing for and promoting residential growth in Olds Station;
- The City will lead a master planning process for Olds Station on behalf of the public and all of the property owners in Olds Station;

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- The City recognizes the value and opportunity associated with its' waterfront properties in Olds Station; and
- The City will work with the Port of Chelan County to encourage the removal of restrictive covenants to allow for development consistent with the Sunnyslope Sub-Area Plan and future changes in a master planning process for Olds Station.

The City has an interest in addressing the non-conforming commercial uses that exist in Olds Station, and providing a permit process for these uses should they choose to expand. The greatest conflicts that the city views in the Olds Station area are the significant covenants which do not follow or align with current adopted standards and the lack of clarity and predictability that that approach provides; and the existing non-conforming uses in Olds Station. The proposed amendments and policy direction seek to address these conflicts for the benefit of the public and work towards implementing the policy direction of the Sunnyslope Sub-Area Plan.

### **Open House Comments:**

**Paul Gray-** Mr. Gray submitted comments on both transportation facility impacts and concerns over potential incompatibility with existing uses and the proposed Highway Commercial designation.

**Staff Response-** Staff is recommending that implementation of the new designation and zone be delayed until further study can be completed. This delay would likely still fit into the 1-2 year timeframe provided for implementation on page 50 of the South Wenatchee Action Plan. A new Policy was included by the Planning Commission in the draft proposal on the potential highway commercial designation. Policy 6: Study what changes to land use designations, regulations and transportation facilities may be necessary to encourage and enable redevelopment in the vicinity of the interchange at the SR285/Stevens Street and Mission Street. A master planning effort might be an appropriate approach to properly address all of the issues.

**Emilka Furmanczyk-** Mrs. Furmanczyk commented on materials from the open house being available on the website, support for the Utilities Element; and that she would like to see a Trader Joes in the community.

**Staff Response-** City staff appreciates the comments as the City is working on new ways to be effective in providing information and outreach to the public. Grocery stores play an important role in communities and neighborhoods. The South Wenatchee Action Plan encourages the further development of a grocery store in South Wenatchee, and the Wenatchee Urban Area Plan supports the development of neighborhood scaled grocery stores in mixed use areas.

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### III. STAFF RECOMMENDATION & SUGGESTED FINDINGS OF FACT AND CONCLUSIONS OF LAW

Staff recommends approval of the proposed amendments based upon the following suggested findings of fact and conclusions of law:

### Suggested Findings of Fact:

- 1. The City of Wenatchee has adopted the Wenatchee Urban Area Comprehensive Plan and a series of sub-area comprehensive plans pursuant to the Growth Management Act (GMA), RCW Chapter 36.70A, which cover the Wenatchee Urban Growth Area and all incorporated areas within the City of Wenatchee, that have been found to be consistent with each other and with the adopted GMA plans of the adjoining jurisdictions.
- 2. The City of Wenatchee Planning Commission is responsible for long range planning matters and providing implementation recommendations to assure compliance with the Growth Management Act for the City of Wenatchee Urban Growth Area in coordination with Chelan County and within the incorporated boundaries of the City of Wenatchee. These measures include updates and amendments to the comprehensive plan; development regulations, environmental regulations, and any other rules, actions or regulations deemed necessary to implement the Growth Management Act.
- 3. The schedule established by the Growth Management Act in RCW 36.70A.130(5)(c) mandates the City of Wenatchee to take action to review and, if necessary, revise its comprehensive plan to ensure compliance with the Growth Management Act prior to June 30, 2017.
- 4. The City of Wenatchee completed a comprehensive update of the Wenatchee Urban Area Plan in 2006. The intent of the 2017 update process was to consider strategic amendments as necessary to build upon the process from 2006 and meet state update requirements.
- 5. The City established a process and schedule for public participation with the adoption of a Public Participation Plan under Resolution No. 2016-13.
- 6. The City of Wenatchee Planning Commission held a series of 10 workshops between April 2016 and January 2017 for the purposes of reviewing and updating each of the elements of the comprehensive plan. Notice of this process was provided to a master list of current and prior stakeholders involved in planning in the community and the public was invited to attend the workshops. The public was invited to track progress on the update process by signing up with email notifications of workshops and hearings and reviewing web postings for draft materials.
- 7. On January 22, 2017, a 60 day public review and comment period and environmental review was issued by the City of Wenatchee on the proposed amendments. Notification was published in the Wenatchee World on January 22, 2017. Additional notices were provided to local, regional and state agencies for the 60 day review and comment period/environmental review; and to interested parties, the press, and landowners within proposed area wide comprehensive plan and rezone amendments.

- 8. The City of Wenatchee Planning Commission held a "drop in" open house on February 15, 2017 from 4:00PM to 6:00PM in the Council Chambers of Wenatchee City Hall to provide information on the comprehensive plan update process and encourage public comments.
- The City of Wenatchee Planning Commission held a workshop on March 15, 2017 in the City Council Chambers of Wenatchee City Hall for the purposes of reviewing public comments.
- 10. A notice of intent to adopt amendments was submitted to the Washington State Department of Commerce on January 20, 2017 along with draft amendments.
- 11. A periodic Update Checklist for Cities, Washington State Department of Commerce, was completed documenting compliance with the comprehensive plan update requirements and provided to the Department of Commerce on March 30, 2017.
- 12. On April 19, 2017, the City of Wenatchee Planning Commission conducted an advertised public hearing. The City of Wenatchee Planning Commission continued the Public Hearing to May 17, 2017, in the Council Chambers of Wenatchee City Hall, Wenatchee, WA at 5:30 P.M. The Planning Commission entered into the record the files on this amendment, accepted public testimony at both hearings, and deliberated the merits of the proposal.
- 13. The City of Wenatchee Planning Commission has reviewed the entire record including the goals and policies of the comprehensive plan and public testimony as it relates to the proposed amendments to the Wenatchee Urban Area Comprehensive Plan.
- 14. The City of Wenatchee issued a determination of non-significance (DNS) and adopted by reference the existing Final Supplemental Environmental Impact Statement for the Wenatchee Urban Area Comprehensive Plan Update 2006, adopted April 4, 2007, on February 17, 2017 with respect to the proposed amendments.
- 15. Staff responses to public and agency comments in the May 10, 2017 Supplemental Staff Report to the City of Wenatchee Planning Commission are part of the record for the proposed amendments and are referenced as findings to be included herein.
- 16. The April 12, 2017 Staff Report to the City of Wenatchee Planning Commission generally summarized updates to each component of the Wenatchee Urban Area Plan including two new sub area plans, the North Wenatchee Master Plan and South Wenatchee Action Plan. These proposed amendments are in response to changing needs and opportunities in the community and provide direction and guidance for the City to move forward implementing new and revised policy direction. The compilation of these changes provide an update for the City of Wenatchee Urban Area Plan in compliance with RCW 36.70A.130(5)(c).

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17. Exhibit "1" of the April 12, 2017 Staff Report to the City of Wenatchee Planning Commission is amended to replace the Utilities Element, Public Facilities Element, and Land Use Element as amended by Exhibit "B" attached to the May 10, 2017 Supplemental Staff Report to the City of Wenatchee Planning Commission.

### Suggested Conclusions of Law:

- 1. The procedural and substantive requirements of the State Environmental Policy Act have been complied with.
- 2. The procedural requirements of RCW 36.70A have been complied with.
- 3. The proposed amendments are consistent with the Chelan County Countywide Planning Policies and the City of Wenatchee Urban Area Comprehensive Plan.
- 4. The proposed amendments are consistent with the requirements of Revised Code of Washington, and the Washington Administrative Code.

Respectfully Submitted,

Community & Economic Development Staff

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# Exhibit "A" Public and Agency Comments





OGDEN MURPHY WALLACE, PLLC 1 FIFTH STREET, SUITE 200 PO. BOX 1606 WENATCHEE, WA 98807

PETER A. FRALEY

pfraley@omwlaw.com

T 509.662.1954 F 509.663.1553

April 17, 2017

### BY HAND DELIVERY

City of Wenatchee Planning Commission c/o Glen DeVries 1350 McKittrick Wenatchee, WA 98801

Re:

Wenatchee Comprehensive Plan Update

#### **Dear Commissioners:**

Our office represents the Port of Chelan County. Based on recent meetings, it is our understanding that the proposed Waterfront Mixed Use zoning designation south of Olds Station Road and north of the Wenatchee River is being withdrawn by the City (i.e. the property commonly referred to as the Horan Block will remain zoned Industrial). The Port supports this decision by the City and respectfully requests that the Planning Commission concur.

It is also our understanding that the recommended zoning north of Olds Station Road will be North Wenatchee Business District (NWBD). This will result in a zone change from Industrial to NWBD for a number of properties, public and private. In particular, it impacts the property between Olds Station Road and Penny Road (all of which was owned by the Port).

Over the past 18 years, the Port has declared a number of properties as surplus to its needs, allowing for development by others. For example: (i) the properties along Easy Street (south of Penny Road) were declared surplus and are currently comprised of office buildings and medical care facilities; (ii) most of the property along Penny Road has been declared surplus and sold by the Port for office space, a hotel, winery, and educational services (the Skills Center); and (iii) property along Isenhart Avenue was declared surplus and sold to the Educational Services District.

As outlined in a letter from the Port Commission dated March 13, 2017, the Port asserts vested rights associated with the property within the Planned Development approved by Chelan County in 1981. The 1981 Planned Development applies to property south of Penny Road and of Euclid Avenue and has been consistently administered by Chelan County since 1981. Most importantly, all of the uses identified above regarding property declared surplus are permitted outright within the Planned Development (including the educational services provided by the Skills Center and the ESD). The NWBD reconciles several conflicts between the 1981 Planned Development and the current Industrial zoning, including conflicts on privately owned property.

City of Wenatchee Planning Commission April 17, 2017 Page 2

However, not all conflicts are resolved.

The conflicts arise with regard to the property owned by the Port and leased for light industrial uses, which is a conditional use in the NWBD. This places several existing lease arrangements and future developments in question. Over the past 2 years there have been several discussions regarding possible expansion on Port properties, which could not occur under the NWBD without a conditional use permit. As noted above, all of the existing uses are permitted outright within the Planned Development approved in 1981. Thus, the conflict remains, is light industrial permitted outright under the 1981 Planned Development, or will a conditional use permit be required for any future activity? The Port would like to avoid having to seek the guidance of a judge to determine the scope and rights associated with the Planned Development.

The Port appreciates the efforts by the Mayor and City Staff to reconcile the conflicts raised by the Port and others. In this vein, the Port respectfully requests the following change to the City Code:

Insert a foot note in the District Use Chart that permits light industrial outright on property located north of the Wenatchee River and south of Penny Road. This minor change would significantly reconcile the conflict between the NWBD and the 1981 Planned Development on the Port's remaining holdings.

As part of this effort to review existing uses, zones and definitions, it became apparent that the definitions associated with governmental and educational uses within the Code are not entirely clear. The Port recommends that the definitions be amended and the District Use Chart be modified so that educational uses, such as the Skills Center and ESD, are allowed in the NWBD and that governmental office uses are permitted in the NWBD and the Industrial zones in Olds Station. This change will reconcile a potential conflict, because both of these uses are permitted outright under the 1981 Planned Development. Similar to the suggestion above, these modifications could be limited to an area north of the Wenatchee River, south of Penny Road, east of the highway, and west of Euclid Avenue.

Thank you for your time and attention to these important matters.

Very truly yours,

OGDEN MURPHY WALLACE, P.L.L.C.

PETER A. FRALEY

PAF:lev

### Mayor Kunz:

I am writing today regarding the proposed zoning changes for the North end of Wenatchee, in particular the old Horan property located in Olds Station.

My business partner (Larry King) and I own the Big 5 Sporting Goods building, as well as the CVCH property which are located next to the Gateway Cinema complex in Olds Station.

I am "in favor" of changing the zoning of the Horan property to a mixed use designation, allowing for such things as apartment type developement. I am "against" the property being used as a possible relocation site for the PUD headquarters.

All of us are keenly aware of the rental housing shortage which is plaguing our valley. As a former apartment complex owner I can speak directly to the fact that vacancy levels are at historic lows and there is an immediate, and geniue need for more rental units in our valley. I am also aware there is a shortage of available land with the necessary infrastructure and correct zoning to meet the needs of the current and future housing demands here in our valley. Some of that need could be met "immediately" through a change in designation for property in the Olds Station area. With this particular location close to the trail system and rivers, it would seem ideal for a residential component. This would help elleviate some of our immediate and future housing needs, while greatly contributing to the mixture of business uses in the area which need "more consumer" support. It would also provide much needed property tax revenue which would not be realized if the PUD was to construct on the site. For the record, I have no personal or business interest in any future developement for that site.

It is evident that we have a number of good sized parcels of ground held by the Port of Chelan County which have sat idle for many years. Perhaps some of these could serve as possible PUD sites for "some" of there operations. In addition, there is also privately held property which is available for sale or developement which might provide opportuities? In addition, some of the fruit packers located in this area have constructed larger facilities in other locations. Who knows how these current Olds Station sites will be utilized in the coming years by these companies, but a possibility of re-purposing those properties may exist?

Wenatchee is contrained with it's ability to grow due to the natural topography of the area. Mountains to the West, and the river to the East. With the current growth that is happening to the North of our city and the proposed expansion of sewer services in the Sunnyslope area, this Northend area will be a key area of residential growth for the Wenatchee Valley going forward for years. Olds Station has had a "mixture" of businesses for years, and can be successful and thrive with that mixture. But a residential component is what is missing, and could benefit that area. More non-tax paying entities which don't add much in the way of support to local businesses is not what is needed. Port owned parcels of ground that continue

to sit idle year after year also add nothing to our tax base nor contribute to local businesses. I realize we need some ground for future development and to attract businesses to our area. However the long term vacancy of these parcels speaks to the slow movement we have experienced in this process over dozens of years.

I have genuine concerns about the relocation of the PUD regarding the impact on those busineeses in the surrounding downtown area. What would be a reasonable timeframe for the absorption of those sites to be turned to other uses? What would be the financial impact on the area during that time of transition? With the recent front page article in our newspaper discussing the possibility of falling revenunes for power sales in the next 5-10 years,.....perhaps NOT tackling a \$114 million dollar expansion in that same timeframe would prove to be wisdom on the part of management and the board?

As a property owner and ratepayer I would strongly urge the PUD to find alternative options. The PUD covers a wide and vast county with multiple dams and distances between county borders, some alternative sites for employees and equipment will always be needed. With the continued advancements in technology, perhaps the clustering of one large developement will be less needed in the years to come?

I would be supportive of The Mayor and other city officials in moving forward with a zoning change to the Olds Station area. Thank you for the opportunity to express my opinion.

Respectfully submitted,

Chris Quinn



### STATE OF WASHINGTON

### DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000 www.commerce.wa.gov

April 18, 2017

Mr. Glen DeVries Planning Manager 1350 McKittrick Street Wenatchee, Washington 98801

RE: Wenatchee Comprehensive Plan Update - Commerce Review Comments

Dear Mr. DeVries:

Thank you for sending Growth Management Services the proposed amendments to Wenatchee's comprehensive plan, received in our office January 20, 2017, and processed with Material ID No. 23326. Please consider the following comments as you proceed through the adoption process.

We especially like the following:

- Wenatchee has done a significant amount of planning throughout the community and the updated comprehensive plan reflects this good work. We appreciate the thorough update of nearly every chapter.
- The plan incorporates consistent population projections in the land use and housing chapters.
- The plan details demographic trends relating to age, race and ethnicity and the potential influences these changes will have on the community.
- The Community Design and Healthy Communities chapter articulates the clear vision to incorporate design and development standards that support healthy, attractive neighborhoods.
- We are pleased to see that Wenatchee is proactive in wildfire management efforts. We support the city on becoming "Fire Adapted Community" and developing a Wildfire Protection Plan.
- The City of Wenatchee is commended for its leadership and coordination with Chelan County on population projections and land capacity analysis.

We have concerns about the following that you should address before you adopt your plan and development regulation amendments:

Wenatchee's Public Facilities and Services Element appears to rely on other documents and plans
adopted by reference. This approach is acceptable, but the comprehensive plan must still include
an analysis of facility needs over the 20-year planning period based on projected population and
adopted levels of service. The draft comprehensive plan does not include sufficient information

Mr. Glen DeVries April 18, 2017 Page 2

on facility capacity and projected surplus's or shortfalls. For example, the plan should include current sewage treatment capacity and projected demand based on projected population growth. If the analysis shows a deficit at some point during the 20-year planning period, the comprehensive plan must show how the city will address the deficit in its capital facilities financing plan.

• The Public Facilities and Services Element includes a public facilities project summary for the years 2015-2020. This chart should be updated to show capital facilities projects and costs for the 6-years following adoption of the comprehensive plan. The financing plan must show facility costs and revenue sources for each year. The plan should also note if the project is necessary to accommodate growth, based on adopted levels of service.

Congratulations to you and your staff for the good work represented in this draft comprehensive plan. If you have any questions or concerns about our comments or any other growth management issues, please contact me at 509.795.6884. We extend our continued support to the City of Wenatchee in achieving the goals of growth management.

Sincerely,

Scott Kuhta Senior Planner

Growth Management Services

I cott Kulita

SK:lw

cc: Mark McCaskill, AICP, Managing Director, Growth Management Services
David Andersen, AICP, Eastern Region Manager, Growth Management Services

Ike Nwankwo, Western Region Manager, Growth Management Services



Wenatchee Valley Chamber of Commerce PO Box 850 Wenatchee, WA 98807 509-662-2116 www.wenatchee.org

April 19, 2017

Mr. Glen DeVries Community Development Director City of Wenatchee 1350 McKittrick Street Wenatchee, WA 98801

Re: 2017 Comprehensive Plan Update-Olds Station

Dear Mr. DeVries:

On behalf of the Wenatchee Valley Chamber of Commerce Board of Directors (WVCC Board), I offer the following comments on the City of Wenatchee's proposed 2017 Comprehensive Plan Update specifically as it relates to Olds Station.

The WVCC Board understands the City of Wenatchee is considering updates to the comprehensive plan that could impact future land use within the Olds Station Business Park. These decisions could have long standing implications for current and future business opportunities in this area. The WVCC Board believes there is significant economic development opportunity for this area of Wenatchee and that there are competing possibilities for undeveloped land in the Old Station Business Park currently held by the Port of Chelan County.

In an effort to better understand the development opportunities currently under consideration in the Olds Station Business Park, the WVCC Board recently met with representatives from Chelan County Public Utilities District (PUD), the Port of Chelan County (Port) and the City of Wenatchee (City). The WVCC Board is aware Chelan County PUD and the Port of Chelan County have entered into a memorandum of understanding to explore the possibility of relocating PUD facilities to properties currently owned by the Port in Olds Station. The WVCC Board believes the community development objectives as described in this MOU would produce better long term results for our region if the City also took a leadership role in these efforts. The WVCC Board would also ask the City to consider how the Douglas County North End Master Planning Project could impact future land use needs in this area.

The WVCC Board is asking the planning commission to consider recommending the City participate in the activities outlined in the MOU between the Port and the PUD, and to provide a more comprehensive review of the economic impact of land use designations and all development options for this area. It is important that our community better understands how different development options in this area of Wenatchee will complement, compete, or detract from activities in and around the Olds Station Business Park and throughout the greater Wenatchee area. The WVCC Board believes the City's participation in these efforts would also support the values as identified in Our Valley Our Future which calls for a more regional, collaborative approach to addressing issues and opportunities facing the community.

Thank you for the opportunity to provide feedback on this area of the City's comprehensive plan on behalf of the WVCC Board. If you have questions about these comments, please do not hesitate to contact me.

Respectfully,

Shiloh Schauer Executive Director

Wenatchee Valley Chamber of Commerce

CC: Chelan County PUD Commissioners Chelan County Port Commissioners Frank Kuntz, Mayor, City of Wenatchee







# MEMORANDUM OF UNDERSTANDING Chelan County Port District/Chelan County PUD Executed April 18, 2017

The purpose of this Memorandum of Understanding (MOU) is to set forth an understanding between Chelan County Public Utility District (PUD) and the Port of Chelan County (Port). The PUD and Port agree to forge mutual working relationships that focus on exploring options for construction of a PUD operations center within the Olds Station area, as well as the future of PUD properties at Fifth Street/Wenatchee Avenue and Hawley Street, and opportunities for supporting one another's community development programs into the future.

WHEREAS, the Port and PUD have mutual interests within their respective statutory authorities and responsibilities in economic development opportunities and utility infrastructure; regional planning and the support of effective community outreach; and

WHEREAS, the PUD and the Port are mindful of needs expressed by Chelan County's Mayors to provide sites for affordable, residential housing; and

WHEREAS, the PUD and the Port are able to engage in planning specific projects that benefit Chelan County and its residents; and

WHEREAS, the Growth Management Act encourages collaborative planning and community outreach; and

WHEREAS, the County, PUD and Port have worked cooperatively within their respective statutory authorities and responsibilities to garner public feedback, foster economic development, and develop utility infrastructure and land use strategies; and

NOW, THEREFORE, the PUD and Port do hereby agree as follows:

SECTION 1: The PUD and Port agree to work collaboratively to identify properties of mutual interest and consider (a) opportunities for relocating PUD headquarters campus and Hawley Street administrative functions and operational units to the Olds Station area, and (b) the future use of the PUD headquarters site and Hawley Street properties.

SECTION 2: The PUD and Port agree to work collaboratively to evaluate any properties that may be considered for acquisition and development, including but not limited to the PUD headquarters campus, Confluence Technology Center, the Port's Horan property and the PUD's Hawley Street site. In addition, the PUD and Port agree to provide information needed to make financial decisions.

SECTION 3: The PUD and Port agree to identify and work together on mutually beneficial strategies and projects that enhance environmental, social and economic benefits within each entity's respective statutory authorities and responsibilities.

SECTION 4: This MOU is consensus-based and non-binding on each party and may be cancelled by either party at any time.

Randy Smith, President
Board of Commissioners
Chelan County Public Utility District

Donn Etherington, President Board of Commissioners Chelan County Port District



James M. Danielson David E. Sonn J. Patrick Aylward Peter A. Spadoni Robert R. Siderius, Jr. Todd M. Kiesz Brian C. Huber Michael E. Vannier Colleen M. Frei

March 15, 2017

Michelle A. Green Kristin M. Perrera Clay M. Gatens Bryce J. Mackay Lindsey J. Weldenbach Byan M. McCauley

Jordan L. Miller
H. Lee Lewis
Robin W. Hansen
Sally F. White
Caltlyn J. Evans
Rita Lovett
Matthew S. Hitchcock
Devon A. Gray
1988,0266,0469

Via Hand Delivery and Email

City of Wenatchee Planning Commission

Attn: Mr. Glen DeVries - AICP, Planning Manager, gdevries@wenatcheewa.gov

Mr. Steve King - PE, Community & Economic Development Director, sking@wenatcheewa.gov

Mr. Matt Parsons, Associate Planner, mparsons@wenatcheewa.gov

1350 McKittrick St.

Wenatchee, WA 98801

Re: North Wenatchee Master Plan and 2017 Comprehensive Plan Update

Dear Planning Commission:

Our law firm represents Stemilt Growers, LLC ("Stemilt"), which owns various commercial and industrial properties in the City of Wenatchee, including landholdings in the North Wenatchee Business District as noted within the North Wenatchee Master Plan (February 2017 proposed plan) (the "NWMP"). Stemilt has proudly owned and operated its business in Wenatchee for more than fifty years and is a major employer in the Wenatchee area.

Over the years, Stemilt has partnered with the City of Wenatchee on many projects and has always appreciated the ability to engage in further dialogue and collaboration for the benefit of the community.

The stated objective behind the NWMP is to create a redevelopment strategy for the parcels within the North Wenatchee Business District that were damaged and/or affected by the 2015 Sleepy Hollow Fire. As a primary landowner impacted by the 2015 Sleepy Hollow Fire, Stemilt wants to take this opportunity to be thorough in the evaluation of this area and to collectively work together with the City and other landowners and interested parties. The current version of the NWMP (February 2017 proposed plan) sets forth early round ideas, but is not ready for final adoption at this time. There is a desire to continue exploring the concepts presented in the NWMP, with more involvement and input from the landowners and interested parties to ultimately develop and present a NWMP for future adoption that will better serve the community.

It appears to us that the pending NWMP (February 2017 proposed plan) and current push for immediate 2017 adoption of the NWMP into the 2017 Comprehensive Plan Update is likely to cause

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March 15, 2017 Page 2

confusion and a variety of legal challenges regarding its interpretation and implementation. The need for further review and work on the NWMP is highlighted by the fact that the Port of Chelan County, Chelan County PUD, and Stemilt all oppose the immediate 2017 adoption of the NWMP (February 2017 proposed plan) into the City's 2017 Comprehensive Plan Update. Like the Port and Chelan PUD, Stemilt requests that the Planning Commission and City of Wenatchee extend the process for more analysis and collective input on the NWMP. Stemilt looks forward to discussing the NWMP and working together with the City of Wenatchee and the other landowners and interested parties such as the Port and Chelan PUD.

On behalf of our client, we respectfully request that the City of Wenatchee not adopt the NWMP as part of the 2017 Comprehensive Plan Update. Further review, analysis, and collaboration on the pending NWMP by the City, Stemilt, and other interested parties will better serve the City and all of the stakeholders, and can be incorporated for adoption into annual review of the City's Comprehensive Plan in the future. Thank you for your consideration.

Sincerely,

COLLEEN M. FREI

Colleen by Jones

cc: Mr. West Mathison (via email)

Mr. Ben Faubion (via email)

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James M. Danielson David E. Sonn J. Patrick Aylward Peter A. Spadont Robert R. Siderius, Jr. Todd M. Klesz Brian C. Huber Michael E. Vannier Colleen M. Frei

March 23, 2017

Michelle A, Green Kristin M. Ferrem Clay M. Gatens Bryce J. Mackay Ländsey J. Weldenbach Evan M. McCauley

Jordan L. Miller H. Leg Lewis Robin W. Hansen Sally P. White Cairlyn J. Evons Rita Lovett Matthew S. Hitchcock Devon A. Gray 2004-0169,0002

Via Email

City of Wenatchee Planning Commission

Attention:

Mr. Glen DeVries - AICP, Planning Manager, gdevries@wenatcheewa.gov

Mr. Stove King - PE, Community & Economic Development Director, sking@wenatcheewa.gov

Mr. Matt Parsons, Associate Planner, mparsons@wenatcheewa.gov

1350 McKittrick St.

Wenatchee, WA 98801

Re: Olds Station and 2017 Comprehensive Plan Update

Dear Planning Commission:

Our law firm represents McDougall & Sons, Inc. ("McDougall"), which owns various commercial and industrial properties in the City of Wenatchee, including landholdings in the City's recently annexed Olds Station area. McDougall is a legacy business proudly continuing its family (Horan) operations in Olds Station Wenatchee which began at that location in the 1800's.

McDougall has participated with the City of Wenatchee on various projects over the years, and has greatly appreciated the City's willingness to work together. Given the recent 2016 annexation of Olds Station into the City, McDougall is keenly interested in engaging in further dialogue and collaboration regarding the Olds Station area, particularly in relation to further development of Olds Station and its surrounding areas. As a keystone, pioneer landowner in Olds Station, McDougall wants to take this opportunity to collectively work together with the City and other landowners and thoroughly evaluate the Olds Station area.

McDougall believes that the proposed rezone in the Olds Station area and the current push for immediate 2017 adoption into the 2017 Comprehensive Plan Update is proceeding without sufficient study or public input and is likely to cause confusion and a variety of legal challenges regarding its interpretation and implementation. Several of these challenges were noted during the March 15th Planning Commission Meeting and set forth in a recent letter from the Port of Chelan County. Similarly, McDougall does not support the rezone at Olds Station in its current proposal. McDougall dosires to have more involvement and input on zoning and development of the Olds Station area, with the intent to ultimately support a plan for future adoption that will better serve the community.

The need for further review and work regarding the Olds Station area is highlighted by the fact that primary landowners in Olds Station oppose the immediate 2017 adoption of the Olds Station rezone into the City's 2017 Comprehensive Plan Update. Like the Port of Chelan County, McDougall requests that the Planning Commission and City of Wenatchee extend the process for more analysis and collective input on zoning in the Olds Station area. McDougall looks forward to discussing development of the Olds Station area and to working together with the City of Wenatchee and the other landowners.

On behalf of our client, we respectfully request that the City of Wenatchee not adopt the proposed rezone in the Olds Station area as part of the 2017 Comprehensive Plan Update. Further review, analysis, and collaboration about prospective development and zoning in the Olds Station area by the City, McDougall, and other interested parties will better serve the City and all of the stakeholders, and can be incorporated for adoption into annual review of the City's Comprehensive Plan in the future. Thank you for your consideration.

Sincerely,

PETER A. SPADONI

¢¢;

Mr. Stuart McDougall,

Mr. Scott McDougall,



April 3, 2017

RE: COMPREHENSIVE PLAN AMENDMENTS AND NORTH WENATCHEE MASTER PLAN ADOPTION

Dear Members of the Wenatchee City Planning Commission,

I am writing to express the concerns of Blue Bird, Inc. regarding proposed amendments to the Wenatchee Area Comprehensive Plan and the proposed adoption of the North Wenatchee Master Plan. Our primary focus of concern is with the proposal to create a North Wenatchee Master Plan Overlay zone in the vicinity of Hawley and Miller Streets in North Wenatchee.

We understand that this proposal was developed as a way to provide a comprehensive sub-area plan for those parcels affected by the 2015 Sleepy Hollow Fire. However, it appears to have become a unilateral planning document that may detrimentally affect existing properties, existing uses and proposed future uses. To date, there has been no outreach or solicitation of comments as the plan matured from vision to proposed regulation. Blue Bird, Inc. has substantial concerns that the proposed overlay will have a unknown negative impact on our operations at 1470 Walla Walla Ave.

Blue Bird, Inc. respectfully requests that the City of Wenatchee delay taking any action on the Master Plan and the Comprehensive Plan Amendment until the City of Wenatchee, Blue Bird, Inc. and other interested property owners affected by the plan can come together to develop a proposal which works for all involved.

Sincerely,

Ron Gonsalves,

Blue Bird, Inc. President

506, Wenatchee, WA 98807 509-662-4568 ECEIVED

3-14-17

Frank Kuntz Mayor City of Wenatchee

Sun Basin Theatres will completely support any development in the Olds Station area for high density housing. To convert property to this use will greatly benefit the existing commercial businesses and help develop more of our Gateway Center. Our center has several undeveloped pads and as you know the empty grocery store for lease. We believe this is nothing but positive growth for the area and the community would see many benefits of this zoning change. As the city grows to the north it seems a great fit to use some Port Property in this manner,

Bryan Cook Sun Basin Theatres







#### PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY BO Box 1231, Wenatches, WA 98807-1231 \* 32 N. Wenatchee Acc., Wenatchee, WA 98801 (509) 663-8121 \* Toll free 1-888-663-8121 \* www.hclanpud.org

March 15, 2017

City of Wenatchee - Planning Commission Members P.O. Box 519 Wenatchee, WA 98807

RE: COMPREHENSIVE PLAN AMENDMENTS AND NORTH WENATCHEE MASTER PLAN ADOPTION

Dear Members of the Wenatchee City Planning Commission,

I am writing today to express the Chelan County Public Utility District's concerns regarding proposed amendments to the Wenatchee Area Comprehensive Plan and the proposed adoption of the North Wenatchee Master Plan. The District and the City have a long history of working together to address concerns of both entities on topics ranging from regional parks to annexation. We hope that we can continue to work in a collaborative manner for the good of the citizens of Wenatchee as well as the District's customer-owners when making long-term important land use decisions.

The first area of concern is the proposal to create a North Wenatchee Master Plan Overlay zone in the vicinity of Hawley and Miller Streets in North Wenatchee. We understand that this proposal was developed as a way to provide a comprehensive sub-area plan for those parcels affected by the 2015 Sleepy Hollow Fire. However, it appears to have become a unilateral planning document that may detrimentally affect existing properties, existing uses and proposed future uses. Although the District was invited to participate in the initial visioning process, there has been no formal stakeholder outreach or solicitation of comments as the plan matured from vision to proposed regulation. The District has substantial concerns that the proposed overlay will make it difficult to continue operating the Hawley Street site without a reasonable option for relocation. The PUD's operations and maintenance staff for water, wastewater, substations and fiber networks, and maintenance shops for transformers, meters and warehousing are located there. While the existing operations would not be affected by the change in zoning, the District is currently involved in a strategic facilities planning effort which would be significantly impacted by this change. Adoption of the North Wenatchee Master Plan and the associated land use designations flowing from that plan would effectively remove this important option from the District's planning effort.

The second area of concern is the proposed Comprehensive Plan amendment in the Olds Station area to remove multiple properties from the Industrial designation and provide designations of either Waterfront Mixed Use or North Wenatchee Business District. As part of the aforementioned strategic facilities planning effort, the development of a PUD operations and service center in the Olds Station industrial area has proven to be an extremely favorable option for the District. We were surprised to hear that the proposed change in land use designation is contrary to the Chelan County Port District's desire to maintain the industrial zoning. These proposed changes could effectively block the District from being able to develop property within the area identified even though adequate property exists to do so. Although we have reached no agreement with the Port on the use of vacant parcels in the area, this decision would effectively block yet another option that the District has been working toward for the past year. We respectfully request that the City delay taking any action on both the Master Plan and the Comprehensive Plan Amendment until the City, the District and other interested property owners affected by the plan can come together to develop a proposal which works for all involved.

As with prior collaborative efforts between the City and the District, we believe that a cooperative effort between the City and the Port on shared vision and execution of land use regulations within the Olds Station area is of paramount importance. For this reason, we request that this proposed land use designation change be removed from consideration in the 2017 Comprehensive Plan amendments. We are asking for time to have a collaborative discussion to determine whether a more reasoned approach can be developed that creates a win-win for the City, Port District, the PUD's customer-owners and other interests.

Sincerely,

Jeff Smith,

Managing Director - District Services

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February 24, 2017

CULA OL ANEMALCHER

Planning Department City of Wenatchee

Dear Sirs,

We are writing in regards to the potential rezoning of the Horan property in Olds Station.

As resident taxpayers and investors, our company, Cherry Hill Orchards Wenatchee LLC owns properties in the shopping center a few blocks away formerly known as Kmart Plaza. Our buildings there are currently leased to Big 5 Corp. and Columbia Valley Community Health. Additional properties that we own in Wenatchee include the Bureau of Land Management building on Walla Walla Street, and offices leased to the Washington Department of Revenue and Department of Social Health Services located on Chelan Avenue.

We would be in favor of zoning changes on the Horan property, and in Olds Station, that would provide housing and retail opportunities. This is a scenic area, close to major employers and essential services. It is a shame to see it used as industrial space and storage. Demand for apartments and housing in our area exceeds supply and this is a prime area to develop and meet that need.

Our tenants in Olds Station are struggling for reasons that mostly revolve around a lack of traffic in the shopping center. The former Food Pavillion building has been vacant for some time and we have been doing what we can to assist the out of state owners to find a great tenant for our community. Winco had an interest at one time, and we believe that a nice grocery store would be an asset to our community and also support all of the new residential development in Sunnyslope and hopefully in the Olds Station area.

Lastly, it is very frustrating to invest and pay taxes while neighboring properties lay undeveloped or underdeveloped, and hinder progress while enjoying tax free status. Placing that property in private hands would be beneficial to the city, schools, and the people who reside here. We ask that you give proper zoning of this area thoughtful consideration.

TETAL-ANUMORICO GIV

Larry King Chris Quinn

Cherry Hill Orchards LLC.

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COPT

COMMISSIONERS: Donn Etherington, District 1 JC Baldwin, District 2 Rory Turner, District 3

March 13, 2017

#### VIA PERSONAL DELIVERY AND U.S. MAIL

City of Wenatchee Planning Commission c/o Glen DeVries 1350 McKittrick Wenatchee, WA 98801

Re: Wenatchee Comprehensive Plan Update

Dear Planning Commission:

The Port of Chelan County Board of Commissioners (the "Port") respectfully requests that the City not change the zoning designations for the Port's property in Olds Station to Waterfront Mixed Use or North Wenatchee Business District.

Background and History:

In 1981, the Port obtained approvals from Chelan County for development of the Olds Station area (the "1981 approvals"). The 1981 approvals consist of (a) the permitted uses identified by the Port for the industrial park, (b) the protective covenants, (c) planned development statement and (d) binding site plan, all of which were approved by the Chelan County commissioners and constitute the Planned Development Zone. It is important to point out that the covenants recorded against the Port's property generally prohibit residential development. The covenants are based on the 1981 approvals.

In reliance on the 1981 approvals the Port participated in several significant infrastructure projects. In the early 1980's the Port partnered with the Chelan County PUD to extend sewer service across the Wenatchee River and into Olds Station. In about 1993, the Port participated in significant sewer system upgrades benefitting Olds Station. In 2004 the City ultimately took over the sewer system and the Port transferred all right it had in the system as part of a three party transaction involving the City, the Port and the PUD.

In about 1995, the Port constructed a regional stormwater retention facility, so that separate stormwater retention facilities were not required as development occurred. This system was transferred to the County, when the County adopted a stormwater utility, and is now in the process of being transferred to the City in light of the annexation completed in 2016. In addition, the Port constructed Isenhart, Chester Kimm and Technology Center Way in reliance on the 1981 approvals, all of which are now public roads.

The 1981 approvals authorized, with certain limitations, any use allowed in the General Commercial District and the M-1 Industrial District adopted by Chelan County, which authorizes a broad array of uses. In reliance on the 1981 approvals, the Port has developed the property over time, and by 2016, 26 acres were developed providing space to 18 tenants with over 600 employees.

Over the past 20 years, the Port rebranded its holdings as the Olds Station Business Park. This was in recognition of the changing character of the area along with the desire to attract technology, industrial clusters (in support of the fruit and medical industries), light industrial, and business and administrative type uses. In addition, the Port declared property surplus to the needs of the Port to allow for private development and educational services (a total of 13 parcels). For example, medical facilities, professional buildings, a hotel, winery, the Skills Center and NCW Educational Services District are all located on property purchased from the Port and are located and permitted in Olds Station based on the 1981 approvals,

In 2016 the Wenatchee School District wanted to purchase some additional property in Olds Station from the Port to allow for future expansion of the Skills Center facility. The School District sought an administrative interpretation from the City Department of Community and Economic Development regarding the Port's 1981 Planned Development approvals. In issuing the administrative interpretation, the City reached the following conclusion:

The subject property is located within the Industrial District and is subject to the requirements of the existing planned development previously approved by Chelan County. This planned development is binding to the site until or unless vacation of the planned development would be considered and evaluated through a public quasi-judicial process at the request of the property owner.

The City agreed that school facilities are a permitted use based on the planned development (i.e. the 1981 approvals), even though the current industrial zone would not.

2007 Sunnyslope Subarea Plan:

In 2007, as part of the development of the Sunnyslope subarea plan, mixed use and residential development was considered in Olds Station. The Port advised that mixed-use and residential development was not currently envisioned for properties owned by the Port. As a result, the 2007 plan anticipated coordination with the "Port of Chelan County and others to encourage residential development" and encouraged "experimentation in housing in Sunnyslope and Olds Station". The plan also identified a 2010 action item involving the Port to "collaborate with the development community to design a prototype Olds Station mixed-use project."

The 2007 plan contained the following statement regarding the Industrial Zone in Olds Station:

Industrial - Olds Station will remain an employment center with the Port of Chelan County and other property owners continuing to develop industrial and professional offices in this area (consistent with current planned development permit approvals). The Industrial designation will accommodate this, however, the increased demand for high-density housing in Sunnyslope calls for the inclusion of residential uses in Olds Station as part of a larger urban mixed-use strategy. Today's market may not support residential uses in Olds Station, but areas of Wenatchee's waterfront are now undergoing a transition that could be extended into the Olds Station area.

The Port questions whether the increased demand for high density housing in Sunnyslope has occurred, which would, in turn, support the expansion of the Waterfront Mixed Use zone. While the Port certainly supports the rejuvenation of the City's waterfront, including the collaborative effort associated with the Pybus Market, the Port also questions whether the transition anticipated in 2007 has occurred, given the large areas of underdeveloped property within the existing waterfront mixed used zone closer to Wenatchee's urban core.

For example, the 2007 Sunnyslope Plan envisioned 6000 new residents in the Sunnyslope area by 2026. This is contrasted with the population projections provided by the Office of Financial Management and approved by Chelan County and all of its Cities in 2015, which forecasts a population growth for all of Wenatchee of roughly 3400 residents between 2015 and 2025. Given the more recent population projections, it appears that the 2007 projections for Sunnyslope were very optimistic. In addition, the Sunnyslope area represents one of the more expensive places for housing. While there have been reports of a housing crisis, there are indications that the private market is addressing the demand for new housing in the greater Wenatchee area with an estimated 170 new platted lots available in 2017 and an additional 175 lots in the preliminary plat stage.

#### 2017 Comprehensive Plan

It is the Port's opinion the proposed zoning changes for the Olds Station area run counter to specific land use and economic goals and policies in the 2017 Comprehensive Plan update.

#### Land Use / Urban Growth Area Chapter

## <u>"Goal 7 - Industrial Districts</u> - Ensure that the city and county set aside sufficient land for industrial opportunities".

Policy 2: "Protect the viability of Wenatchee's limited industrial areas by restricting incompatible development adjacent to these uses".

Comments: The proposed zone changes will result in the net loss of industrially zoned lands within both the City and Chelan County. To maintain economic vitality and diversity, it is essential that there be sufficient lands set aside for future industrial development. The Waterfront Mixed Use zone includes an emphasis on housing, which is generally considered an incompatible use adjacent to industrial lands due to hours of operations, noise and truck traffic all resulting from existing industrial operations. Regarding the Port's property south of Olds Station Road, it is the Port's opinion that a dense residential development on this property does not meet the intent of the WMU zoning district (notwithstanding the fact that a residential development is prohibited by the existing covenants). This property is bounded by major transportation corridors (State Route 285 with over 39,000 vehicle trips a day and the BNSF rail line servicing Olds Station) and a regional stormwater retention facility.

## <u>Goal 14 – Coordinated Planning – "Continue to work cooperatively within the region to address transportation, public services and facilities and land use".</u>

Policy 2: "Support the development of regional public and commercial facilities, such as the airport, landfills, industrial parks, Mission Ridge, medical facilities and academic institutions".

Comment: The Port's Olds Station Business Park is a regional facility developed for the benefit of Chelan County. The loss of industrial lands will limit the ability and function of the Port of Chelan County to actively recruit and promote family wage jobs in the Wenatchee area.

#### **Economic Development Chapter**

<u>Goal ED 3:</u> "Enhance the character, distinction, and function of commercial and industrial zoning districts; support increasing manufacturing".

Comment: By rezoning the industrial lands in the Olds Station area, the proposed changes are inconsistent with this stated Goal and specifically Policies 3 and 8 to plan with the Port of Chelan County and to update the zoning code to support increased manufacturing. Neither the NWBD or WMU zoning allows for manufacturing uses per the District Use Chart.

#### Summary

If the proposed zoning designations are approved by the City, confusion and conflict will likely arise, which the Port would like to avoid:

- 1. Will economic development opportunities require a conditional use permit in Olds Station? Marketing activities are based on existing approvals and the ability to proceed as soon as a building permit is obtained (i.e. "shovel ready").
- 2. Will existing uses become non-conforming? If so, this could significantly limit negotiations for vacant space or expansion of existing space.
- 3. How to reconcile the City's desire to locate high density housing on property when the covenants generally prohibit residential development?

As noted in the 2007 Sunnyslope plan, the current industrial designation is the closest to and most compatible with the 1981 Planned Development. Maintaining the current zoning minimizes the potential conflict and confusion that will arise if rezoned to Waterfront Mixed Use or to North Wenatchee Business District.

The Port is currently undergoing a revision to its Comprehensive Plan, which is expected to be completed in 2017. As part of this effort, the Port is seeking a planning grant to evaluate commercial and industrial properties in Chelan County. The Port would like to complete these steps and then revisit the collaborative effort with the City envisioned by the 2007 Sunnyslope Plan.

The Port respectfully requests that the zoning for Port property in Olds Station remain unchanged.

Very truly yours,

PORT OF CHELAN COUNTY BOARD OF COMMISSIONERS

Donn Etherington

JC Baldwin

# Memo

To:

Steve King - City of Wenatchee

From:

Dan Frazier

Andy Wendell

Date:

Sept 15, 2016

Subject: CCPUD Land Use & Utility Impacts of North Wenatchee Ave Mater Plan Concepts

On June 6th and 22nd various Chelan Public Utility District staff members had the opportunity to view the concepts for redevelopment of the fire-effected North Wenatchee Avenue area which the City has been developing over the past several months. The results of the planning process have the potential to effect the District on several different levels including parks, natural resources conservation, utility infrastructure location and operation and land use of the real property owned by the District located within the planning area. Due to the complexity of the issues at hand, the City and the District wish to inform each other in regards to ongoing planning processes in the area and to collaborate on solutions which meet the needs of both agencies and the greater community as a whole.

With that in mind, the various groups within the District charged with managing each of the referenced areas met to discuss the potential impacts to each area and the technical feasibility of accommodating the proposed improvements contemplated in both the "Base Case" and the "McKittrick Option" presented by the City. The following comments are meant to be a preliminary technical evaluation of each of those areas. what possibilities exist under each of the options and what potential risks or difficulties might be encountered. Also included are any items of additional information which would be necessary to further evaluate the proposed options.

#### **Electric Transmission Facilities**

The area has several overhead 115kV transmission lines moving bulk energy between South Wenatchee to North Wenatchee. Additionally, multiple transmission lines converge into the North Wenatchee switchyard located immediately North of the PUD Hawley Street office building. The North Wenatchee Switchyard is a critical transfer station for transmission operations.

Early indications identified that the portion of the transmission line (City Loop) that runs along Hawley and Miller Streets has some potential opportunity for relocation parallel and adjacent to the BNSF rail right of way. Such a relocation, has no direct benefit to the District, however relocation of this line section is recognized as an important component of the long range City plan in the vicinity. Planning considerations for relocation of transmission include but should not be limited to; all transmission remains overhead, additional right of way or easements are necessary, building offsets and land use must conform to national electric safety code clearance requirements, and building offsets (clearances) to transmission lines should

be carefully planned. These transmission lines are considered critical assets and fall under the WECC/NERC compliance arena and will therefore require unique and specific planning requirements.

#### **Electric Distribution Facilities**

Electrical Distribution facilities are viewed from three areas of impact:

- 1) New facilities (vaults, ducts, cables, transformers, equipment) necessary to support the long term property utilization including a 20 to 30 year growth and expansion projection in the defined area. These facilities generally follow the roads and right of way and are located within the defined utility section of the right of way or sometimes on an easement. It is recognized that achieving the desired aesthetics of the development community in this area, underground and pad mounted facilities would be assumed. Currently the vast majority of the electrical distribution equipment in the immediate area are overhead facilities.
- 2) Relocation or conversion of existing infrastructure to accommodate the transformation of property improvements and or new right of ways. It is assumed the properties and development of the properties would occur over many years and thus relocation of existing infrastructure and conversion of such infrastructure from overhead to underground is assumed. This transition is much more difficult and costly in comparison to design and construction of electrical distribution on property that is newly developed and coordinated in one planning effort.
- 3) Distribution system capacity to ensure the availability of reliable power to serve the new loads including but not limited to substation and feeder capacities and redundant services. With the relocation of Stemilt and curtailment of other large industrial energy usage in the immediate area the District has seen a significant decline in the electrical demand on the North Wenatchee substation and power transformer. This substation capacity may not remain depending on other adjacent growth and expansion. Regardless, the District will need to evaluate the long term electrical load projections and identify if and when a new Distribution substation would be necessary. Early indicators suggest some capacity does currently exist but further studies are necessary. As a safe measure for planning purposes a one acre parcel should be considered for a future substation site directly adjacent to the transmission line similar to the Walla Walla street substation located directly south of Lowes retail.

#### **Switchyard/Substation Facility**

As mentioned above the North Wenatchee Switchyard is an integral component of the District's transmission system and is necessary to maintain reliable electric service to the Wenatchee area and would need to remain in place.

#### Fiber Network Facilities

The proposed development will have a high impact to the communication services to both the District and the public taking service over the District's community broadband system. Furthermore, this impact will be wide spread and will impact customers beyond the proposed area of development. Total loss of service is anticipated for many end-users.

Two major high-count fiber backbone cables traverse the area of development, and each cable carries high volume communication traffic to areas through-out the greater Wenatchee area including Malaga and Squilchuck. This includes critical communications traffic to and from District facilities, businesses and institutions.

All restoration times must be kept to a minimum and must meet any service level agreements that exist, as well as meet those expectations set by the end-users and or retail service providers. A detailed design and impact assessment study with stakeholder outreach is necessary to further determine timelines and costs for any make ready work necessary in anticipation of the development. This section below highlights some of the major aspects of the impact:

- 1) The fiber department currently has two main "trunk" fiber lines running down both the east and west sides of this project. One 144 fiber runs aerial along E. Hawley St., then heads south down N Miller St., existing at the Blue Bird facilities. The other 144 fiber also starts at Hawley St., runs south down Wenatchee Ave., past McKittrick St., and is placed along with power. Both of these fibers are major routes to the downtown corridor. The fiber on Miller St. carries the majority of the District traffic. The fiber on Wenatchee Ave carries all of the downtown business traffic. We also have a fiber route within the center of this project, currently feeding customers such as Sav-Mart, Les Schwab, etc.
- 2) Relocating the two 144 fibers will have a major impact on our customers and District traffic. In order to do so, we would need a permanent location to place new facilities and cut-over the traffic. New facilities would also have to be designed in order to support future growth and the transformation of the existing property to the new design. The "center" section of the project would need to be relocated, entailing detailed design work for new and existing customers.
- 3) As mentioned above in the electrical distribution concerns, design of the infrastructure is much more difficult and costly when development happens over multiple years. Our current infrastructure will not be able to handle the increased requirements, and capacity will have to be increased accordingly. Larger fibers would need to be designed and placed within a new utilities corridor designed to handle the development as it unfolds. These facilities would include fiber cables, vaults, hand-holes, towers, a node, splice cabinets, conduit runs, etc.

#### **PUD Domestic Water Facilities**

- 1. The production well located near the Stemilt facility on Hawley Street would need to remain in place and not be impacted by potential redevelopment plans.
- 2. The Hawley Street booster pump station near the RR Tracks would need to remain in place and not be impacted by potential redevelopment plans.
- 3. Impacts and modifications to water mains and appurtenances resulting from significant grade changes and installation of other utilities need to be carefully considered.
- 4. Chelan PUD recently submitted an update to its comprehensive water plan to DOH for approval. Increased water usage from the proposed development were not included in the demand analysis. Although some excess capacity is available, a demand analysis and system evaluation should be completed. Depending on the timing of the development, the additional evaluation could be completed during the next 6-year comprehensive water plan update.

#### **Regional Water Facilities**

1. The Regional transmission main and appurtenances would need to remain in service and not be impacted by potential development plans.

#### Parks Facilities

- 1. The Study Area points out potential "Amenities" that are mentioned outside the formal study area including Walla Walla Point Park ball fields and the Columbia River itself; comment/clarification: are the "Amenities" simply referencing existing conditions as in the ball fields and the river as positive contributors to the area with no intention of actually adding an amenity to those areas? If so, no concerns. If not, then any consideration of modifying those spaces will require PUD approval and a formal process with FERC.
- In either alternative; the Base Case Confluence Parkway or McKittrick Alternative it is not clear
  where the Apple Capital Loop Trail will be routed through or around the redevelopment area. This
  is a critical recreation amenity and details of how and where the trail will exist need to be made
  clear.
- 3. Master Plan Objectives; #5 talks about necessary code and City Comprehensive Plan updates to support redevelopment; comment: any code revisions or comp plan update need to be supportive of preserving a buffer between PUD parks, natural areas, and the redevelopment area. Addressing plentiful parking, building set-back, and building height in a manner that does not negatively influence the current park atmosphere and visitor experience should be considered a priority and not sacrificed for sake of extensive build-out. In addition, thoughtful planning for residential areas in close proximity to the WWP athletic fields should incorporate the fact that field lighting for athletic events will be a continued practice at WWP and should not be conditioned or limited to times less than the park operating hours.

#### **Natural Resources Conservation Facilities**

1. It is recommended that proposed residential areas bordering the Confluence Natural Area have chain-link fencing installed on the border between the development and the wildlife area. Uncontrolled access in this area could be problematic for wildlife, control of noxious weed species, and general degradation of habitat features within the natural area.

#### **Hawley Street Operations Facilities**

- 1. The District is continuing the development of our Strategic Facilities Plan which included the evaluation of how the Hawley Street properties will be utilized into the future. At this point in our process, the eventual use of the those 10 parcels has been thoroughly evaluated and reduced to three primary options:
  - a. Continuation of the current use of the property in substantially the same manner. Minor improvements to both the site and a few building would be completed over the next several years.

- b. Complete redevelopment of the site into an operations center containing all of the current uses and moving one or two additional operations groups from the 5<sup>th</sup> & Wenatchee Ave. campus to the Hawley site.
- c. Moving all operational functions off of the Hawley site with the exception of the Substation and Switchyard. This would potentially allow the District to surplus up to 7 acres comprising property located on either side of the Substation/Switchyard facility for redevelopment.

The timing for the final decision is unknown at this time but we anticipate being able to provide more refined feedback by the end of 2016.

#### **General Questions/Comments**

- 1. Master Plan Objectives; #3 states "Address community goals in addition to economic development objectives." Comment: what are the stated community goals and how were they decided?
- 2. Study Area roadways: is the intent to provide dedicated bike lanes on the main arterials?

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### 2017 Comprehensive Plan Update Comment Sheet February 15, 2017

Thank you for attending the open house on the 2017 periodic update to the Wenatchee Urban Area Plan, the City of Wenatchee's Comprehensive Plan. Your comments are important, please take a few minutes to comment on the draft text and/or map amendments. If you would like to be informed of future hearings on this matter, please include your name and either a mailing address or email address. Completed forms can be handed to a City of Wenatchee staff member or returned by mail to:

Planning Division
City of Wenatchee
PO Box 519
Wenatchee, WA 98807-0519

Comments are always welcome but for the comment to be included in the SEPA record for this process, the City must receive the comment by March 23, 2017.

Print Name: Emilka Formanczyk
Address: 1044 Sury Rd
Wenntelie, W17 98801
Email Address: esk furmemozyk @ gmail. com
- uploud problems website, make it public.
- + this the changes to "Vtilities 7 forcent"
- uploud posters to website, make it public.  - It this the changes to "Vilities Florent"  - Would love to see a Trader Joes in Wanatakee

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#### 2017 Comprehensive Plan Update Comment Sheet February 15, 2017

Thank you for attending the open house on the 2017 periodic update to the Wenatchee Urban Area Plan, the City of Wenatchee's Comprehensive Plan. Your comments are important, please take a few minutes to comment on the draft text and/or map amendments. If you would like to be informed of future hearings on this matter, please include your name and either a mailing address or email address. Completed forms can be handed to a City of Wenatchee staff member or returned by mail to:

Planning Division City of Wenatchee PO Box 519 Wenatchee, WA 98807-0519

Comments are always welcome but for the comment to be included in the SEPA record for this process, the City must receive the comment by March 23, 2017.

Print Name: Taul K. Gray

Address: 1123 South Wenatchee Avenue

Wenetchee, WA 9880(

Email Address: paul kgray an nai, net

#### Comments:

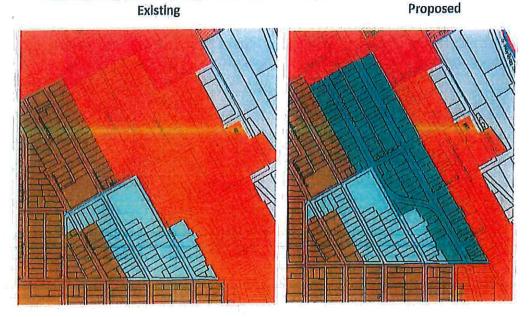
1) When WAS DOT changed the traffic pulserus on the Sellar Evidge they presty well excluded any presenty South of Stevens Street / SR 285 From being preserved for a Highway Commercial zone designation. Part or all of the City Blocks I marked as 1, Z, & 3 are alread aither in Industrial or Heave Commercial type use. And, with the exception of the of the Block between Wenetchee Avenue and Colombin Street, and Snohomish Street and SR 285 is Industrial.

2) At a specific business level, to designate a block from Industrial to Highway Commercial will stop all expension of the businesses located there or they will have to get a various a which essentially limit the seele Thank you for your participation.

A Simular but Industrial use, Bucht Jag.

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New zone, called Live-Work Corridor, in the vicinity of the south end of the Chelan/Mission couplet. This area is specified in the South Wenatchee Action Plan. The reason a new zone is proposed is to recognize the significance of the intermixed residential components in this area which remain, and encourage the positive development of this area as a mixed use location.



 SR285 Interchange rezone from NWBD, RH, OMU, and MRC to Highway Commercial, a new zone, to better accommodate highway commercial. This change is specified in the South Wenatchee Action Plan. The purpose of the change is to better accommodate/attract highway commercial uses in this high traffic area.



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#### Glen DeVries

From:

McGlothern, Cynthia < McGlotC@wsdot.wa.gov>

Sent:

Tuesday, March 14, 2017 10:15 AM

To:

Glen DeVries; Gary Owen

Cc:

Mattson, Terry; Manzaro, Nicholas

Subject:

Transportation Element Update

Glen,

Thank you for the opportunity to comment on the above referenced comprehensive plan update. WSDOT takes great interest in the integration of land use and ensuing impacts to the collective transportation network. The plan highlights the challenges of designating land use that aligns with local and state transportation policies. The State appreciates working with the City to develop the best possible strategies.

A couple of recommendations for your consideration include:

- Pg. 3 of 37 the final paragraph add the term "accessibility" with safety; "by expanding and improving the multi-modal nature of the city's system, safety and accessibility can improve for all users."
- Pg. 12 of 37, Figure 2-3: 2040 Vehicle Mobility Deficiencies show "Failing LOS Intersections" on US 2/SR 285.
   Access and Safety Improvements on US 2/SR 285 were funded through the Connecting Washington Revenue Package. It would be good to indicate in the plan the strategy to address these deficiencies.

Thanks again for the opportunity to participate and please contact our office if there are any questions or need for clarification.

Regards, Cindy

Cynthia McGlothern WSDOT – NCR (509) 667-2910

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#### Glen DeVries

From:

Lilith Vespier <Lilith.Vespier@CO,CHELAN.WA.US>

Sent:

Tuesday, January 31, 2017 4:40 PM

To: Cc: Glen DeVries Hank Lewis

Subject:

RE: Proposed Zone Change 2017 Update

Attachments:

Community Development.jpg

#### Glen,

After further discussion with Hank, the County would support the larger area changing to Residential Low, see attached. If this was done, in combination with good critical area protections, the change could provide the developer options for moving lots to areas of moderate slope while protecting the hillsides.

Again, thank you for the opportunity.

Lilith Vespier, AICP Senior Planner, Chelan County Phone 509-667-6586

From: Lilith Vespier

Sent: Tuesday, January 31, 2017 2:35 PM

To: Glen Devries
Co: Hank Lewis

Subject: Proposed Zone Change 2017 Update

#### Good Morning Glen,

Regarding the proposed Comprehensive Plan/zone changes to the Beaconsfield and School District properties west of Maple and Springwater, parcels: 23-20-32-420-800 and -430-100.

Split zoning often leads to confusion at the time of development. If the goal is to discourage development on slopes that may be addressed through other regulations, critical area protections and/or a SEPA review.

We hope that this comment will be added to the record and request notice of future steps in the process.

Thank you for the opportunity to comment. We look forward to review of other proposed amendments and coordinated work.

All the best,

Lilith Vespier, AICP Senior Planner, Chelan County Phone 509.667.6586

This e-mail may contain electronic versions of Chelan County documents. Any discrepancies between the electronic version provided by Chelan County and the printed version that is available from the originating office will be decided in favor of the printed version. This e-mail may be subject to public disclosure, and appropriate discretion should be used when replying.

#### Glen DeVries

From:

Lilith Vespier <Lilith.Vespier@CO.CHELAN.WA.US>

Sent:

Wednesday, March 22, 2017 7:45 AM

To:

Glen DeVries; Matt Leonard

Cc:

Eric Pierson; Hank Lewis; Doug England; Keith Goehner; Kevin Overbay; Gary Owen

Subject:

Comments on 2017 Comp Plan Update

Attachments:

Comments Wen Comp Plan 2017.pdf

Good Morning,

Thank you for the opportunity to comment on the City's draft Comprehensive Plan and related Sewer Plan. After careful consideration, the County is submitting these formal comments for the public record.

We welcome discussion to further our coordination efforts. Hank is on a short vacation but will be available to meet after April 3rd.

Best regards,

Lilith Vespier, AICP Senior Planner, Chelan County Phone 509,667,6586

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# **CHELAN COUNTY**

### DEPARTMENT OF COMMUNITY DEVELOPMENT 316 WASHINGTON STREET, SUITE 301, WENATCHEE, WA 98801 TELEPHONE: (509) 667-6225 FAX: (509)667-6475

March 22, 2017

City of Wenatchee Attn: Glen DeVries, AICP & Matt Leonard, PE 1350 McKittrick Street, Suite A Wenatchee, WA 98801

RE: City of Wenatchee 2017 Comprehensive Plan & Draft Sewer Plan

Dear Mr. DeVries and Mr. Leonard,

Thank you for the opportunity to comment on the City's 2017 Comprehensive Plan Update. In preparation for the update, the City and County worked cooperatively to review historical growth patterns and determine future population projections over the 20 year planning horizon. These projections were adopted by County Resolution 2015-112 and used by the City in the current draft documents. We hope to continue this coordinated planning and are therefore sharing our concerns with the City's draft Comprehensive Plan, related update to the Sewer Plan and anticipated related development regulations.

The City's Land Use Analysis states that the City needs 2,497 residential units to meet population projections. Additionally, through review of the Housing Needs Assessment, dated September 2016, the City has determined that an additional 252 multi-family and 675 single-family residential units are needed to improve vacancy rates and "achieve an equitable housing market."

In total, the City is planning for 3,424 residential units over the next 20 years. To provide for this growth, the City's Land Use Analysis states that, if served by City sewer, there is enough land available within the Urban Growth Area and City limits for 4,460 residential units; however, it is unclear if this calculation included potential infill opportunities. Based on the City's information, there is a surplus of land within the Urban Growth Area.

Furthermore, the City is updating the Sewer Plan to expand sewer service throughout the Urban Growth Area, including Sunnyslope which was originally added to the City's Urban Growth Area in 2007. The County appreciates the intent and need for sewer planning; however, there are concerns about the size of the planning area given the disparity between the projected residential units and Urban Growth Area capacity. Additionally, after review of the draft Sewer Plan, the County has concerns about funding for the Sewer expansion which includes mandatory connections and fees that disproportionately impact County residents and developers.

The County is tasked with the responsibility to determine the size and boundary of the Urban Growth Area. However, in an effort to "reach agreement with each city on the location of an urban growth area," pursuant to RCW 36.70A.110, we would like to coordinate our efforts with the City to ensure that all issues have been considered.

We look forward to meeting and reviewing options with you.

Sincerely

Hank Lewis &

Director, Chelan County Community Development

CC: Board of Chelan County Commissioners
Eric Pierson, PE, Chelan County Public Works Director
Gary Owen, PE, City Engineer
Matt Leonard, PE, City Public Works Director

Application	No.	CPA	

# CHELAN COUNTY COMPREHENSIVE PLAN LAND USE MAP AMENDMENT (Rev. 8-13-04)

SECTION I: APPLICANT INFORMATION	

# APPLICATION REQUIREMENTS FOR COMPREHENSIVE PLAN MAP AMENDMENT

Applications for amendments to the Chelan County Comprehensive Plan or County adopted City plans, must be submitted in writing to the Director of the Chelan County Department of Community Development by the first business calendar day of March by 5:00 PM. Amendment requests submitted after said date shall be processed during the next calendar year's amendment process. RCW 36.70A, the Growth Management Act requires that the County process Comprehensive Plan amendments no more than once a year. Applications must contain the information noted below. It may be necessary for the applicant to attach an additional page(s) to adequately address a question(s):

1.	Applicant: STEVE + TAWY/ TRAMP	Phone: 679 2292
	Address: 1701 SKYLING DRIVE	Bus. Phone:
•	City & State: WENKTCHEE, WA	Zip Code: 98801
2.	Agent: MARTIN DAVY	
	Address: 100 S. COLUMBIA # 300	
	City & State: WENATCHEE, WA	
3.	Contact Person: MACTIN DAJY	
	Ä	Bus. Phone:
	City & State:	•
4.	Owner: STEVE + TANKA TRAMP	
**	Address: AS ABOVE	'
	City & State:	
r.	•	·
).	Owner:	
		Phone:
	City & State:	Zip Code:

Application No. CF	'A
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G.		
Pugar	SECTION II; PARCEL/SITE INFORMATION	
1.	Current Comprehensive Plan Designation: (attach map)	
2.	Proposed Comprehensive Plan Designation: (attach map) URBAN	
3.	Site Address: NNA SKYLINE DRIVE WENATO	<u>H</u> FF
4.	Please give detailed driving directions to the site: SOUTH ON UFSCERN AVE	
	NUMBER 2 CANYON RO LEFT ON SKYLING, PROPERTY EMILE ON !	27 700ft S.O.
5,	Assessor's Parcel Number(s): 227 009 705 830 Parcel Size 1.25 Ac	
	Related Parcels:	·
6,	Location: Section: 9 Township: 22N Range: 20E	_
7.	Legal Description for all parcels involved. (Attach legal description unless lot and block and a copy of the Assessor's Parcel Map.	
	SEE ATTACHED	<b>→</b>
		-
8.	Are you located in an Urban Growth Area? No	. 1
9,	Identify the School District in which the property is located:	_
10.	Identify the Fire District in which the property is located:	*
11.	Identify the Irrigation District within the site is located:	- V
	Identify the water purveyor source, CHILAN CO. P.J.A	
	What is the current use of the site? UNUSED	•
14.	Please describe adjacent land uses in all directions around the subject property:	
	North: MOSTLY UNUSED - ONE SEM SOOFT TO N.	,
	South: 1)NUSTO	•
	Bast: UNUSED - SKYLINE DRIVE 300 FT E	•
	West: UNUSED	•

Chelan County Department of Community Development 316 Washington St., Suite 301 Wenatchee, WA 98801 Phone (509) 667-6225 Fax (509) 667-6475 Hours: Monday -- Friday, 8:00 AM to 5:00 PM

	Application No. CPA
1:	5. Name of the road(s) the property fronts on: NONG. (RAPOLED CITY SUBDIVISION SCREET)  (contact the Public Works department if you have any questions)
	Identify type of Road:
	County Road Primitive County Road Access Easement Driveway Forest Service Road State/US Highway Private Road
	Width of existing road surface;
	Type of existing road surface; Paved/two shot Asphalt Gravel Dirt
	SECTION III: LAND USE MAP DESIGNATION AMENDMENT QUESTIONS
The John Clly he Go	A detailed statement of what is proposed to be changed and why. Identify the specific Comprehensive Plan Land Use designation map that would be amended.  Comprehensive Plan Designation of the subject parcet would be changed from Rural (Zoned RR-5) to Urban (Zoned RF) and the action of the subject parcet would be changed from Rural (Zoned RR-5) to Urban (Zoned RF) and the action of the subject parcet is not brought into the UGA or rezoned with the adjacent set to the porth as a dead error resulted in it not being part of that adjacent parcet. The deed error has been corrected via a Count Order puter the Tillo, and so the owner of both parcets has contiguous parcets with different Comprehensive Plan designation and different zoning, owner has submitted a subdivision application for both parcets, and topography dictates that the subject parcet can only be accessed from a step of the constructed with the subdivision. Additionally, changing of the Comp Plan designation and zoning, although not increasing total number of lots (because of limiting topography), would allow a more efficient to tayout and more buildable fols.  Explain how the proposed amendment is consistent with the goals of the Washington State Growth Management Act (RCW 36.70A as amended) and any applicable County-Wide Planning  Policies  1 encourages 'development, where adequate public facilities can be provided in an efficient manner, the adjacent parcet will be developed with a City street and sewer and PUD water. It is very efficient to extend theses facilities to the subject parcet if it is included in the UGA is to reduce sprawl and the inappropriate conversion of undeveloped land into sprawling, low-density development. This amendment will allow the subject parcet to be included in a proposed non-sprawling development in an efficient manner.
	on the parcel proposed to be brought into the UGA .
	A statement of how the proposed map amendment complies with or supports the Comprehensive Plan's goals and policies.
	A detailed statement on how the map amendment complies with Comprehensive Plan land use designation/siting criteria.

3

5,	A detailed statement of how the amendment is consistent with and supported by the Capital Facilities Element and the Transportation Element of the Comprehensive Plan, or if not what changes to these elements would be required and why they should be made.
6,	For land use map designations amendments, identify the land uses surrounding the affected property and describe how the proposed change would affect the surrounding land uses. Explain why the proposed amendment is more appropriate than the existing land use designation.
7.	Win the proposed map amendment affect lands designated as resource lands of long term commercial significance and/or critical areas? If so, how will the proposed amendment impact these areas?
8,	Explain how the proposed amendment would affect the supply of land that is available for various purposes to accommodate projected growth over the twenty-year planning period covered by the Comprehensive Plan.
9.	Explain how the proposed change would serve the interests of not only the applicant but also the public as a whole, including health safety or welfare.
	A detailed statement describing how any proposed Urban Growth Boundary changes:  a. are contiguous with an existing Urban Growth Boundary:
!	b. include area characterized by urban growth:
	and
(	c. would be served by available or planned for urban governmental services: [1] [1] [1] 8-

Application No. CPA\_\_\_

ACCESSED BY CITY STREET, SERVED BY CITY SERVER + PUB ; and WATER

d.	would be compatible with designated natural resource lands and the protection of designated	
	critical areas:; an	
e,	is necessary to permit the urban growth that is forecast to occur in the twenty-year time fram	3
	covered by the Comprehensive Plan:;	)!'
f.	is necessary to protect nublic health, safety or welfare.	

Application No. CPA

#### SECTION IV: LAND USE MAP DESIGNATION AMENDMENT CRITERIA

1. General review criteria:

Proposed amendments to the Chelan County Comprehensive Plan and County adopted City Plans must meet the following criteria:

- A. The proposal is consistent with the goals of the Growth Management Act, (RCW 36,70A), and any applicable County Wide Planning Policies; and
- B. The amendment is consistent with or supports the Chelan County Comprehensive Plan goals and policies; and
- The amendment complies with Comprehensive Plan land use designation/siting criteria;
   and
- D. The amendment is supported by and consistent with the Capital Facility Element and the Transportation Element. Amendments that would after existing provisions of the Capital Facilities or Transportation Elements shall demonstrate why existing provisions should not continue to be in effect or why existing provisions should be amended; and
- E. The amendment does not adversely affect the surrounding land uses; and
- F. The amendment does not adversely affect lands designated as resource lands of long-term commercial significance or designated critical areas in ways that cannot be mitigated; and
- G. The amendment does not adversely affect the supply of land for various purposes which is available to accommodate projected growth over the 20 year planning period covered by the comprehensive plan; and
- H. The proposed amendment serves the interests of both the applicant and the general public including public health, safety, or welfare.

### 2. Urban Growth Area amendments

In addition to the criteria stated previously, proposed Urban Growth Area boundary amendments must also meet all of the following criteria:

- A. The area designated for the expansion of any urban growth area shall be contiguous to an existing urban growth boundary; and
- B. Urban Growth Areas shall contain areas characterized by urban growth; and
- Urban Growth Areas shall be served by or planned to be served by urban governmental services; and

Chelan County Department of Community Development 316 Washington St., Suite 301 Wenatchee, WA 98801 Phone (509) 667-6225 Fax (509) 667-6475 Hours; Monday – Priday, 8:00 AM to 5:00 PM

Application No.	CPA
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- D. Urban Growth Areas shall be designated so as to be compatible with designated natural resource lands and the protection of designated critical areas; and
- E. Expansion or amendment of an urban growth area should also meet one of the following two criteria:
  - There is insufficient land within the existing Urban Growth Area to permit the urban growth that is forecast to occur in the twenty (20) year time frame covered by the Comprehensive Plan; or
  - 2) There can be shown an overriding public interest which shall clearly demonstrate: that the amendment of the urban growth area is necessary to protect the public health, safety and welfare; and that said amendment shall further the goals and policies of the comprehensive plan and the Growth Management Act.

#### **SECTION V: SIGNATURE**

I hereby certify that this application has been made with the consent of the lawful property owner(s) and that all information submitted with this application is complete and correct. False statements, errors, and/or omissions may be sufficient cause for denial of the request. This application gives consent to the County to enter the properties listed above.

Applicant Name;

FOR STEVE TRAMP 222009705830

ei 2 12

Applicant Signature: .

(If person other than property owner is the

the applicant, an agent authorization form must be signed, and notarized)

This application shall be subject to all additions to and changes in the laws, regulations, and ordinances applicable to the proposed development until a determination of completeness has been made pursuant to CCC 14.08.030, except variance, planned development, and rezone requests.

## Glen DeVries

From:

Lilith Vespier <Lilith.Vespier@CO.CHELAN.WA.US>

Sent:

Wednesday, March 15, 2017 1:33 PM

To:

Martin Davy; Glen DeVries

Cc:

Hank Lewis

Subject:

RE: Tramp/Blackrock Comp Plan Amendment

I believe this is a simple amendment to reflect a legal action. At this point in time, we would plan on including it into the 2017 update which may not finalize until mid- or late summer.

Hope this helps.

Best regards, Lilith Vespler, AICP Senior Planner, Chelan County Phone 509-667-6586

From: Martin Davy [mailto:martin@pacificengineering.net]

Sent: Wednesday, March 15, 2017 12:31 PM

To: 'Glen DeVries'
Cc: Lilith Vespier

Subject: Tramp/Blackrock Comp Plan Amendment

Glen:

I believe Lilith has everything the County needs to begin processing the CPA and UGA Boundary revision.

Do you have what you need from the County to keep this moving forward with your Planning Commission workshop today?

Thanks

Martin Davy, PE Civil Engineer



Pacific Engineering & Design, PLLC 200 South Columbia Street, Suite 300 Wenatchee, WA 98801 P 509.662.1161 | F 509.663.8227

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V6/2017



To: Glen DeVries, City of Wenatchee Planning Manager

From: John Donaghy, Confluence Health Maintenance Manager

Subject: Business District Boundary Proposal

Date: December 13, 2016

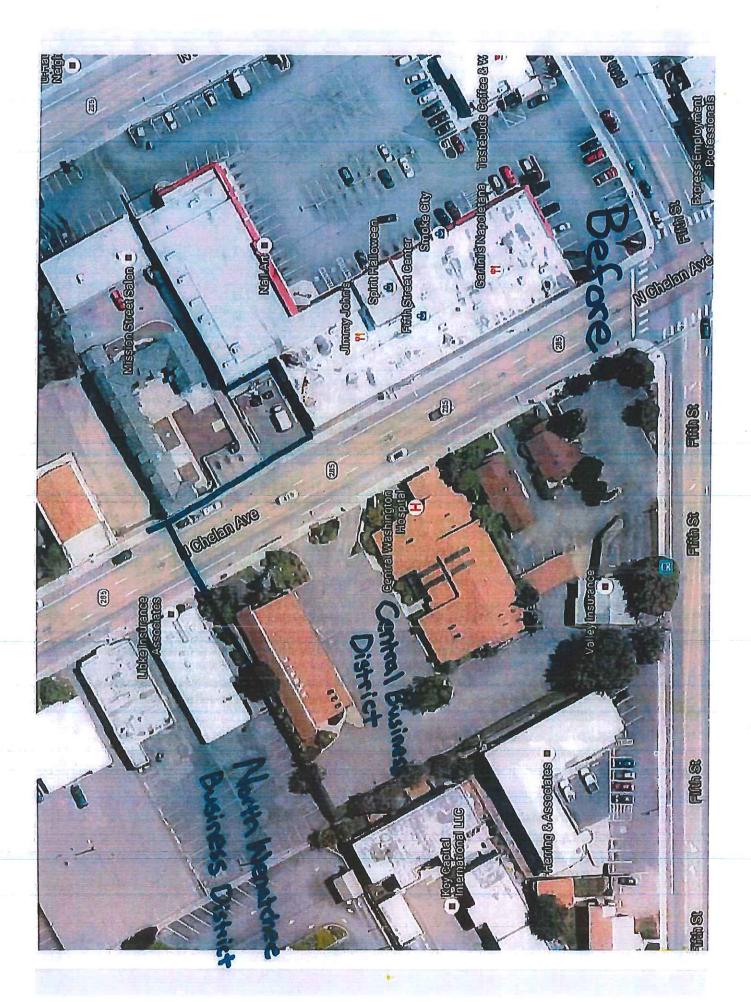
Currently, Confluence Health is the property owner of both 520 (Wenatchee Orthopaedics) and 526 (Seattle Children's Hospital & Dr. Kenneth Michael Jones Plastic Surgery) North Chelan Avenue properties. Both of these properties right now are within the Central Business District boundary. There is currently a free standing sign that represents Seattle Children's Hospital & Dr. Kenneth Michael Jones Plastic Surgery on the 526 North Chelan Avenue property. Also, there is a sign located on the 520 North Chelan Avenue property for the Wenatchee Orthopaedics building.

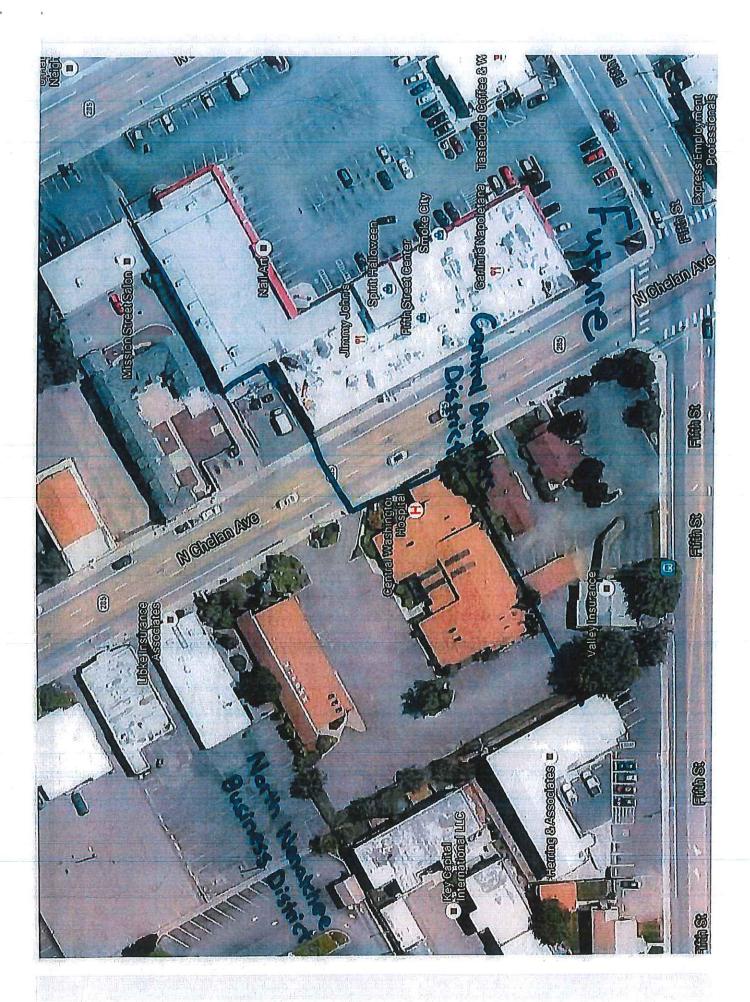
However, there are two issues with the current signage present on both the 520 and 526 North Chelan Avenue properties. For the 520 North Chelan Avenue Wenatchee Orthopaedics signage, the current location is placed after the actual entrance for the building. This causes patients to pass the entrance on the one-way on Chelan Avenue which results in upset patients that miss the entrance plus show up late to their appointments. The current signage does not provide convenient service to the Confluence Health patients. Secondly, the signage on 526 North Chelan Avenue is out-of-compliance with the current Central Business District and would be an ideal location to have all three businesses on a free standing sign before the entrance way for all three businesses.

My proposal is to revise the boundaries currently for the North Wenatchee Business District to include both 520 and 526 North Chelan Avenue properties so we can create a new free-standing sign for all three businesses which would allow patients of these businesses to see the signage before the entrance way into those two specific properties. Attached is before and after photo of the boundary changes plus a proof of the proposed signage we would like to install on the 526 North Chelan Avenue property before the entrance way. With the boundary revision, this would allow for the proposed signage to benefit all three businesses but also would be in compliance with the City of Wenatchee signage code in the North Wenatchee Business District compared to the Central Business District.

Thank you for your consideration and time to review this proposal. This isn't just a benefit to Confluence Health but it will benefit our community by placing the proper signage in a location that is convenient and clear to see.

John Donaghy
Maintenance Manager
Confluence Health
509-630-2693 john.donaghy@confluencehealth.org





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MORE SIGN. BETTER SERVICE. GUARANTEED!

Confluence Health

10/11/16

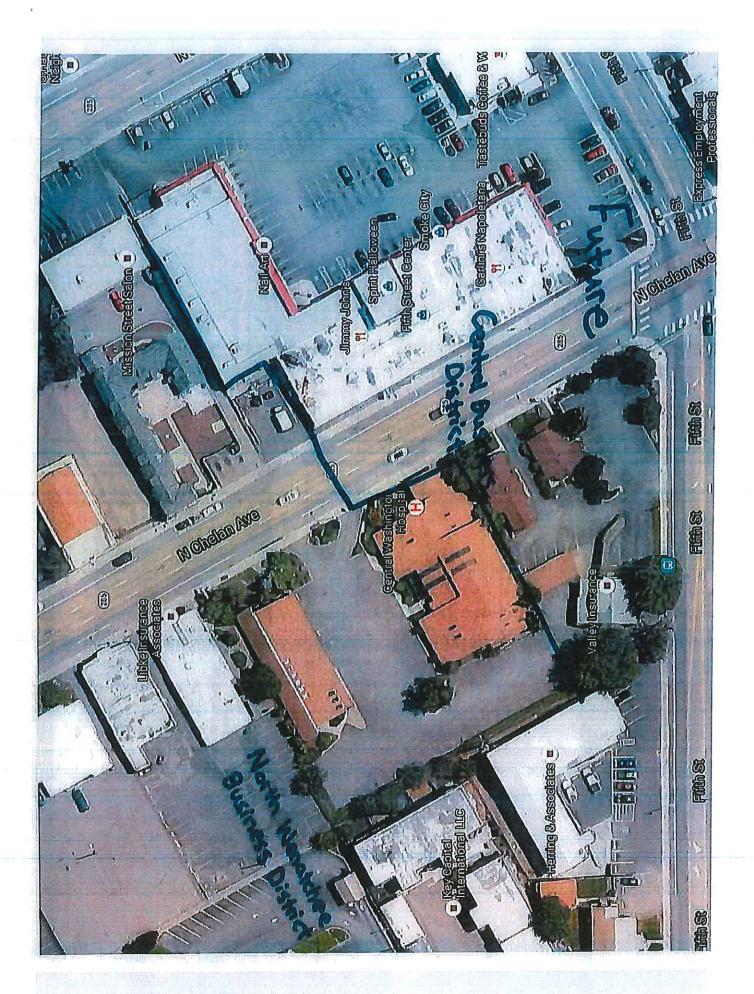
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MORE SIGN. BETTER SERVICE. SUARANTEEDI

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10/11/16

Confluence Health

This preaf is far your order;
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## October 5, 2016 GITY OF WENATCHEE

OCT - 6 2016

Glen DeVries

City of Wenatchee

I request the City of Wenatchee to rezone all 47.22 acres of Phillippi property located in the Fifth Street corridor, west of Western Avenue.

We would like our zoning changed from residential low to residential medium density.

## Parcel Numbers:

222005430300 - 19.6 acres, Orchard Ave

222005421050 - .85 acre, Inc.

222005410100 - .52 acre, 1921 Fifth St

222005420050 - .30 acre, 2011 Fifth St

222005430050 - 9.6 acres, Maxine Ave

222005420950 - 16.35 acres, 1919 Fifth St

Sincerely,

David Phillippi

Cloud Abbellys

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•				
			•	

# Glen DeVries

From:

Gary Noyes <gnoyes6269@aol.com>

Sent:

Monday, December 12, 2016 1:47 PM

To:

Glen DeVries

Subject:

Rezone

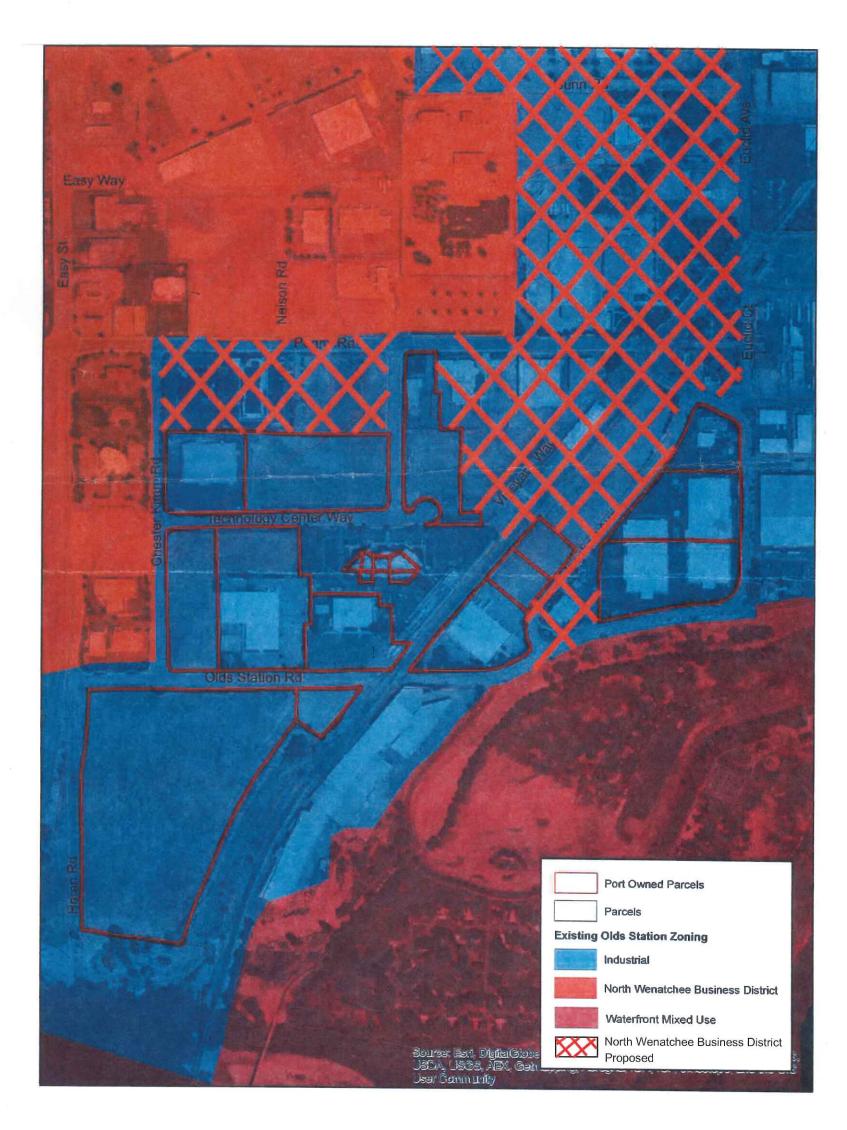
Glenn,

Per our discussion please include parcels numbers 22-20-05-410-455, 22-220-05-410-450 and 22-20-05-440-100 Residential Low (RL) for the rezone to Medium Density . This email is our approval of the rezone and notice to include the above parcels numbers .

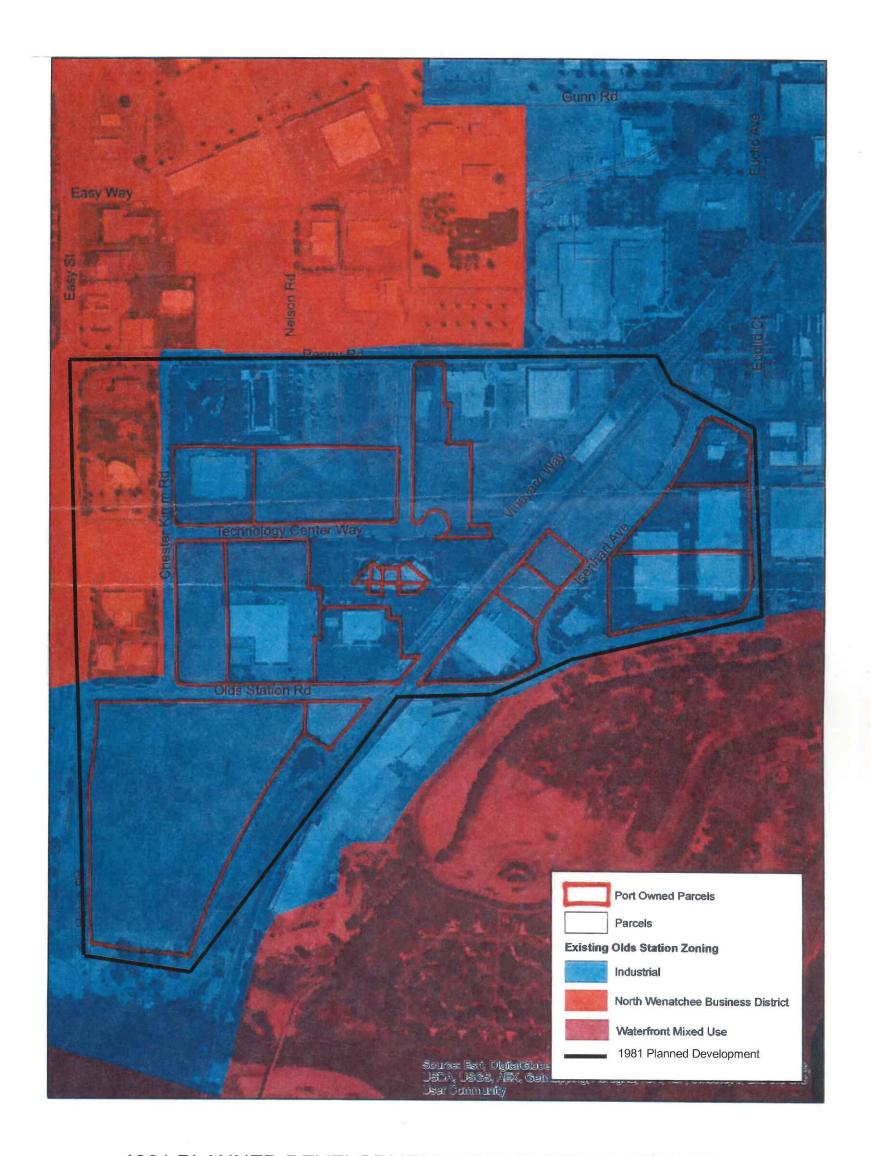
Thank you.

Gary Noyes

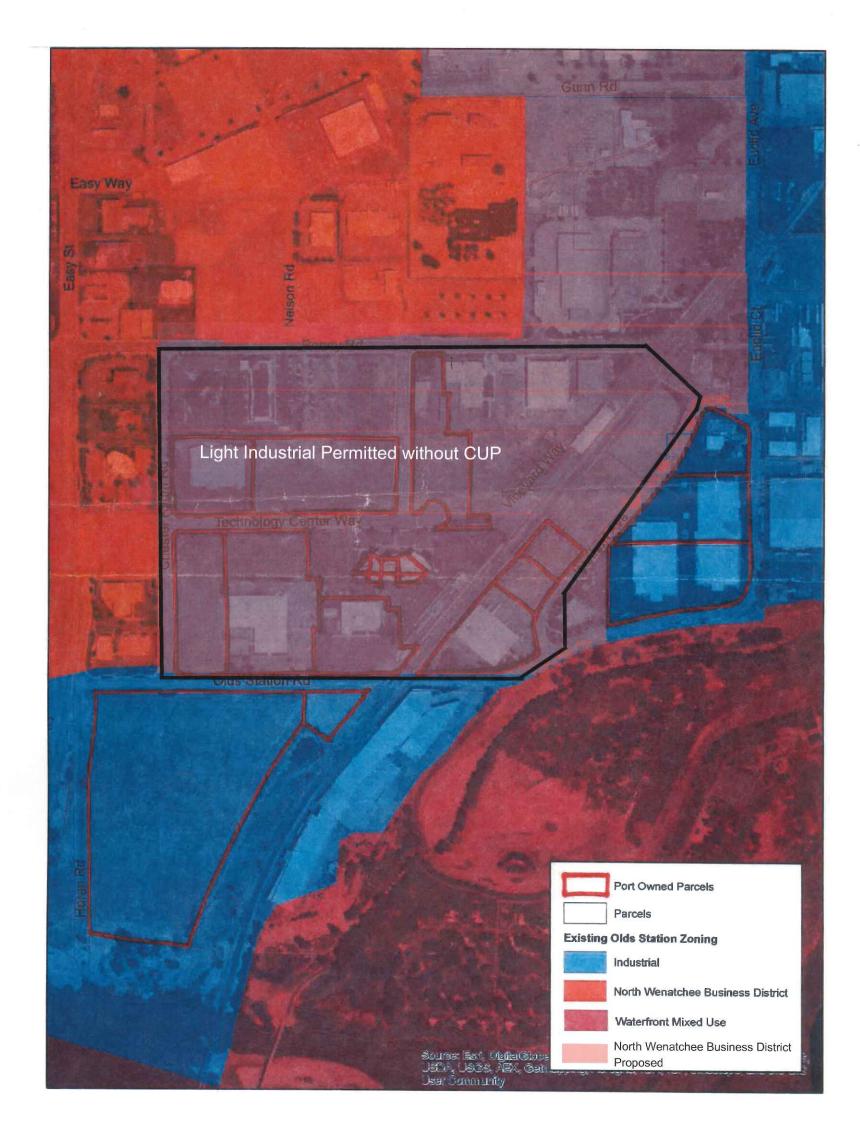
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PORT PROPOSAL #1



1981 PLANNED DEVELOPMENT WITH CURRENT ZONING



PORT PROPOSAL #2