

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of County Commissioners
Mark McCauley, County Administrator

FROM: Josh D. Peters, AICP, Director, Department of Community Development
Brent A. Butler, AICP, Chief Strategy Officer

DATE: November 6, 2023

SUBJECT: Urban Growth Area (UGA) Patterns of Development Analysis & Resolution Supporting the Analysis and Completion of a UGA Land Exchange with the City of Port Townsend

STATEMENT OF ISSUE:

The Washington State Department of Commerce (“Commerce”) is currently reviewing three grant applications submitted by Jefferson County for just over \$5.5 million. In the first of the applications, Jefferson County applied for funding so that the City of Port Townsend and OlyCAP could complete the Port Townsend sewer system lift station and connect Caswell-Brown Village to the necessary infrastructure, respectively. In the second application, Jefferson County supported Bayside Housing and Services, LLC’s (Bayside) efforts to build a 60-unit affordable housing development known as Bayside Gardens adjacent to the Old Alcohol Plant in Port Hadlock. The third application was submitted on behalf of the Jefferson County Public Works Department to enable a further extension of the new Port Hadlock wastewater treatment system to serve affordable housing developments that meet the county’s urgent need for affordable housing for the workforce.

BACKGROUND:

On October 16, 2023, the Chief Strategy Officer (CSO) delivered a presentation to the Board of County Commissioners (“Board” or “BoCC”) entitled “Connecting Housing to Infrastructure Program (CHIP) & UGA Zoning.” The goal of this presentation was to enlist the Board’s support and involvement in applications funding development, and to better understand the tenure (e.g., rental, for-sale, land trust, fee simple, etc.) that new housing should consist of if proformas were created by not-for-profit and for-profit housing developers.

Urban Growth Area Exchange

As part of the October 16 presentation, the CSO shared that Senate Bill 5593 authorized that “the urban growth area or areas may be revised to accommodate identified patterns of development and likely future development pressure for the succeeding 20-year period if specific requirements were met (see Attachment 1 – SB5593). The Department of Community Development (DCD) believes that a preliminary analysis supports a finding that the existing patterns of growth support expanding the urban

growth area to include the Caswell-Brown Village. DCD also believes that other findings identified by the state legislature could be met.

Slide 11 of the October 16th presentation identified two pathways forward to ensure Commerce's funding of the Caswell-Brown Village Permanent Supportive Housing site would be consistent with strict guidelines prohibiting the extension of urban levels of services outside of the city limits. The first of these two pathways involves the land exchange (swap). The second of these two pathways involves a more comprehensive planning analysis that would potentially include the entire Glen Cove Limited Area of More Intensive Rural Development (LAMRID). While staff believe that the proposal before the Hearing Examiner to establish the Caswell-Brown Village under existing county zoning provisions for 'public purpose facilities,' specifically where it is identified as 'an unnamed institutional use', meets the state's exacting requirements for the extension of urban level of services adjacent to the UGA, Commerce's award is more likely with the UGA Swap (land exchange). Given that the more expansive review of the Glen Cove area is beyond the county's current staffing capacity, we propose moving ahead with the more limited UGA Swap by initiating the process through the adoption of the attached resolution (see Attachment 2 – Draft Resolution – UGA Land Exchange).

FISCAL IMPACT/COST-BENEFIT ANALYSIS:

The CSO is currently funded until March 31, 2023, and could complete the required analysis and planning to move this project ahead to completion by the 1st half of 2024. Additional funding may be necessary to ensure completion, specifically to support the City of Port Townsend's efforts at amending their comprehensive plan.

RECOMMENDATION:

Adopt the attached resolution.

REVIEWED BY:


Mark McCauley, County Administrator

11/3/23
Date

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5593

Chapter 287, Laws of 2022

67th Legislature
2022 Regular Session

GROWTH MANAGEMENT ACT—URBAN GROWTH AREA BOUNDARY REVISIONS

EFFECTIVE DATE: June 9, 2022

Passed by the Senate February 15,
2022

Yeas 49 Nays 0

DENNY HECK

President of the Senate

Passed by the House March 3, 2022

Yeas 98 Nays 0

LAURIE JINKINS

**Speaker of the House of
Representatives**

Approved March 31, 2022 4:54 PM

CERTIFICATE

I, Sarah Bannister, Secretary of
the Senate of the State of
Washington, do hereby certify that
the attached is **ENGROSSED
SUBSTITUTE SENATE BILL 5593** as
passed by the Senate and the House
of Representatives on the dates
hereon set forth.

SARAH BANNISTER

Secretary

FILED

April 1, 2022

JAY INSLEE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5593

Passed Legislature - 2022 Regular Session

State of Washington

67th Legislature

2022 Regular Session

By Senate Housing & Local Government (originally sponsored by
Senators Short, Lovelett, Gildon, Hasegawa, and Mullet)

READ FIRST TIME 01/28/22.

1 AN ACT Relating to urban growth area boundaries; and reenacting
2 and amending RCW 36.70A.130.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 36.70A.130 and 2020 c 113 s 1 and 2020 c 20 s 1026
5 are each reenacted and amended to read as follows:

6 (1)(a) Each comprehensive land use plan and development
7 regulations shall be subject to continuing review and evaluation by
8 the county or city that adopted them. Except as otherwise provided, a
9 county or city shall take legislative action to review and, if
10 needed, revise its comprehensive land use plan and development
11 regulations to ensure the plan and regulations comply with the
12 requirements of this chapter according to the deadlines in
13 subsections (4) and (5) of this section.

14 (b) Except as otherwise provided, a county or city not planning
15 under RCW 36.70A.040 shall take action to review and, if needed,
16 revise its policies and development regulations regarding critical
17 areas and natural resource lands adopted according to this chapter to
18 ensure these policies and regulations comply with the requirements of
19 this chapter according to the deadlines in subsections (4) and (5) of
20 this section. Legislative action means the adoption of a resolution
21 or ordinance following notice and a public hearing indicating at a

1 minimum, a finding that a review and evaluation has occurred and
2 identifying the revisions made, or that a revision was not needed and
3 the reasons therefor.

4 (c) The review and evaluation required by this subsection shall
5 include, but is not limited to, consideration of critical area
6 ordinances and, if planning under RCW 36.70A.040, an analysis of the
7 population allocated to a city or county from the most recent ten-
8 year population forecast by the office of financial management.

9 (d) Any amendment of or revision to a comprehensive land use plan
10 shall conform to this chapter. Any amendment of or revision to
11 development regulations shall be consistent with and implement the
12 comprehensive plan.

13 (2)(a) Each county and city shall establish and broadly
14 disseminate to the public a public participation program consistent
15 with RCW 36.70A.035 and 36.70A.140 that identifies procedures and
16 schedules whereby updates, proposed amendments, or revisions of the
17 comprehensive plan are considered by the governing body of the county
18 or city no more frequently than once every year. "Updates" means to
19 review and revise, if needed, according to subsection (1) of this
20 section, and the deadlines in subsections (4) and (5) of this section
21 or in accordance with the provisions of subsection (6) of this
22 section. Amendments may be considered more frequently than once per
23 year under the following circumstances:

24 (i) The initial adoption of a subarea plan. Subarea plans adopted
25 under this subsection (2)(a)(i) must clarify, supplement, or
26 implement jurisdiction-wide comprehensive plan policies, and may only
27 be adopted if the cumulative impacts of the proposed plan are
28 addressed by appropriate environmental review under chapter 43.21C
29 RCW;

30 (ii) The development of an initial subarea plan for economic
31 development located outside of the one hundred year floodplain in a
32 county that has completed a state-funded pilot project that is based
33 on watershed characterization and local habitat assessment;

34 (iii) The adoption or amendment of a shoreline master program
35 under the procedures set forth in chapter 90.58 RCW;

36 (iv) The amendment of the capital facilities element of a
37 comprehensive plan that occurs concurrently with the adoption or
38 amendment of a county or city budget; or

39 (v) The adoption of comprehensive plan amendments necessary to
40 enact a planned action under RCW 43.21C.440, provided that amendments

1 are considered in accordance with the public participation program
2 established by the county or city under this subsection (2)(a) and
3 all persons who have requested notice of a comprehensive plan update
4 are given notice of the amendments and an opportunity to comment.

5 (b) Except as otherwise provided in (a) of this subsection, all
6 proposals shall be considered by the governing body concurrently so
7 the cumulative effect of the various proposals can be ascertained.
8 However, after appropriate public participation a county or city may
9 adopt amendments or revisions to its comprehensive plan that conform
10 with this chapter whenever an emergency exists or to resolve an
11 appeal of a comprehensive plan filed with the growth management
12 hearings board or with the court.

13 (3)(a) Each county that designates urban growth areas under RCW
14 36.70A.110 shall review, according to the schedules established in
15 subsections (4) and (5) of this section, its designated urban growth
16 area or areas, patterns of development occurring within the urban
17 growth area or areas, and the densities permitted within both the
18 incorporated and unincorporated portions of each urban growth area.
19 In conjunction with this review by the county, each city located
20 within an urban growth area shall review the densities permitted
21 within its boundaries, and the extent to which the urban growth
22 occurring within the county has located within each city and the
23 unincorporated portions of the urban growth areas.

24 (b) The county comprehensive plan designating urban growth areas,
25 and the densities permitted in the urban growth areas by the
26 comprehensive plans of the county and each city located within the
27 urban growth areas, shall be revised to accommodate the urban growth
28 projected to occur in the county for the succeeding twenty-year
29 period. The review required by this subsection may be combined with
30 the review and evaluation required by RCW 36.70A.215.

31 (c) If, during the county's review under (a) of this subsection,
32 the county determines revision of the urban growth area is not
33 required to accommodate the urban growth projected to occur in the
34 county for the succeeding 20-year period, but does determine that
35 patterns of development have created pressure in areas that exceed
36 available, developable lands within the urban growth area, the urban
37 growth area or areas may be revised to accommodate identified
38 patterns of development and likely future development pressure for
39 the succeeding 20-year period if the following requirements are met:

1 (i) The revised urban growth area may not result in an increase
2 in the total surface areas of the urban growth area or areas;

3 (ii) The areas added to the urban growth area are not or have not
4 been designated as agricultural, forest, or mineral resource lands of
5 long-term commercial significance;

6 (iii) Less than 15 percent of the areas added to the urban growth
7 area are critical areas;

8 (iv) The areas added to the urban growth areas are suitable for
9 urban growth;

10 (v) The transportation element and capital facility plan element
11 have identified the transportation facilities, and public facilities
12 and services needed to serve the urban growth area and the funding to
13 provide the transportation facilities and public facilities and
14 services;

15 (vi) The urban growth area is not larger than needed to
16 accommodate the growth planned for the succeeding 20-year planning
17 period and a reasonable land market supply factor;

18 (vii) The areas removed from the urban growth area do not include
19 urban growth or urban densities; and

20 (viii) The revised urban growth area is contiguous, does not
21 include holes or gaps, and will not increase pressures to urbanize
22 rural or natural resource lands.

23 (4) Except as otherwise provided in subsections (6) and (8) of
24 this section, counties and cities shall take action to review and, if
25 needed, revise their comprehensive plans and development regulations
26 to ensure the plan and regulations comply with the requirements of
27 this chapter as follows:

28 (a) On or before June 30, 2015, for King, Pierce, and Snohomish
29 counties and the cities within those counties;

30 (b) On or before June 30, 2016, for Clallam, Clark, Island,
31 Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston, and Whatcom
32 counties and the cities within those counties;

33 (c) On or before June 30, 2017, for Benton, Chelan, Cowlitz,
34 Douglas, Kittitas, Lewis, Skamania, Spokane, and Yakima counties and
35 the cities within those counties; and

36 (d) On or before June 30, 2018, for Adams, Asotin, Columbia,
37 Ferry, Franklin, Garfield, Grant, Grays Harbor, Klickitat, Lincoln,
38 Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and
39 Whitman counties and the cities within those counties.

1 (5) Except as otherwise provided in subsections (6) and (8) of
2 this section, following the review of comprehensive plans and
3 development regulations required by subsection (4) of this section,
4 counties and cities shall take action to review and, if needed,
5 revise their comprehensive plans and development regulations to
6 ensure the plan and regulations comply with the requirements of this
7 chapter as follows:

8 (a) On or before June 30, 2024, and every eight years thereafter,
9 for King, Kitsap, Pierce, and Snohomish counties and the cities
10 within those counties;

11 (b) On or before June 30, 2025, and every eight years thereafter,
12 for Clallam, Clark, Island, Jefferson, Lewis, Mason, San Juan,
13 Skagit, Thurston, and Whatcom counties and the cities within those
14 counties;

15 (c) On or before June 30, 2026, and every eight years thereafter,
16 for Benton, Chelan, Cowlitz, Douglas, Franklin, Kittitas, Skamania,
17 Spokane, Walla Walla, and Yakima counties and the cities within those
18 counties; and

19 (d) On or before June 30, 2027, and every eight years thereafter,
20 for Adams, Asotin, Columbia, Ferry, Garfield, Grant, Grays Harbor,
21 Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens,
22 Wahkiakum, and Whitman counties and the cities within those counties.

23 (6)(a) Nothing in this section precludes a county or city from
24 conducting the review and evaluation required by this section before
25 the deadlines established in subsections (4) and (5) of this section.
26 Counties and cities may begin this process early and may be eligible
27 for grants from the department, subject to available funding, if they
28 elect to do so.

29 (b) A county that is subject to a deadline established in
30 subsection (5) (~~((a)(ii) through (iv) [(b) through (d)]))~~) (b) through
31 (d) of this section and meets the following criteria may comply with
32 the requirements of this section at any time within the twenty-four
33 months following the deadline established in subsection (5) of this
34 section: The county has a population of less than fifty thousand and
35 has had its population increase by no more than seventeen percent in
36 the ten years preceding the deadline established in subsection (5) of
37 this section as of that date.

38 (c) A city that is subject to a deadline established in
39 subsection (5) (~~((a)(ii) through (iv) [(b) through (d)]))~~) (b) through
40 (d) of this section and meets the following criteria may comply with

1 the requirements of this section at any time within the twenty-four
2 months following the deadline established in subsection (5) of this
3 section: The city has a population of no more than five thousand and
4 has had its population increase by the greater of either no more than
5 one hundred persons or no more than seventeen percent in the ten
6 years preceding the deadline established in subsection (5) of this
7 section as of that date.

8 (d) State agencies are encouraged to provide technical assistance
9 to the counties and cities in the review of critical area ordinances,
10 comprehensive plans, and development regulations.

11 (7)(a) The requirements imposed on counties and cities under this
12 section shall be considered "requirements of this chapter" under the
13 terms of RCW 36.70A.040(1). Only those counties and cities that meet
14 the following criteria may receive grants, loans, pledges, or
15 financial guarantees under chapter 43.155 or 70A.135 RCW:

16 (i) Complying with the deadlines in this section; or

17 (ii) Demonstrating substantial progress towards compliance with
18 the schedules in this section for development regulations that
19 protect critical areas.

20 (b) A county or city that is fewer than twelve months out of
21 compliance with the schedules in this section for development
22 regulations that protect critical areas is making substantial
23 progress towards compliance. Only those counties and cities in
24 compliance with the schedules in this section may receive preference
25 for grants or loans subject to the provisions of RCW 43.17.250.

26 (8)(a) Except as otherwise provided in (c) of this subsection, if
27 a participating watershed is achieving benchmarks and goals for the
28 protection of critical areas functions and values, the county is not
29 required to update development regulations to protect critical areas
30 as they specifically apply to agricultural activities in that
31 watershed.

32 (b) A county that has made the election under RCW 36.70A.710(1)
33 may only adopt or amend development regulations to protect critical
34 areas as they specifically apply to agricultural activities in a
35 participating watershed if:

36 (i) A work plan has been approved for that watershed in
37 accordance with RCW 36.70A.725;

38 (ii) The local watershed group for that watershed has requested
39 the county to adopt or amend development regulations as part of a
40 work plan developed under RCW 36.70A.720;

1 (iii) The adoption or amendment of the development regulations is
2 necessary to enable the county to respond to an order of the growth
3 management hearings board or court;

4 (iv) The adoption or amendment of development regulations is
5 necessary to address a threat to human health or safety; or

6 (v) Three or more years have elapsed since the receipt of
7 funding.

8 (c) Beginning ten years from the date of receipt of funding, a
9 county that has made the election under RCW 36.70A.710(1) must review
10 and, if necessary, revise development regulations to protect critical
11 areas as they specifically apply to agricultural activities in a
12 participating watershed in accordance with the review and revision
13 requirements and timeline in subsection (5) of this section. This
14 subsection (8)(c) does not apply to a participating watershed that
15 has determined under RCW 36.70A.720(2)(c)(ii) that the watershed's
16 goals and benchmarks for protection have been met.

Passed by the Senate February 15, 2022.

Passed by the House March 3, 2022.

Approved by the Governor March 31, 2022.

Filed in Office of Secretary of State April 1, 2022.

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STATE OF WASHINGTON

County of Jefferson

A Resolution Authorizing Investigation of the Exchange of Land Zoned Rural Residential within Jefferson County for Agricultural Lands within the City of Port Townsend; Pursuant to RCW 36.70A.130 during the Review of Urban Growth Areas Within the County

RESOLUTION NO. _____

WHEREAS, the Washington State Legislature passed Engrossed Substitute Senate Bill 5593, Chapter 287, Laws of 2022, which was signed by Governor Jay Inslee with an effective date of June 9, 2022, and codified in RCW 36.70A.130; and

WHEREAS, RCW 36.70A.130(3)(c) authorizes revision of an urban growth area(UGA) through a “land swap” with lands outside the UGA, under certain conditions; and

WHEREAS, such a revision must meet a number of requirements in the statute, including a requirement that the revision does not result in an increase in the total surface area of the urban growth area or areas; and

WHEREAS; Jefferson County staff have preliminarily identified a parcel or parcels that would qualify for inclusion within the City of Port Townsend Urban Growth Area; and

WHEREAS, Engrossed Substitute Senate Bill 5593 and RCW 36.70A.130 establishes the procedure and findings necessary for a change of the urban growth area or areas;

WHEREAS, the Jefferson County Board of Commissioners recognize a continuing housing emergency related to the housing needs of county residents, including minors, who are experiencing chronic housing insecurity, living in vehicles and tents, and are otherwise unsheltered; and

WHEREAS, the Board of County Commissioners recognizes the inclusion of parcels currently under review by the Jefferson County Hearing Examiner for a conditional use permit to permit the extension of urban levels of services to the proposed ‘public purpose facilities’ expressly designed to house those households and/or individuals in the Caswell-Brown Village that are unsheltered or facing housing insecurity; and

WHEREAS, in 2023 the Washington Center for Real Estate Research identified the City of Port Townsend as one of the State of Washington’s least affordable cities with a population over 10,000 inhabitants and Jefferson County as one of the least affordable Washington counties; and

ATTACHMENT 1 – LAND EXCHANGE RESOLUTION

WHEREAS, Jefferson County is a political subdivision of the state of Washington as provided by [Title 36 RCW](#) and the Washington State Constitution, [Article 11](#), and may revise the urban growth area boundaries upon making the findings as required by state law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY:

Section 1. The “Whereas” Clauses stated above are adopted as findings of fact.

Section 2. The Department of Community Development (“DCD”) is hereby directed to review the requirements of RCW 36.70A.110(3)(c), conduct studies and environmental review under the State Environmental Policy Act on a land swap proposal, and compile a report with a recommendation to the Board of County Commissioners consistent with chapter 36.70A RCW. DCD shall work with the City of Port Townsend and share information as necessary to engage in this cooperative endeavor.

Section 3. This Resolution shall take effect immediately upon adoption by the Board of County Commissioners.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

ATTACHMENT 1 – LAND EXCHANGE RESOLUTION

APPROVED and ADOPTED this _____ day of _____, 2023.

JEFFERSON COUNTY BOARD OF
COMMISSIONERS

Greg Brotherton, Chair

Kate Dean, Member

Heidi Eisenhour, Member

SEAL:

ATTEST:

Carolyn Gallaway, CMC Date
Clerk of the Board

Approved as to form only:

Barbara Dykes Ehrlichman Date
Civil Deputy Prosecuting Attorney