

Anacortes Planning Commission Minutes - November 6, 2024

Roll Call

Chairperson Linda Martin called to order the Anacortes Planning Commission meeting of November 6, 2024 at 6:00 p.m. Commissioners Jim Stoneman, William McCombs, Frank Jeretzky, Paul Ryan, and Mike Mills were present. Commissioner Luke Currier was absent. Jim Stoneman moved to excuse the absence of Commissioner Currier. Mike Mills seconded. All ayes.

Minutes

There were no minutes submitted for approval.

Public Comment

There was no public comment.

Public Hearings

Other Business

2025 Comprehensive Plan Update - Housing Action Plan (HAP) strategies discussion

Libby Grage said staff would like to reorder the agenda items to make sure we get through the Future Land Use Maps (FLUM) and the Land Use & Housing element goals and policies. The Housing Action Plan (HAP) strategies would be the last item.

Linda Martin pointed out that the Land Use element was updated and provided to Commissioners yesterday. She would like the Commissioners to take a few moments and scan the new documents, including the public comment that was received yesterday and today.

Mike Mills said, in regard to public comment and extra information for the meeting packet, he would like to establish a cut-off so that Commissioners have time to review the information and be prepared. He doesn't think it's unfair to the public as they can attend the meeting or join online.

John Coleman stated it's routine for public comment to be submitted up to the meeting. He would hate to hold over items to another meeting. Staff will try to get their changes to the Commissioners earlier.

Mike Mills expressed concern at having to rush through the written comment at the meeting.

John Coleman agreed that it would make sense for commentators to get their comment in before the packet is published.

Paul Ryan expressed concern about trying to understand the concerns that are being raised in such a short period of review time.

Linda Martin said she received a printed packet on Monday afternoon and found it difficult to get through it all. She understands that there is a lot of work to do and many things to cover. Let's give ourselves and staff grace and do the best we can.

Libby Grage clarified that public comments are added to the Comprehensive Plan web page as they are submitted.

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Libby Grage reviewed the staff recommendations on the Housing Action Plan (HAP) strategies. The Planning Commission members broke into teams to work on various sections. Staff also made some recommendations regarding the implementation of the strategies which can be found in the packet.

Linda Martin stated she looked into the history of the HAP, how we got here and what we're trying to accomplish. In 2022, staff worked with Makers on the draft HAP. Makers started with the existing needs and housing report, which is a very helpful report. Regarding existing conditions, the population in April 2022 was approximately 17,000 residents with an annual growth rate of 1.7%, and a vacancy rate of 1.1% for homeowners and 1.9% for rental properties. It's really hard to find a place to rent or buy in Anacortes.

Normal vacancy rates are 5%. Regarding income, approximately one-third of the population makes less than

80% of AMI which shows a need for affordable housing. Approximately 37% of residents commute more than 50 miles to work. Since 2016 housing production averages 101 units per year which is 29 units below the number needed to meet growth targets. The HAP is meant to inform the Comprehensive Plan update and is intended to be viewed as a menu. Tonight's goal is to find items that increase housing diversity and affordable housing opportunities. The land capacity analysis tells us that Anacortes is sufficiently zoned to meet the overall housing target as well as the targets for low, moderate and high income households. Citizens have clearly stated they are not interested in wholesale changes to the community. She recommended that the Commissioners keep in mind (1) will the change increase the possibility for affordable housing (2) will the update change the types of affordable housing and (3) will it be accepted by the larger community. City Council provided comments to assist Planning Commission on moving forward on these items.

Frank Jeretzky referenced section 2.1.1 regarding cottage housing. He recommends allowing 4 units per acre. He read the recommendation for section 2.1.3, which is proposed to move forward. He moved on to section 2.1.5, group living. He read the proposed new language. He recommends streamlining the process for these in R3, R3A, R4, R4A and add rooming houses to this section.

Libby Grage clarified that there should be a maximum occupancy in R3 and R3A so that the scale of the facility is consistent with the surrounding neighborhood.

Commissioner Jeretzky moved on to section 2.1.6 regarding adult family homes. State law changed the maximum number of beds, so we have to allow for up to 8 beds and allow them in SFR's.

Jim Stoneman reviewed section 2.1.7. The benefits are straightforward in that more housing means affordable housing. The negatives could include more traffic, lack of privacy, infrastructure needs, etc. He prefers the staff recommendation for this one.

Ms. Grage clarified that staff's recommendation is to only apply the minimum density in the R4 zone. The reason for the recommendation is that it could be very difficult to prohibit new SFR's. Staff's recommendation is different than the planning committee recommendation.

Will McCombs asked if there are still buildable lots in R4.

Libby Grage said there are not many.

Commissioner McCombs worries that this is overreaching. This recommendation requires higher density. He likes that it's allowed, not required. He doesn't want property owners to now be told that they have to do something specific with their land.

Jim Stoneman moved on to section 2.1.8. He recommends the HAP language. He moved on to 2.1.9 single-room occupancy housing. He stated this is hard to picture in our town. He prefers not to recommend this.

Libby Grage clarified this is new state law effective June 2024 that requires cities to allow co-living housing (defined in RCW) on any lot that allows 6 MF residential units. We can apply design standards to these types of units. She will look to see what our local options are.

Commissioner Stoneman recommended following the law.

Linda Martin asked why section 2.1.10 is shaded out.

Libby Grage said she believes it is mandated by state law, but will check on this.

### **2025 Comprehensive Plan Update - Land Use & Housing Element Goals & Policies discussion, continued**

Libby Grage referenced the Future Land Use Map (FLUM) designations. She wants to make sure the land use designations are clear. The FLUM shows the proposed distribution of land use over 20 years. That works in conjunction with the land use table which shows the purpose of each designation and the principal uses. This is the vision for the next 20 years. She pointed out that staff added the far right column to summarize the Planning Commission notes and staff recommendations. There was a suggestion to add ADU to the residential low density designation. Staff recommends adding clarifying language. In the residential low density 2 designation, they proposed removal of the word "character". The Planning Commission discussed that it was still important to capture the intent of that language by changing it to "form and scale". There were no other changes to this section. Staff will finalize this document and add to the website so that it's available for people before the public hearing. She moved on to the Land Use Tracker, noting that the right

column is Planning Commission comments and staff recommendations.

Linda Martin pointed out that on page 17 of the packet, the second policy from the bottom in the staff comments, staff is making a recommendation. She wonders how that applies to Old Town.

Ms. Grage said that is an example of why staff recommends using the specific land use designation titles. She agreed that Old Town has a specific land use and zoning designation.

Linda Martin wondered if Old Town should have 2 designations; Old Town and medium-density residential.

Libby Grage said the Planning Commission can recommend that if they want.

Paul Ryan commented that walkability is one of the desires of Old Town, so adding a second designation makes sense.

Mike Mills stated he had a similar thought. He can't see a reason not to include both.

Will McCombs wondered if this would apply to many lots in that area as this applies to new development, but much of that area is developed. He's not sure what including it will achieve.

Libby Grage said historically Old Town was platted with 30-foot-wide lots and typically, people would purchase 2-3 lots and build the home on that. If the minimum lot size were reduced, that would allow for more opportunities for dividing lots and creating more building area. There are special design standards for small lots less than 5000 square feet; such as covered entry porch, alley access, garages in the rear, etc.

Linda Martin commented that the consensus is to add the Old Town designation.

Frank Jeretzky wondered if the Commissioners need to add anything about CCR's and ADU's. Since CCR's supersede law, he asked if that should be called out.

Ms. Grage said that is a private agreement between the homeowner and the HOA. She's not sure if it needs to be added here.

Commissioner Martin moved on to the next page, item F. She asked what would happen if the last sentence were eliminated. It seems incongruent with the last sentence in the section to the right in regard to the senior and assisted housing language.

Libby Grage stated she will review that.

Linda Martin also referenced the vague language "certain side streets" asking which streets this applies to.

John Coleman clarified this is referencing certain side streets in commercial zones. Residential could be a good use along the non-arterial streets in that zoning.

Linda Martin moved on to section H on the next page. She asked if Anacortes has live-work overlay areas.

Ms. Grage agreed that we have one.

Commissioner Martin recommended not deleting section LU 6.2 and just striking character and replacing it with "integrity" or "characteristics" or "experience".

Mike Mills prefers amending "character" and replacing it with integrity.

Jim Stoneman agreed.

Linda Martin referenced page 23 of packet, LU 8.1. She thinks this is a duplicate to LU 5.1. She recommends eliminating LU 5.1 and keeping LU 8.1.

Commissioner Mills said he noticed that as well. He believes LU 5.1 focuses on connectivity and LU 8.1 focuses on access to water, views, etc. He's okay with keeping both.

Frank Jeretzky wonders if it should say "when possible" to extend the Guemes Trail, so that when properties become available, we have that option.

Linda Martin referenced page 25 of the packet, LU 10.4 stating that Commissioner McCombs will provide language.

Will McCombs stated he will bring that to the next meeting.

Mike Mills asked to add "multi-modal" to LU 10.1 regarding bikeability in order to be inclusionary.

Paul Ryan wants to include all forms of multi-modal.

Commissioner Mills referenced page 29, section H 1.7, regarding high opportunity areas. He expressed his preference for the short definition instead of the longer one provided by Makers. He recommends carrying those changes throughout the rest of this section.

Frank Jeretzky said he does not like the last sentence in the longer definition from Makers.

Libby Grage clarified that this means providing for more housing options outside of areas that are already

burdened by environmental health issues.

Frank Jeretzky wondered if we have areas that are residential that are considered riskier, so we want to avoid higher density in those areas.

Ms. Grage was unsure of that answer. In looking at the tools that are coming out of the climate element, there is a tracker that can help identify areas that are more burdened than others.

Paul Ryan pointed out that Anacortes is unique in that it is an island and not connected to other communities. We don't have some of the opportunities for higher density due to our geography.

John Coleman said this is not redefining something, rather it's a new category. We could use the longer definition of high opportunity areas in the first occurrence and then in the subsequent occurrences, we can just state the shortened version.

Commissioner McCombs wondered if we would need to designate areas of the city as high opportunity. He believes it's a good philosophy, but may be hard to implement.

John Coleman said this is used when determining where MF zoning is allowed.

Will McCombs pointed out that they are reviewing the land use map and putting MF homes everywhere in the city.

Mr. Coleman stated that we may need to define what's meant as MF in this section. For example, staff doesn't consider a duplex to be MF, but the public might.

Will McCombs commented that if this is only talking about the areas that are zoned for MF, that's not a large area.

John Coleman clarified that it includes any area that allows MF.

Commissioner McCombs said the areas we are putting MF homes is already within walking distance to services. This has good intention, but not sure it will accomplish anything. He suggested deleting it.

Libby Grage reminded the Commissioners that this is a 20-year planning period, so things may change. There could be new transit opportunities. We need to remain open to help in the future.

Linda Martin said she likes the idea of a glossary. She moved on to the prior page, section H 1.2. She recommends taking out the examples and using just the first sentence. On page 30, section H 1.9, she recommends keeping tiny homes as a demonstration project. Then in sections H 2 and H 2.1, she recommends removing "over time" unless staff wants to define the time period.

Ms. Grage clarified that is a recommendation from Makers and is defined in the next policy.

Linda Martin pointed out that there is good language in LEG-2024-06 that could be used as a summary.

Will McCombs commented that it sounds contradictory. Change, even over time, is still change. Once an area is rezoned, it's changed.

Libby Grage said this type of language would be implemented in the development regulations.

Linda Martin stated the main point is that citizens don't want wholesale changes to neighborhoods. She moved on to page 32, section H 3.5, which is another instance of high opportunity. Section H 3.7 is not clear.

John Coleman clarified that this refers to portions of a Multi-Family Tax Exemption (MFTE) program. We have to define the area where these can occur, which is the target areas. There are different categories for duration that you can be eligible for the MFTE program based on the housing offered. In the HAP, it talks about the MFTE program and the details. He doesn't think we need the last sentence. Those things will be addressed when the project comes forward.

Commissioner McCombs wondered if we could say "incentivize multi-family development".

John Coleman pointed out that developers aren't too interested in the MFTE program. The City Council recommendation was to look at the MFTE program after the Comprehensive Plan is completed.

Mike Mills said he is leaning towards incentivize.

Will McCombs recommended "explore the establishment of incentives for MF homes". Affordable housing is an issue. He expressed concern that these types of developments will not be built here unless we actually provide a reason for it to happen.

The Commissioners discussed and agreed to make that change. They went back to LU 10.4.

Will McCombs said the goal of this policy is not clear.

Mr. Coleman pointed out that it is reasonable to remove this since the original intent was not clear. The Commissioners agreed to remove it.

Mike Mills referenced section H 3.10, wondering if we are removing the last sentence.

Libby Grage agreed. She will come up with better language in the yellow column so that when this goes to City Council it's clear that you recommend removal.

### **2025 Comprehensive Plan Update - Potential Future Land Use Map amendments - continued discussion**

Libby Grage said the Future Land Use Map (FLUM) amendments were discussed at the last Planning Commission meeting, at which time the applicants presented their proposals. The Planning Commission requested additional info, which will be included in the packet for next week's public hearing. She checked in with the Commissioners to see if there is anything they would like to discuss or have questions on so that we can be ready for the hearing.

Linda Martin asked if Resolution 3161 refers to these FLUM requests.

Libby Grage agreed. She reviewed the LEG sections that apply to the FLUM proposals. The Commissioners were given the opportunity after each to ask questions or make comments.

Commissioner Martin asked for clarification on which parcels are included in LEG-2024-14 and what the implications are.

Libby Grage commented that staff is currently working on that staff report. That analysis is still occurring. That will be in the packet coming out later this week.

Paul Ryan asked who is responsible for the maintenance of that property.

John Coleman clarified this is all Port property. Some of it is currently zoned commercial, some marine mixed use. The Port is requesting this all be zoned commercial marine, which matches the Port-owned property just to the north of this proposal. Staff will be presenting a detailed analysis between commercial marine, commercial and MMU zones so that the Planning Commission can compare. He pointed out that one parcel includes the Marine Technical College and it's parking lot.

Frank Jeretzky wondered if the Port will explain why they want to change this.

John Coleman pointed out they explained that in the application. The underlying zoning determines what can be done on the property. For example, in the MMU a "web locker" is not currently allowed under the zoning. The Port wants to be able to use the property for true marine uses, which is in line with a working marina. The uses are not as heavy as MS (manufacturing and shipping).

Libby Grage stated the Skillings request has not been assigned a LEG, as it was docketed in 2021 by Council. She moved on to FLUM #2, the "Oklahoma" area and the commercial overlay concepts. There was public comment to add one parcel to this proposal.

Commissioner Martin asked if that additional lot would be considered in the FLUM.

Libby Grage agreed. There will be other ideas, comments, and proposals that come forward, so you can review those too. The Planning Commission will not have to make a decision on the FLUM at the next meeting. The only portion that the Commissioners will need to make a recommendation on is the parcels in the UGA as there is a timeline for Skagit County.

John Coleman pointed out these are part of the Housing Action Plan recommendations.

Linda Martin referenced LEG-2024-08. She asked if we have pedestrian overlays and where they are.

Libby Grage clarified that we don't currently have overlays. If the Planning Commission recommends that and City Council adopts it, then we will need to look at what that will look like and where they might go.

### **Planning Department Update**

John Coleman reviewed the next meeting agenda topics. Staff will add the HAP to upcoming agendas where it makes sense. The county-wide planning policy recommendations are going to City Council on November 19, 2024. Anacortes received a Governor's award for the HAP Smart Communities in the smart housing strategies category. It was nice to have the state recognize the hard work we did. The Planning Commission will be part of enacting the HAP.

### **Adjournment**

Linda Martin adjourned the meeting at 8:54 p.m.