

Anacortes Planning Commission Minutes - September 17, 2025

Roll Call

Chairperson Linda Martin called to order the Anacortes Planning Commission meeting of September 17, 2025 at 6:00 p.m. Commissioners Jim Stoneman, Paul Ryan, Luke Currier, and Mike Mills were present. Will McCombs participated in the meeting remotely via Zoom. Commissioner Jeretzky was absent. Jim Stoneman moved to excuse Mr. Jeretzky. Paul Ryan seconded. All Ayes.

Pledge of Allegiance

Minutes

Minutes of August 20, 2025 and August 27, 2025 were submitted for approval.

Jim Stoneman moved to approve the August 20, 2025 minutes as submitted. Luke Currier seconded. All Ayes. Luke Currier moved to approve the August 27, 2025 minutes as submitted. Mike Mills seconded. All Ayes.

Public Comment

There was no public comment received.

Paul Ryan read a letter into the record. He said that over the past weeks we have received public comments regarding the Comprehensive Plan update. He wants to assure the public that the Commissioners have reviewed them. Your voice is important and your concerns help us think about how we want the future of Anacortes to be. There were a lot of comments on the MJB development and what citizens hope to see there. He clarified that this is privately owned land. While the city can enforce zoning, building codes and environmental standards, we have limited control over the amenities and specific design elements a private developer chooses to pursue. We hope the developers and architects deliver a project that is community oriented and reflects the true character of Anacortes. There were also many comments received regarding ADU's. Many citizens provided comments on the design, placement and role of ADU's in our neighborhoods. He pointed out that ADU permissibility is state driven and the city cannot restrict whether they can be built. We can, however, influence design characteristics ensuring that ADU's meet our building standards and community design criteria. As for density and rentals, ADU's often function as income properties; however, our ability to track these is limited. Some cities manage this via a rental registry that provides accurate data. He understands that requires staffing and funding which have been concerns in Anacortes. While there are grants available to support these efforts, implementation would require approval from City Council and support from the community. He moved on to critical areas and environmental protections as there were many comments submitted. He assured the community that there are protections in place for these. There were also comments about housing affordability. Change and growth are inevitable. Growth is driven by population. We are required to plan accordingly. While we cannot dictate market price for housing, nor can we force developers to provide affordable homes, but we can adopt policies to allow such projects to move forward. Affordable housing solutions will need community cooperation. We need affordable housing that meets the needs of our workforce. Annexation of forestlands was another concern. He assured the community that the forestlands are not being considered for development. Past annexations have been done to further protect our forestlands. He stated that every comment, suggestion and concern was read and valued. Many of them were thoughtful and inspiring; some are beyond the immediate scope of the Planning Commission today. The Commissioners are here because Anacortes is our home and we love this community. We want to see it thrive for years to come.

Public Hearings

2025 Comprehensive Plan Update - Continued public hearing on Draft 2025-2045 Comprehensive Plan

John Coleman reviewed the public hearing process to date. Staff anticipated closing the hearing on

September 24th. Staff is compiling a document with the public comments received and how they have been addressed. After tonight's review of the Comprehensive Plan, staff will bring forward the updates to the Development Regulations. That public hearing is scheduled for October 22nd. There was no public comment received.

Other Business

2025 Comprehensive Plan Update — Development Regulation Amendments (Discussion)

Libby Grage said the Commissioners will discuss the proposed updates to the Development Regulations and identify any additional clarifications needed from the Planning Commission. There are a few new documents available. They are the State Environmental Policy Act Determination of Non-significance (SEPA DNS) and the draft Development Regulation Amendments. The SEPA DNS was issued on September 10th. There is a comment period that ends on September 20th. The draft Development Regulations was published on September 12th. The written comment period ends at 3:00p.m. on October 22nd. The public hearing will be that same day at 6:00p.m. She reviewed the topics the Planning Commission has already reviewed and the upcoming topics.

Ms. Grage pointed out that in the updated packet there is a staff memo which includes updated tables with the proposed amendments in order. There are no new proposed updates to Division 1 which includes the general and Legislative provisions. The Commission reviewed Division 2 at the last meeting. There are a few items to review tonight; such as 19.20.070, the vesting provisions. The standards that talk about which codes a project needs to follow based on when the application was deemed complete.

Linda Martin asked what an Essential Public Facility (EPF) type 2 is.

Ms. Grage said they are facilities that support the local community. They are lesser in size and impact.

John Coleman stated that Type 1 EPF's are regional and provide services to more than one county. These include regional airports, state correctional facilities and state educational facilities. Type 2 EPF's are local facilities.

Mike Mills commented that the term family has been changed to the point that it has lost its usefulness.

Libby Grage clarified that state law says the city is not able to regulate the number of people that live together or their relation to one another. Whether the term is necessary is debatable, but it is interwoven in our Plan. She moved on to vesting. This was included from the 2021 Council docket. The only change proposed is to strike out the sentence that says site plans are not vested at the time the complete application is filed. Staff feels this caused confusion. The only types of applications under state law that vest to the current regulation at time of permit are land divisions. She moved on to concurrency. The change is driven by state law regarding concurrency and transportation levels of service. This addresses when the city must deny an application based on the transportation level of service dropping below the adopted minimum. Staff recommends adding a section that talks about application requirements for concurrency review. This addresses the impacts of the proposed development for all infrastructure. Staff is also adding language to address the cost of conducting the concurrency review and clarifying that is the applicants' responsibility. Mike Mills pointed out that the amount is open-ended. He wondered if the language should include "reasonable expenses".

Libby Grage pointed out that there would be a contract with the reviewer, so staff would have an idea of the costs that would be provided to the applicant. Staff does not think a cap should be called out. There is another change in concurrency to change sewer to wastewater. Staff included language from the state that prohibits the city from denying a project for causing a decline below the adopted levels of service for transportation facilities when impacts could be mitigated through active transportation improvements, such as sidewalks or bike lanes. The last update in this section clarifies the statement to let people know there is a concurrency review program. It also clarifies which departments will be involved in making those determinations.

Ms. Grage moved on to Division 4, Zoning and Land Use. This has been discussed quite a lot over the past year. The first one is childcare facilities in Industrial zones. There was a request from a property owner to

allow daycare facilities in the Industrial zone. We talked about the new state law that requires cities to permit outright childcare facilities in all zones, except for Industrial zones which would require a conditional use permit. Childcare within a business for its employees would be considered an accessory use in our development regulations. She pointed out that accessory uses are not listed in the table 19.41.050, so no change is needed because they are already allowed in these zones. She advised that this topic will come back to the Commission in 2027 because another component of state law is to allow childcare facilities in all residential zones.

Linda Martin referenced night lodging in the LM zone. She pointed out that is the only conditional use in all the zones.

Libby Grage agreed, but said she doesn't know the background for that. She said it is just the one section at the north end of the city. The majority of this zone is within the Shoreline jurisdiction, so we would need to check for consistency. She moved on to indoor recreation in the LM1 zone. There was a request from a property owner to change from prohibited to a permitted use in LM1 and Industrial zones.

Paul Ryan commented that some of these recreational activities are outside of normal business hours which decreases the potential for conflict in these zones.

Libby Grage said the indoor recreation uses category in code is extensive. Staff would like input from the Commissions on types of recreational uses that should be limited. Staff wants to avoid having the industrial uses overtake the purpose of the zone. The Industrial zone has frontage on Fidalgo Bay which may be more amenable to water-related development.

Linda Martin expressed concern that adult concessions are allowed in these zones.

Libby Grage clarified that there are additional development standards for adult concessions. These include separation from certain types of uses. She asked the Commissioners for feedback on what types of indoor recreation to include.

Luke Currier expressed concern at the scope of the allowed uses.

John Coleman said it's very common to have cross-fit gyms or dance studios in these areas. Those are in the indoor recreation use category already. There were some uses that staff was sure should not be allowed, such as a swimming pool.

Paul Ryan said we could eliminate the ones we already have in the city; such as the movie theater and swimming pool.

Mike Mills stated he wasn't prepared to comment on the individual types of uses. He mentioned that the zoning laws dictate what doesn't get built. He's inclined to have a very broad scope on what can be done and having conditional use permits for the ones that are possible but not guaranteed.

Luke Currier said there are some that make more sense. He agrees that some of these should be a conditional use permit (CUP).

Linda Martin likes making these conditional use permits because they don't fit the main reason for the zone. She would like more notification to the surrounding neighborhoods. She expressed concern that adult concessions are allowed in 4 places, while a gun range is only allowed in one.

John Coleman said staff will come back to the Commission with a recommendation. He's thinking about creating a category 1, permitted outright, and category 2, requires a CUP, list of uses.

Paul Ryan wondered if there should be a percent limit to these as well in order to preserve the intended use of the zone.

John Coleman said that could be hard to track.

Linda Martin suggested adding economic development as one of the criteria for sorting uses into the categories.

Will McCombs said we want to protect the purpose. We also want the flexibility to have those types of businesses move into the zone. There is a demand for some of these uses in Anacortes.

Libby Grage showed the Conditional Use Criteria. These have to be satisfied to issue a CUP. If a proposed use meets the criteria the permit needs to be approved. We are looking at the types of impacts we are trying to avoid and how they might be mitigated. Staff will bring more information back to the Planning Commission. She reference the permitted uses table to discuss heavy service and self-storage. This was a

request from a property owner to allow for these in the Industrial zone. Staff felt that type of use could be compatible with the Industrial zone. Staff recommends permitting this particular use. For self-service storage, staff recommends avoiding this use as it's not appropriate for the Industrial zone.

All of the Commissioners agreed.

Libby Grage moved on to the suggestion to change the MS zone to allow retail up to 6000 sq ft permitted outright. This ensures that if there is a proposal to replace the Marine Supply store that the aesthetic and character of that part of downtown is maintained. The setbacks in the MS zone is not consistent with current development. Staff has heard from citizens that they like what is currently there.

Linda Martin asked if this should have the same zoning as the Olson building.

Libby Grage said it could but staff has not discussed that with the property owner.

Luke Currier agreed that the character of the building needs to be maintained.

Libby Grage pointed out that these changes are essentially achieving the same thing as rezoning the Olson building.

Paul Ryan wonders if the proposed change to the MS zone is more of a broad stroke change that could be applied anywhere in the MS zone.

Libby Grage clarified that the proposal is for the ground floor abutting Commercial Ave south of Second St in the MS zone, so it's specific.

Luke Currier would like to maintain the look and the feel of the building.

Libby Grage clarified that the Olson building is proposed to be rezoned because we know the intended use. These code amendments are intended to maintain the character of that block if a re-development proposal were to be submitted. Currently, there are limits on the ground floor retail that require a CUP for 5000-25000 sq ft. This change would make retail a permitted use on the ground floor up to 6000 sq ft. This is consistent with the current development and would make redevelopment easier.

Linda Martin agreed with Commissioner Currier that the character needs to be preserved. She expressed concern that that proposal to change the Olson building zoning is because it's currently non-conforming. If we make the change to the MS zone, that would apply to the Olson building as well.

John Coleman said that's correct. He explained that there were other considerations that were unrelated to the block frontage changes. The intent of the "housing for all" money that the community passed was to use that property for affordable housing. Affordable housing is more difficult to fit into the MS zone. That is why the proposal is to change the zone to encourage affordable housing. There's no intent to encourage affordable housing in the Marine Supply building, so there is no need to change the zoning.

Luke Currier summarized that the update to the MS zone is to allow for retail opportunities and to preserve the building's character.

Libby Grage agreed. If they wanted to replace what's there with something new under the current regulations, they would need a CUP. This increases the amount of retail space that's allowed outright. She moved on to the specific use standards for residential uses, 19.43. This includes all of the different housing types and design standards. Currently, we have rooming houses in our code, but the changes to state law that talk about prohibiting related or unrelated individuals living together conflicts with our definition of rooming house. The new housing type we are required to include, co-housing, in the plan is very similar to the definition of a rooming house. The proposed change is to be consistent with state law. The city is required to allow co-housing in residential zones that allow for at least 6 multifamily units, which is why we are suggesting allowing them in R4 and RA zones. Rooming houses are currently a conditional use in R3, R3A and OT zones and allowed outright in the R4 and R4A zones. The guidance from the Department of Commerce said if a jurisdiction has a similar use type to co-living in a lower density area, it should be allowed to remain. That is why staff considered keeping both terms. She pointed out that the city does not regulate a homeowner who rents out rooms in their home.

Paul Ryan asked if staff is trying to get rid of the term "rooming house". He expressed concern that there may be things that fall into that category, especially under property codes. If that term is removed, he asked how the city would regulate it.

Libby Grage said she will do some additional research and bring a recommendation to the Commissioners.

Luke Currier pointed out that the idea was to keep rooming housing in those 3 areas and co-living in 2 zones.

Libby Grage agreed. Staff also wondered if there was a need to have that extra housing type.

Paul Ryan commented that in one property code definition, a rooming house can have up to 30 units.

Libby Grage clarified that there is no proposal for a maximum number of units.

John Coleman referenced 19.42.150 which are the setback modifications in the MS zone as that should have been discussed earlier with the Marine Supply discussion.

Libby Grage said that in the MS zone there is a minimum 10-foot setback. In order to allow for replacement of the Marine Supply building, the proposal is to allow for a zero setback allowance for sites with storefront block frontage designation. This is intended to maintain the character of that block.

Paul Ryan asked if there are design standards already in place to maintain the character.

Libby Grage clarified that there are more design standards in the CBD zone and fewer in the MS zone. The application of the storefront block frontage dictates building placement, pedestrian zone, window transparency requirements, etc.

Paul Ryan asked if those developments should fall under the retail design standards.

Luke Currier agreed if it maintains the look and purpose of that area.

Libby Grage said that application of the storefront block frontage standards to the design of the ground level part of the development as that is the most important part to maintain the feel of that area. Above the ground floor there are fewer design standards. Staff will bring more information to the Commissioners.

Mike Mills wondered if this was being triggered by the zoning change to the Olson building property.

Libby Grage said the intent of the change is to maintain the character of the area.

Luke Currier stated this accomplishes the goal. It's possible there's an alternate solution.

Libby Grage moved on to the parking in Division 6. The first one is related to guest parking. Staff recommends retaining for guest parking the current standards for middle housing because much of the city where this type of housing can be located does not have frequent or convenient transit service. The HAP proposal was to standardize the number of parking spaces for those middle housing types and possibly reduce them. Staff hasn't heard of people having trouble meeting those requirements because they are allowed to count on-street parking adjacent to the property. The recommendation is to keep this as is. The last one to review is 19.64.060 which is the section that talks about modifications to off-street parking requirements. The first proposed change is to clarify that none of the modifications allow waiver of the ADA parking space requirements. Another proposed change is to reorganize the section that talks about modifications in the CBD. The third is adding a provision that affordable housing in the CBD zone is exempt from minimum off-street parking requirements.

Linda Martin asked if this was a modification for the Olson building.

Libby Grage said it would apply to that building, but it would also help encourage more affordable housing development in the CBD zone because parking is an impediment to development and encouraging living downtown and walkability. The intent is more affordable units.

Linda Martin asked if this could be applied to the MS zone.

John Coleman said it could be added there; however, we don't allow housing in the MS zone.

Libby Grage pointed out that there are other ways to modify the parking requirements in many of the zones, including the MS zone. It would be based on a parking study submitted by the applicant.

Linda Martin commented that there are a lot of proposed changes for one property. She would like to better understand changing the zoning mid-block, modifying the parking regulations, etc. This comes across as we are modifying things to benefit one project.

Luke Currier reminded the Commissioners that this change would apply to several properties. If we want affordable housing downtown, this is the approach other communities have taken. Reducing parking requirements is a big part of making affordable and middle housing possible.

Libby Grage said there is another new requirement under state law that talks about how cities are allowed to regulate parking for residential uses. There are a variety of requirements in the code. It talks about minimum off-street parking spaces; requiring cities to allow for tandem parking configurations; cities can't require that

minimum parking be enclosed or not; there are requirements for continued use of gravel parking instead of requiring upgrades when redevelopment happens; cities are limited on the minimum dimensions of parking spaces for residential uses; and there's a provision for tree retention and it's relationship to parking requirements.

Mike Mills understands that the whole section is required. He said the argument could be made for minimizing impervious coverage due to climate impacts, etc. Number 4 gives the impression that everything needs to be paved with only 2 exceptions. He wondered if there is a way to encourage use of materials that achieve the state mandate and minimize the runoff.

Libby Grage clarified that the stormwater code requires developers to look at low-impact development solutions first and provide reasons why they are not feasible. She reviewed the topics that will be brought back to the Planning Commission.

Planning Department Update

John Coleman said that staff hopes that the Commission will be able to deliberate on the Comprehensive Plan next and make a recommendation to City Council. Staff would like to bring that forward ahead of the Development Regulations, so Council has additional time to review the Comprehensive Plan. He thanked the Commissioners for all the additional meetings that were attended to continue moving forward on this before the end-of-year deadline. He thanked Libby for all the hard work she's done.

He moved on to the Matrix review of the permit review process. They are giving a presentation to City Council on September 22nd. We will update our process to make a repeatable and transparent permit process.

Adjournment

Linda Martin adjourned the meeting at 8:37 p.m.