

ANACORTES PLANNING COMMISSION



January 10, 2018

Municipal Building Council Chambers

6th Street and "Q" Avenue

AGENDA

6 P.M.

[VIEW PACKET MATERIALS HERE](#)

1. **Roll Call**
2. **Minutes of December 13 and 20, 2017**
3. **Correspondence**
Appointment of Planning Commission Chair & Vice-Chair; Welcome new Planning Commissioners Ward MacKenzie and Jeffrey Graf
4. **Old Business**
Public Hearing: Affordable Housing Demonstration Program code amendment



**Planning Commission Meeting
Minutes for – December 13, 2017**

Chair Laumbattus called the meeting of December 13, 2017 to order at approximately 6 p.m.

Roll Call

Members Present: Commissioners Laumbattus, Mount, Cleland-McGrath, McNett, & Doll

Members Absent: Commissioners Moffitt & Oppel

Minutes

Minutes of November 29, 2017 approved as read.

Correspondence

None

New Business

Allen Family Investments, 1211 & 1213 H Ave, Triplex Conditional Use Permit (CUP)

Kevin Cricchio, Associate Planner, AICP, presented the CUP to allow the addition of one dwelling unit on a single lot with two existing dwelling units.

Brian Allen, Allen Family Investments, provided additional information on the project and addressed concerns from the Neighborhood Meeting.

Commissioner Doll questioned the recent boundary line adjustment (BLA) on this and the neighboring lot. Don Measamer, Planning Director, stated that the BLA was approved and no appeals were received.

Marilyn Wells Derig, 1302 K Avenue. Ms. Derig expressed concern with AMC 17.34.050 and the use of the alley to access homes. A physical copy was provided for the record.

John Prosser, 3912 Michigan Avenue. Mr. Prosser supports the project.

George Bourque, 1709 12th Street. Mr. Bourque supports the project.

Apryl Cuvelier, 1214 I Avenue. Ms. Cuvelier supports the project.

Donna Davison, 4506 Cutter Drive. Ms. Davison supports the project.

Commissioner Cleland-McGrath questioned the access to the neighboring lot. Mr. Cricchio clarified there is an access/parking easement to allow both lots to use the parking area.

Commissioner Doll requested a site visit. The meeting was continued to December 20, 2017 at 6 p.m., with a site visit at 3 p.m.

Chair Laumbattus called the meeting to a close at approximately 6:50 p.m.



**Planning Commission Meeting
Minutes for – December 20, 2017**

Chair Laumbattus called the meeting of December 20, 2017 to order at approximately 6 p.m.

Site Visit

A site visit meeting was called to order at approximately 3 p.m.

Members Present: Commissioners Laumbattus, Doll, and McNett

The site visit meeting closed at approximately 3:20 p.m. No testimony was taken.

Roll Call

Members Present: Commissioners Laumbattus, McNett, Moffitt, & Doll

Members Absent: Commissioners Oppel, Mount, Cleland-McGrath

Minutes

None

Correspondence

An Award of Excellence was provided to Chair Laumbattus for 14 years of volunteer service on the Planning Commission

Old Business

Allen Family Investments, 1211 & 1213 H Ave, Triplex Conditional Use Permit (CUP)

Kevin Cricchio, Associate Planner, AICP, provided a recap of the CUP.

Commissioner Moffitt was absent from the previous hearing on this project, but stated she had sufficient preparation to participate.

With no public comments, the public hearing closed.

Commissioner McNett made a motion to recommend approval of the Conditional Use Permit to City Council with staff suggested conditions. Commissioner Doll seconded. The vote was unanimous.

Chair Laumbattus called the meeting to a close at approximately 6:15 p.m.



Planning Commission Agenda Bill

Meeting Date: 1/10/2018 **Agenda Item:**

Subject: Draft Affordable Housing Demonstration Program code amendment – Public Hearing

Staff Contact: Libby Grage, Planning Manager

Approved for Submittal to Council by	
	Laurie Gere, Mayor
x	Don Measamer, PCED Director

Action Type	
	Ordinance No. 3017
	Resolution No.
x	Public Hearing
x	Possible Action
	Staff Report
	Discussion

Summary Statement: A public hearing has been advertised for this evening, January 10, 2018, to take public comment regarding the proposed draft regulations relating to establishment of an Affordable Housing Demonstration Program. The draft has been revised based on feedback from members of the public and the Planning Commission. The revised version is attached and dated December 13, 2017.

Summarized feedback received to date includes:

- The area subject to the new relaxed regulations should be more narrowly defined
- The area subject to the new relaxed regulations should be larger
- Language binding the owners of real property and the applicant should be added
- Consider increasing income limit to 80% or below AMI

[AMC 19.16.080](#) outlines the Planning Commission's review procedures for legislative actions, including a public hearing, deliberations and required considerations, and required elements of the recommendation to City Council. Staff has prepared a draft recorded motion for Planning Commission review and consideration (attached).

Background: The draft regulations were introduced to the Planning Commission (PC) and informal public comment taken at the December 13, 2017 PC meeting. A SEPA DNS for the legislative action was issued on December 20, 2017. A notice of public hearing and DNS was posted and published as required by city code. A notice of intent to adopt amendments was provided to the WA State Department of Commerce on December 18, 2017 and expedited review completed on January 3, 2018.

Previous PC Action: None.

Competing Viewpoints Considered: The purpose of tonight's meeting is to take formal public comment.

Recommended Motion: If the public hearing is closed and the Planning Commission completes its deliberations, the recommended motion is as follows: **"I move that the Planning Commission**

recommend approval to the Anacortes City Council of Ordinance 3017 establishing the affordable housing demonstration program, and to direct staff to finalize the Planning Commission's recorded motion for signature by the Chair".

Attachments (listed in order presented):

Revised Draft Ordinance 3017, dated 12/13/17
DNS & SEPA checklist
Written public comments received as of 1/3/18
Draft PC recorded motion

DRAFT

Ordinance No. 3017

An Ordinance Establishing Chapter 19.46, Affordable Housing Demonstration Program and Amending AMC Table 19.20.030-1, Review Classification and Process Matrix.

Whereas, in accordance with the Ch. 36.70A RCW Washington State Growth Management Act, Ch. 43.185b RCW Housing Policy Act, and Ch. 35.83 RCW Housing Cooperation Law, the City Council finds that it is in the public interest to facilitate and aid in the development of affordable housing;

Whereas, the City of Anacortes Comprehensive Plan and Affordable Housing Strategic Plan support the development of zoning incentives, including flexibility in regulations, to help meet housing diversity and affordability goals;

Whereas, according to 2010-2014 HUD data, Anacortes has a mismatch between existing housing supply and the needs of Anacortes households, with 37% of households earning less than half the area median income, but only 24% of the housing stock being affordable to these households;

Whereas, the City is currently in the process of comprehensively updating its development regulations and zoning, including establishing residential bonus incentives in many residential and mixed use zones on a city-wide basis, but the update is not anticipated to be completed until mid-2018;

Whereas, the City Council desires to establish a program to incentivize and allow construction of affordable rental housing units on an expedited basis, prior to adoption of the city-wide amendments;

Whereas, on _____, the City provided 60-day notice of intent to adopt these development regulations to the Department of Commerce;

Whereas, on _____, the Planning Commission held a public hearing on the proposal;

Whereas, on _____, the City Council deliberated on the proposal;

Now, therefore, the City Council of the City of Anacortes does ordain as follows:

Section 1. The Anacortes Municipal Code is amended as shown in Attachment A.

Section 2. This ordinance takes effect five days after publication.

PASSED and APPROVED this ____ day of _____, 2018.

CITY OF ANACORTES:

Laurie Gere, Mayor

Attest:

Steve Hoglund, City Clerk-Treasurer

Approved as to Form:

Darcy Swetnam, City Attorney

New Chapter 19.46

AFFORDABLE HOUSING DEMONSTRATION PROGRAM

Draft December 13, 2017 –

Strike through / underline indicates proposed changes from 11/20/17 Draft.

Sections:

- 19.46.010 Purpose.
- 19.46.020 Applicability.
- 19.46.030 Flexibility to certain zoning, design, and regulatory standards.
- 19.46.040 Design standards.
- 19.46.050 Affordable housing requirements.
- 19.46.060 Review procedures.

19.46.010 Purpose.

The purpose of this chapter is to:

- A. Facilitate, for a specified trial period, the construction of affordable rental housing by applicants ~~organizations~~ that can demonstrate an ability to finance, manage, and monitor affordable renter-occupied housing units to assure permanent affordability, in accordance with the directives of the Growth Management Act, Housing Policy Act, and the city's comprehensive plan.
- B. Provide flexibility in certain development regulations in exchange for provision of affordable housing.
- ~~B-C.~~ Promote thoughtful layout of buildings, parking areas, and circulation, service, landscaping and amenity elements that enhance Anacortes's visual character, promote compatibility between developments and uses, and enhances the function of developments.
- ~~C-D.~~ **Program term.** The program described in this Chapter will ~~be in effect for expire~~ –one year from the effective date of the adopting ordinance.

19.46.020 Applicability

This program applies to development of affordable rental housing units, by ~~an organization~~ applicants meeting the qualifications within this Chapter, on properties located in the R4A zone within the area bounded by 22nd and 29th Streets, and M and Commercial Avenues.

19.46.030 Flexibility in certain zoning, design and regulatory standards.

- A. Project applicants who wish to participate in this program must demonstrate compliance with both the site and building design standards described in Section 19.46.040 below and the affordable housing requirements described in Section 19.46.050 below.

- B. Those projects that comply with Sections 19.46.040 and 19.46.050 are project eligible and qualify for the following zoning and project design standards relief options:
1. Density maximum. Projects are exempt from maximum density standards set forth in AMC 17.30.020.
 2. Minimum lot size. Projects are exempt from the minimum lot size set forth in AMC 17.28.050.
 3. Minimum setbacks. Projects may reduce the minimum rear setback to 10 feet and minimum interior side setbacks to 5 feet, or 10 feet on a side lot line adjacent to a street.
 4. Maximum building height. The maximum building height is increased to 50 feet.
 5. Parking requirements. A minimum of one off-street parking space is required per dwelling unit. Alternatively, a study of anticipated parking demand, prepared by a professional engineer with expertise in traffic and parking analysis, or an equally qualified individual authorized by the Director, may be submitted by the applicant and used as the basis for establishing the parking requirement.
 6. Exemption from Fees. A project applicant may request a waiver or exemption from the requirement to pay the following fees:
 - a. Impact fees for traffic, parks, and fire services.
 - b. Permit application fees.
 - c. General facilities charges for sewer, water, and stormwater per AMC Title 13.

19.46.040 Site and building design standards.

The following site and building design standards apply to projects developed under these provisions:

- A. Block frontage standards. The following standards apply to the street facing façade and the portion of the lot that fronts onto the street.
1. Building entries. At least one building entry must be visible and accessible from the sidewalk.
 2. Façade transparency. Transparent window area must be provided along at least 15 percent of the facade of the building.
 3. Weather protection. Weather protection at least five feet deep must be provided over the primary entrance of the building (for common entrances) and at least three feet deep over any private building entries that front onto the street.
 4. Parking location. Off-street parking must be located to the side or rear of buildings. For multi-building developments, no more than 50 percent of the street frontage can be occupied by off-street parking and driveways.
 5. Landscaping. All areas between the sidewalk and the building must be landscaped, except for walkways, porches, decks, and hardscape plazas.
- B. ~~On-site~~ Open space.
1. Developments must provide minimum usable open space equal to 100 square feet per dwelling unit for studio and one-bedroom dwellings and 150 square feet per dwelling unit

Commented [LBG1]: Leaving this in for now, but probably better addressed in Chapters for the applicable fees.

for dwellings with two or more bedrooms. The required open space may be provided in a combination of ways:

- a. Shared open space. All of the required open space may be in the form of shared open space available to all residents and meeting the requirements of subsection B.2 below.
 - b. Ground level individual outdoor space. All of the required open space may be provided by ground level outdoor space that is adjacent and directly accessible to the subject unit. Such open spaces must be enclosed by a fence and/or hedge at least 32 inches in height to qualify. Ground level individual outdoor open space in excess of the minimum required area must not be used in the calculations for determining the minimum usable open space requirements for other units in the development.
 - c. Balconies. Up to 50 percent of the required open space may be provided by private balconies provided they are at least 36 square feet, with no dimension less than six feet. Balconies in excess of the minimum required area must not be used in the calculations for determining the minimum usable open space requirements for other units in the development.
 - d. Shared roof decks. Up to 50 percent of the required open space may be provided by shared roof decks located on the top of buildings. Shared roof decks must be available to all residents and meet the following requirements:
 - i. Space must feature hard surfacing, provide amenities such as seating areas, landscaping, and/or other features that encourage use.
 - ii. Space must integrate landscaping elements that enhance the character of the space and encourage its use.
 - iii. Space must incorporate features that provide for the safety of residents, such as enclosures, railings, and appropriate lighting levels.
2. Shared open space. Shared open space can include landscaped courtyards or decks, entrance plazas, gardens with pathways, children's play areas, pools, and water features provided they are accessible to all residents of the development. Accessible areas used for storm water retention or other multipurpose recreational and/or green spaces that meet the design criteria herein may qualify as shared open space.
- a. Shared open space must be located in centralized areas that are accessible to all residents of the development.
 - b. Required setback areas must not count as shared open space unless the design of the space meets the standards herein.
 - c. Shared open space must feature no dimension less than 15 feet in order to provide functional leisure or recreational activity.
 - d. Shared open space must feature paths or walkable lawns, landscaping, seating, lighting, and play structures, sports courts, or other pedestrian amenities to make the area more functional and enjoyable for a range of users.
 - e. Shared open space must be separated from ground level windows, streets, service areas and parking lots with ~~v~~ia-landscaping, fencing, and/or other acceptable treatments that enhance safety and privacy for both the shared open space and dwelling units.

e.f. The Director may allow departures to shared open space requirements provided the applicant demonstrates that the alternative design provides functional gathering space with amenities serving a range of potential residents.

C. Service areas and mechanical equipment.

1. Service areas (loading docks, trash dumpsters, compactors, recycling areas, electrical panels, and mechanical equipment areas) must be located for convenient service access while avoiding negative visual, auditory, olfactory, or physical impacts on the streetscape environment and adjacent residentially zoned properties. Service areas must be sited for alley access if available.
2. Service areas must not be visible from the sidewalk and adjacent properties. Where the Director finds that the only option for locating a service area is an area visible from a public right-of-way, internal pathway or pedestrian area, or from an adjacent property, the area must be screened with structural and or landscaping screening measures. Service elements accessible from an alley are exempt from screening requirements.
3. Utility meters, electrical conduit, and other service utility apparatus. These elements must be located and/or designed to minimize their visibility to the public. If such elements are mounted in a location visible from the street, pedestrian pathway, shared open space, or shared auto courtyards, they must be screened with vegetation and/or integrated into the building's architecture.
4. Roof mounted mechanical equipment.
 - a. All rooftop mechanical equipment, including air conditioners, heaters, vents, and similar equipment must be fully screened from public view both at grade and from higher buildings with the exception of solar panels and roof-mounted wind turbines. Screening must be located so as not to interfere with operation of the equipment.
 - b. Locate and/or shield noise producing mechanical equipment such as fans, heat pumps, etc. to minimize sounds and reduce impacts to not at property lines adjacent properties.

D. Façade articulation.

1. Residential buildings must include articulation features at intervals that relate to the location/size of individual units within the building (or no more than every 30 feet) to break up the massing of the building and add visual interest and compatibility to the surrounding context. At least three of the following features must be employed at intervals no greater than the unit interval or 30 feet (whichever is less):
 - a. Use of windows and/or entries.
 - b. Change in roofline.
 - c. Change in building material, siding style, and/or window pattern.
 - d. Providing vertical building modulation of at least 12 inches in depth if tied to a change in roofline modulation or a change in building material, siding style, or color. Balconies may be used to qualify for this option if they are recessed or projected from the façade by at least 18 inches.
 - e. Vertical elements such as a trellis with plants, green wall, art element.

- f. Other design techniques that effectively break up the massing at no more than 30-foot intervals.

19.46.050 Affordable housing requirements.

Projects developed under this chapter must comply with the following requirements:

A. **Income limit.** All rental units developed under this chapter must be affordable to and occupied by households with an income of 50 percent or less of the area median income (determined by HUD) as adjusted by family size for Skagit County. "Affordable" means that the total housing costs, including basic utilities as determined by the City, must not exceed 30 percent of the household income.

~~B. **Affordability.** For purposes of this Chapter, "affordable" means that the total housing costs, including basic utilities as determined by the City, may not exceed 30 percent of the income limit stated in 19.46.050(A)(1) above.~~

~~C. **Duration.** Rental units must serve only income-eligible households for a minimum period of 50 years from the date of the certificate of occupancy.~~

C. Affordability agreement.

1. Prior to building permit issuance, An affordable housing agreement in a form approved by the Director and City Attorney must be recorded with the Skagit County Auditor's office as a covenant running with the land and binding on the applicant, assigns, heirs and successors.

2. The agreement must address the level and duration of affordability, tenant qualifications, reporting, monitoring, and any other topics related to the provision of the affordable housing units.

3. The City may, at its sole discretion, establish a monitoring fee for the affordable units to cover the costs to the City to review and process documents to maintain compliance with income and affordable restrictions of the agreement.

~~a. in form and substance acceptable to the City must be executed providing level and duration of affordability, tenant qualifications, reporting, monitoring, and other applicable topics. The agreement must be recorded with the Skagit County Auditor's Office in the chain of title for the property. The agreement must be in effect at the time applications for building permits are submitted or as otherwise agreed upon between the City and the applicant.~~

~~D. **Monitoring.** The City reserves the right to establish in the affordability agreement referred to in subsection C of this section, a program for monitoring compliance with the requirements of this section and monitoring fees for the affordable housing units, which can be adjusted over time to account for inflation. The purpose of any monitoring fee is for the review and processing of documents to maintain compliance with income and affordability restrictions of the affordability agreement.~~

~~E. **D. Project applicant qualifications.** Applicants must meet the following requirements to qualify under this Chapter:~~

1. The ~~organization-applicant~~ is a properly organized nonprofit organized and operating with the charitable purpose of creating and retaining income qualified rental housing, or a housing authority organized under RCW 35.82.
2. The ~~organization-applicant~~ can demonstrate experience in providing affordable housing. Notwithstanding this requirement, an ~~organization-applicant~~ that can demonstrate experience in providing housing and a mission statement of its intent to use that experience toward achieving the goal of providing permanently affordable housing ~~shall-may~~ be deemed to have met this requirement.
3. The ~~organization-applicant~~ can demonstrate the ability to employ a mechanism to retain all of the units as affordable for a minimum 50-year period for applicable income levels.
4. The ~~organization-applicant~~ can demonstrate an ability and commitment to submit an annual report to the city documenting the status of all residential units.

17.76.06019.46.040 Review Procedures.

Applications under this chapter follow the procedures in AMC Chapter 19.20.

Chapter 19.20 Application Procedures

Table 19.20.030 Types of review is amended as follows:

Table 19.20.030-1 Table Review Classification and Process Matrix

Types of Review	Type 1 Administrative Ministerial Actions	Type 2 Administrative Decisions	Type 3-HE Hearing Examiner Decisions	Type 3-PC Planning Commission Decisions	Type 4 City Council Decisions
Types of Applications	• Accessory dwelling units • Building, mechanical, and plumbing permits • Clearing and grading permits • Extension of time for approval • Shoreline exemptions	• Administrative conditional use permits, including home occupation permits • <u>Affordable Housing Demonstration Program Projects</u> • Binding site plans	• Special use permits for towers or antennas • Level 2 variances	• Shoreline Substantial Development Permits (SSDP) for projects valued less than one million dollars on site less than three acres • Shoreline Conditional Use	• Conditional use permits, except administrative CUPs • Essential Public Facilities, type 1 and 2 • Manufactured home subdivisions • Preliminary long subdivisions

Types of Review	Type 1 Administrative Ministerial Actions	Type 2 Administrative Decisions	Type 3-HE Hearing Examiner Decisions	Type 3-PC Planning Commission Decisions	Type 4 City Council Decisions
	• Minor permit revisions • Wireless Telecommunication uses in AMC 17.63.060	• Boundary line adjustments • Level 1 variances • Preliminary short subdivisions • SEPA threshold determinations • Stormwater Management Manual adjustments and exceptions		- and Variance Permits • Special use and reasonable use permits per AMC Chapter 17.70 • Any other applications identified as "conditional uses" in AMC Title 17	• Modifications & exceptions per AMC Chapter 16.24 • Site-specific rezones authorized by the comprehensive plan • Shoreline Substantial Development Permits (SSDP) for projects valued at one million dollars or more or on site of three acres or more
Pre-Application Conference	At discretion of Director	At discretion of Director	Yes	Yes	Yes
Pre-Application Neighborhood Meeting	No	No, except for short subdivisions at discretion of Director	Yes	Yes	Yes
Notice of Application	No	Yes	Yes	Yes	Yes
Comment Period	None	14 days	21 days	21 days (30 for shoreline permits)	21 days (30 for shoreline permits)

Types of Review	Type 1 Administrative Ministerial Actions	Type 2 Administrative Decisions	Type 3-HE Hearing Examiner Decisions	Type 3-PC Planning Commission Decisions	Type 4 City Council Decisions
Recommendation By	None	None	Director	Director	Planning Commission
Pre-Decision Open-Record Public Hearing	No	No	Yes, before Hearing Examiner	Yes, before Planning Commission	Yes, before Planning Commission
Closed-Record Decision Hearing	No	No	No	No	Yes, before City Council
Decision By	Director	Director	Hearing Examiner	Planning Commission	City Council
Notice of Decision	No	Yes	Yes	Yes	Yes
Local Appeal Available To	Hearing Examiner	Hearing Examiner	City Council	City Council	None
Appeal Hearing Type	Open-record	Open-record	Closed-record	Closed-record	N/A



Determination of Non-Significance

Description of Non-Project Action Proposal: The proposal is a non-project legislative action to amend the Anacortes Municipal Code (AMC) to add new regulations to encourage development of affordable housing within a portion of the R4A zone. The proposal allows flexibility in certain development regulations, including increasing the maximum building height to 50-feet, reducing certain setback requirements, reducing parking requirements, and eliminating the maximum density limit for projects that provide affordable housing. Site and building design standards, project applicant qualifications, affordability level and duration, and review procedures are also included.

Proponent: City of Anacortes

Location of Proposal: R4A designated area between Commercial Ave., M Ave., 22nd St. and 29th St.

Lead Agency: City of Anacortes - Department of Planning, Community, & Economic Development

Threshold Determination: The lead agency has determined that this non-project proposal does not have a probable significant adverse impact on the environment. An environmental impact statement (EIS) is not required under RCW 43.21C.030(2)(c). This decision was made after review of a completed environmental checklist and other information on file with the lead agency. This information is available to the public upon request.

This DNS is issued under WAC 197-11-340(2); the City of Anacortes will not act on this proposal for 14 days from the date of this notice. **Written comments on this threshold determination must be submitted by 5:00 p.m. January 3, 2018** to the contact person listed below. The issuance of this DNS does not constitute project approval.

No administrative appeal process is available for this DNS on this legislative action. Appeals may be filed with the Growth Management Hearings Board following final City Council action on the proposed amendment, based on written comments submitted on the DNS by the deadline noted above.

Public Hearing: A public hearing is scheduled before the Planning Commission on **January 10, 2018 at 6 p.m.**

To View Documents: Documents associated with the proposal can be viewed on the City of Anacortes Planning Department website, at: <https://www.anacorteswa.gov/198/Anacortes-Municipal-Code-Updates> (click on "Affordable Housing Demonstration Program"), or may be reviewed at City of Anacortes Planning Department, 904 6th Street, Anacortes, WA 98221 during regular business hours.

Contact Person: Libby Grage, Planning Manager - PCED, P.O. Box 547, Anacortes, WA 98221; libbyb@cityofanacortes.org; 360-299-1986

SEPA Responsible Official: Don Measamer, Director, Planning, Community & Economic Development

Signature:

Date of Issuance: December 20, 2017



SEPA ENVIRONMENTAL CHECKLIST

A. BACKGROUND [\[help\]](#)

1. Name of proposed project, if applicable: [\[help\]](#)
City of Anacortes Affordable Housing Demonstration Program Code Amendment
2. Name of applicant: [\[help\]](#)
City of Anacortes Planning, Community, & Economic Development Department
3. Address and phone number of applicant and contact person: [\[help\]](#)
City of Anacortes Planning, Community, & Economic Development Department
Libby Grage, Planning Manager
P.O. Box 547
Anacortes, WA 98221
360-299-1986
Libbyb@cityofanacortes.org
4. Date checklist prepared: [\[help\]](#)
December 14, 2017
5. Agency requesting checklist: [\[help\]](#)
City of Anacortes
6. Proposed timing or schedule (including phasing, if applicable): [\[help\]](#)
Planning Commission Public Hearing – January 10, 2018
City Council Adoption – February/March, 2018
7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain. [\[help\]](#)
Future amendments to the Anacortes Municipal Code development regulations, including the addition of bonus incentives for projects providing affordable housing units within various zones throughout the city, are anticipated to be adopted in 2018.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal. [\[help\]](#)

SEPA analyses was completed for the periodic update to the Anacortes Comprehensive Plan in 2016. This proposed amendment implements various Comprehensive Plan affordable housing policies within the Comprehensive Plan. Documents are available for review upon request.

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain. [\[help\]](#)

The City is currently in the process of updating its zoning, development regulations and design standards, which would impact properties also covered by this non-project action proposal.

10. List any government approvals or permits that will be needed for your proposal, if known. [\[help\]](#)

The proposed amendment will be adopted by the City Council by ordinance through the legislative process. Future development applications that utilize the amended regulations would be reviewed and approved through issuance of various permits and approvals as required.

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.) [\[help\]](#)

The proposal is a nonproject legislative action to amend the Anacortes Municipal Code to add new regulations encouraging development of affordable housing. The proposal allows flexibility in certain development regulations, including an increase in building height, reductions in certain setbacks and parking, and elimination of the minimum lot size and maximum density limit in exchange for development of affordable rental housing units. Site and building design standards, project qualifications and review procedures are also established in the proposal.

The complete text of the proposed amendments and the associated staff report are available for review at the Planning, Community, and Economic Development Department and posted on the Planning Division's website at <https://www.anacorteswa.gov/161/Planning-Community-Economic-Development>.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you

are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist. [\[help\]](#)

The proposal would be applicable to a limited area including properties that are designated R4A within the area generally bounded by Commercial Ave., 22nd St., M Ave. and 28th St. A map depicting the proposed boundaries is attached.

Section 24, Township 35, Range 01 and Section 19, Township 35, Range 02

B. ENVIRONMENTAL ELEMENTS [\[help\]](#)

1. Earth

a. General description of the site [\[help\]](#)

(circle one): Flat, rolling, hilly, steep slopes, mountainous,
other _____

The area affected by the proposed amendment is primarily flat with a gentle slope to the northeast.

b. What is the steepest slope on the site (approximate percent slope)? [\[help\]](#)

The area affected by the proposed amendment includes maximum slopes of approximately 5-6%.

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any agricultural land of long-term commercial significance and whether the proposal results in removing any of these soils. [\[help\]](#)

Bow-Urban land complex, 0 to 8% slopes.

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe. [\[help\]](#)

None known.

e. Describe the purpose, type, total area, and approximate quantities and total affected area of any filling, excavation, and grading proposed. Indicate source of fill. [\[help\]](#)

Does not apply. The proposal is a non-project action and no filling, excavating, grading, etc. will occur as part of the amendment.

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no clearing or construction is related to the proposed changes.

g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no impervious surface is created.

- h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any: [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

2. Air

- a. What types of emissions to the air would result from the proposal during construction, operation, and maintenance when the project is completed? If any, generally describe and give approximate quantities if known. [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.
- b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe. [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations.
- c. Proposed measures to reduce or control emissions or other impacts to air, if any: [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations.

3. Water

- a. Surface Water: [\[help\]](#)
- 1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into. [\[help\]](#)
The nearest open surface water bodies are Ace of Hearts Creek and Beaverbrook approximately 1,500 feet to the southwest and west, respectively. Fidalgo Bay is located approximately 2,000 feet to the east.
 - 2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans. [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.
 - 3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material. [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.
 - 4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

- 5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.

[\[help\]](#)

The area affected by the proposed amendment is not located within the 100-year floodplain.

- 6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

b. Ground Water:

- 1) Will groundwater be withdrawn from a well for drinking water or other purposes? If so, give a general description of the well, proposed uses and approximate quantities withdrawn from the well. Will water be discharged to groundwater? Give general description, purpose, and approximate quantities if known. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

- 2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals. . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

c. Water runoff (including stormwater):

- 1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

- 2) Could waste materials enter ground or surface waters? If so, generally describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

- 3) Does the proposal alter or otherwise affect drainage patterns in the vicinity of the site? If so, describe.

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

d. Proposed measures to reduce or control surface, ground, and runoff water, and drainage pattern impacts, if any:

Does not apply. The proposal is a non-project action to amend the development regulations and no construction-related activities are proposed.

4. Plants [\[help\]](#)

a. Check the types of vegetation found on the site: [\[help\]](#)

☒ deciduous tree: alder, maple, aspen, other

☒ evergreen tree: fir, cedar, pine, other

☒ shrubs

☒ grass

☐ pasture

☐ crop or grain

☐ Orchards, vineyards or other permanent crops.

☐ wet soil plants: cattail, buttercup, bullrush, skunk cabbage, other

☐ water plants: water lily, eelgrass, milfoil, other

☐ other types of vegetation

b. What kind and amount of vegetation will be removed or altered? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no vegetation removal activities are proposed.

c. List threatened and endangered species known to be on or near the site. [\[help\]](#)

None known.

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations and no vegetation removal activities are proposed.

e. List all noxious weeds and invasive species known to be on or near the site.

None known.

5. Animals

a. List any birds and other animals which have been observed on or near the site or are known to be on or near the site. Examples include: [\[help\]](#)

birds: **hawk**, heron, **eagle**, **songbirds**, other:

mammals: deer, bear, elk, beaver, other:

fish: bass, salmon, trout, herring, shellfish, other _____

- b. List any threatened and endangered species known to be on or near the site. [\[help\]](#)

None known.

- c. Is the site part of a migration route? If so, explain. [\[help\]](#)

Pacific flyway.

- d. Proposed measures to preserve or enhance wildlife, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- e. List any invasive animal species known to be on or near the site.

None known.

6. Energy and natural resources

- a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

7. Environmental health

- a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste, that could occur as a result of this proposal? If so, describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- 1) Describe any known or possible contamination at the site from present or past uses.

None known. There are various facilities within the proposed boundary of the area affected by the amendment that may store or handle hazardous materials, including Island Hospital and vehicle repair shops.

- 2) Describe existing hazardous chemicals/conditions that might affect project development and design. This includes underground hazardous liquid and gas transmission pipelines located within the project area and in the vicinity.

None known.

- 3) Describe any toxic or hazardous chemicals that might be stored, used, or produced

during the project's development or construction, or at any time during the operating life of the project.

Does not apply. The proposal is a non-project action to amend the development regulations.

- 4) Describe special emergency services that might be required.

Does not apply. The proposal is a non-project action to amend the development regulations.

- 5) Proposed measures to reduce or control environmental health hazards, if any:

Does not apply. The proposal is a non-project action to amend the development regulations.

b. Noise

- 1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)? [\[help\]](#)

Various potential sources of noise exist within the area including traffic associated with arterial and local access roads, and general operation of commercial and healthcare activities in the vicinity.

- 2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- 3) Proposed measures to reduce or control noise impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

8. Land and shoreline use

- a. What is the current use of the site and adjacent properties? Will the proposal affect current land uses on nearby or adjacent properties? If so, describe. [\[help\]](#)

Current land uses within the area include Island Hospital and various medical clinics, single and multifamily residences, offices, and other general commercial uses.

- b. Has the project site been used as working farmlands or working forest lands? If so, describe. How much agricultural or forest land of long-term commercial significance will be converted to other uses as a result of the proposal, if any? If resource lands have not been designated, how many acres in farmland or forest land tax status will be converted to nonfarm or nonforest use? [\[help\]](#)

No.

- 1) Will the proposal affect or be affected by surrounding working farm or forest land normal business operations, such as oversize equipment access, the application of pesticides, tilling, and harvesting? If so, how:

No.

- c. Describe any structures on the site. [\[help\]](#)

The area affected by the amendment includes various commercial and residential structures.

- d. Will any structures be demolished? If so, what? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- e. What is the current zoning classification of the site? [\[help\]](#)

R4A

- f. What is the current comprehensive plan designation of the site? [\[help\]](#)

Residential High Density

- g. If applicable, what is the current shoreline master program designation of the site? [\[help\]](#)

n/a

- h. Has any part of the site been classified as a critical area by the city or county? If so, specify. [\[help\]](#)

No

- i. Approximately how many people would reside or work in the completed project? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- j. Approximately how many people would the completed project displace? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- k. Proposed measures to avoid or reduce displacement impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- l. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- m. Proposed measures to ensure the proposal is compatible with nearby agricultural and forest lands of long-term commercial significance, if any:

Does not apply. The proposal is a non-project action to amend the development regulations.

9. Housing

- a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing. [\[help\]](#)

The purpose of the proposed amendment is to provide incentives for the development of rental housing units that are affordable to households with an income of 50% or less of the Area Median Income for Skagit County.

- b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- c. Proposed measures to reduce or control housing impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

10. Aesthetics

- a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed? [\[help\]](#)

The proposal increases the maximum height limit within the demonstration program area from 35' to 50'. Projects developed under the proposed regulations would have to comply with applicable site and building design standards.

- b. What views in the immediate vicinity would be altered or obstructed? [\[help\]](#)

Views toward Fidalgo Bay may be altered as a result of taller buildings constructed under the proposed amendments.

- c. Proposed measures to reduce or control aesthetic impacts, if any: [\[help\]](#)

The proposal includes new site and building design standards to mitigate the impacts of increased height and bulk allowances for qualifying projects.

11. Light and glare

- a. What type of light or glare will the proposal produce? What time of day would it mainly occur? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- b. Could light or glare from the finished project be a safety hazard or interfere with views? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- c. What existing off-site sources of light or glare may affect your proposal? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- d. Proposed measures to reduce or control light and glare impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

12. Recreation

- a. What designated and informal recreational opportunities are in the immediate vicinity? [\[help\]](#)

Storvik Park is located directly to the south across 29th St. and Anacortes Middle School and associated recreational facilities are located nearby to the west.

- b. Would the proposed project displace any existing recreational uses? If so, describe. [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations.

- c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any: [\[help\]](#)
Does not apply. The proposal is a non-project action to amend the development regulations. The proposal does include minimum open space requirements to ensure usable space for new residents.

13. Historic and cultural preservation

- a. Are there any buildings, structures, or sites, located on or near the site that are over 45 years old listed in or eligible for listing in national, state, or local preservation registers located on or near the site? If so, specifically describe. [\[help\]](#)
The demonstration program area includes multiple properties. According to WISAARD, the only building within the proposed boundary eligible for listing is Anacortes Armory at 2219 M Ave.

- b. Are there any landmarks, features, or other evidence of Indian or historic use or occupation? This may include human burials or old cemeteries. Are there any material evidence, artifacts, or areas of cultural importance on or near the site? Please list any professional studies conducted at the site to identify such resources. [\[help\]](#)
None known.

- c. Describe the methods used to assess the potential impacts to cultural and historic resources on or near the project site. Examples include consultation with tribes and the department of archeology and historic preservation, archaeological surveys, historic maps, GIS data, etc. [\[help\]](#)
Washington Information System for Architectural and Archaeological Records Data was reviewed, GIS data.

- d. Proposed measures to avoid, minimize, or compensate for loss, changes to, and disturbance to resources. Please include plans for the above and any permits that may be required.
Does not apply. The proposal is a non-project action to amend the development regulations.

14. Transportation

- a. Identify public streets and highways serving the site or affected geographic area and describe proposed access to the existing street system. Show on site plans, if any. [\[help\]](#)
The proposed program area is roughly bounded by Commercial Avenue to the east, 22nd Street to the north, M Avenue to the west, and 29th Street to the south.
- b. Is the site or affected geographic area currently served by public transit? If so, generally describe. If not, what is the approximate distance to the nearest transit stop? [\[help\]](#)

The area is served by Skagit Transit with transit stops located along Commercial Avenue, M Avenue, and at Island Hospital.

- c. How many additional parking spaces would the completed project or non-project proposal have? How many would the project or proposal eliminate? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- d. Will the proposal require any new or improvements to existing roads, streets, pedestrian, bicycle or state transportation facilities, not including driveways? If so, generally describe (indicate whether public or private). [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- e. Will the project or proposal use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- f. How many vehicular trips per day would be generated by the completed project or proposal? If known, indicate when peak volumes would occur and what percentage of the volume would be trucks (such as commercial and nonpassenger vehicles). What data or transportation models were used to make these estimates? [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- g. Will the proposal interfere with, affect or be affected by the movement of agricultural and forest products on roads or streets in the area? If so, generally describe.

Does not apply. The proposal is a non-project action to amend the development regulations.

- h. Proposed measures to reduce or control transportation impacts, if any: [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

15. Public services

- a. Would the project result in an increased need for public services (for example: fire protection, police protection, public transit, health care, schools, other)? If so, generally describe. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

- b. Proposed measures to reduce or control direct impacts on public services, if any. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

16. Utilities

- a. Circle utilities currently available at the site: [\[help\]](#)
electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system,
other _____

Does not apply. The proposal is a non-project action to amend the development regulations.

- b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed. [\[help\]](#)

Does not apply. The proposal is a non-project action to amend the development regulations.

C. SIGNATURE [\[HELP\]](#)

I certify (or declare) under penalty of perjury under laws of the State of Washington that the above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make a decision.

Signature: Libby Grage

Name of signee Libby Grage

Position and Agency/Organization Planning Manager, City of Anacortes

Date Submitted: 12/15/17

SEPA ENVIRONMENTAL CHECKLIST- PART D – FOR NON-PROJECT ACTIONS

Use of checklist for nonproject proposals: [\[help\]](#)

For nonproject proposals (such as ordinances, regulations, plans and programs), complete the applicable parts of sections A and B plus the [SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS \(part D\)](#). Please completely answer all questions that apply and note that the words "project," "applicant," and "property or site" should be read as "proposal," "proponent," and "affected geographic area," respectively. The lead agency may exclude (for non-projects) questions in Part B - Environmental Elements –that do not contribute meaningfully to the analysis of the proposal.

D. Supplemental sheet for nonproject actions [\[help\]](#)

(IT IS NOT NECESSARY to use this sheet for project actions)

Because these questions are very general, it may be helpful to read them in conjunction with the list of the elements of the environment.

When answering these questions, be aware of the extent the proposal, or the types of activities likely to result from the proposal, would affect the item at a greater intensity or at a faster rate than if the proposal were not implemented. Respond briefly and in general terms.

1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?

The proposal is a nonproject action and would not directly impact water, air quality, noise, or release of hazardous substances. Specific projects proposed as a result of these regulations that could result in impacts would be reviewed consistent with the applicable provisions of the Anacortes Municipal Code and SEPA procedures.

Proposed measures to avoid or reduce such increases are:

N/A

2. How would the proposal be likely to affect plants, animals, fish, or marine life?

The proposal is a nonproject action and would not directly impact plants, animals, fish or marine life. Specific projects proposed as a result of these regulations that could result in impacts would be reviewed consistent with the applicable provisions of the Anacortes Municipal Code and SEPA procedures.

Proposed measures to protect or conserve plants, animals, fish, or marine life are:

N/A

3. How would the proposal be likely to deplete energy or natural resources?

The proposal is a nonproject action and would not deplete energy or natural resources. Specific projects proposed as a result of these regulations that may result in increased energy consumption would be reviewed consistent with the applicable provisions of the Anacortes Municipal Code and SEPA procedures.

Proposed measures to protect or conserve energy and natural resources are:
N/A

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

The geographic area affected by the proposed amendment does not contain any environmentally sensitive areas or other areas designated for governmental protection, and adoption of the amendment is not expected to negatively impact such areas.

Proposed measures to protect such resources or to avoid or reduce impacts are:
N/A

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

The proposed amendment is consistent with the Anacortes Comprehensive Plan and future land use designation for the area and does not change the land uses that could be developed. The proposal is not expected to negatively affect land and shoreline use, or to allow or encourage land or shoreline uses incompatible with existing plans. Project specific development proposals would be reviewed consistent with the Anacortes Municipal code and SEPA procedures.

Proposed measures to avoid or reduce shoreline and land use impacts are:
The proposed amendment includes site and building design standards to enhance compatibility of new developments with the surrounding area.

6. How would the proposal be likely to increase demands on transportation or public services and utilities?

The proposed amendment would not directly impact demand on transportation or public services or utilities. However, project-level development may increase motorized and non-motorized travel demand in the city. Intercity commuting and local intra-city trips will increase. Similarly, project level development may result in an increased demand for public services and utilities. Project specific development proposals would be reviewed consistent with the Anacortes Municipal code and SEPA procedures.

Proposed measures to reduce or respond to such demand(s) are:

N/A

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.

Conflicts with local, state or federal laws for the protection of the environment are not anticipated.

Grage, Libby

From: Measamer, Don
Sent: Monday, December 04, 2017 9:26 AM
To: 'Brian Clark'; Grage, Libby
Cc: Susan R; Vernon Lauridsen; tbaker8978; pmohousing@gmail.com; wnfrench25@gmail.com
Subject: RE: Affordable Housing Demonstration Language

Hello Brian,

Thank you for your comments they will be included with the material moving forward.

Best regards,

Don Measamer, Director | Planning, Community & Economic Development Department
P.O. Box 547 | 904 6th Street | Anacortes, WA 98221
360.299.1942 (work) don@cityofanacortes.org

From: Brian Clark [mailto:bkclark@anacorteshousing.com]
Sent: Tuesday, November 28, 2017 3:42 PM
To: Measamer, Don <don@cityofanacortes.org>; libby@cityofanacortes.org
Cc: Susan R <susangr238@gmail.com>; Vernon Lauridsen <vernonlauridsen@gmail.com>; tbaker8978 <tbaker8978@gmail.com>; pmohousing@gmail.com; wnfrench25@gmail.com
Subject: Affordable Housing Demonstration Language

Don & Libby,

I would like to first say that the Housing Authority has no interest in delaying or not supporting the family center project. We are aware that this language is specific to that project and are in full support of any affordable housing that may be brought to the community. Here are our recommended changes to the language to allow others to participate if a project makes itself available.

1. Consider expanding the area where such demonstration project could be located to include all of the R4, R4A and R4B zones.
2. Consider extending the time frame to two years to allow more groups to be involved.
3. Consider changing the income limits to 80% or below of AMI. This would allow for a greater quantity of grant dollars to be applied to the demonstration and allow a larger number of families to qualify. This would also keep things in line with other HUD programs that allow for 80% or below of AMI.
4. The affordability section says "30 percent of the income limit stated in 19.46.050(A)1 above." I am not sure what this means. Consider removing this or saying something like rent not to exceed 30% of a tenants income. This seems a bit restrictive on the rent amounts and could possibly cause a project to not pencil out without some sort of subsidy layer. Section 8 (HCV) allows for tenants to go up to 40% of their income. The Home Program allows for a high home rent and a low home rent that both could exceed 30% of a tenants income.

5. Consider changing the affordability agreement section to include that the project be recorded in the chain of title to create a covenant running with the land such that the land could not be sold to anyone or any entity that does not qualify and does not keep the units affordable for the required 50 years.

If you have any questions please feel free to contact me.

Thanks

Brian Clark

Mr. Don Measamer

Director Planning, Community, and Economic Development

City of Anacortes

Response to proposed Chapter 19.46

This is a written follow up to my remarks at the November 29, 2017 Planning Committee meeting.

The Affordable Housing Demonstration Program, Chapter 19.46 is a specific response to a specific issue and should not be open ended enough to allow other projects to be vested under the current development rules. The Anacortes Family Center has a specific project with a clearly defined funding mechanism that is well on its way to fruition. This has necessitated a "one time" need for major variances to the current development codes. As has been stated, the City of Anacortes is well along in a multiyear major revision of the current development codes. While the timetable has slipped somewhat it is currently anticipated that the new code will be finalized and adopted by mid-2018. There is an evident commitment on the part of the City of Anacortes to include incentives for developing affordable housing options however, these incentives and bonuses have not been finalized.

The Anacortes Family Center project requires major variances from the current code including height, density, setback, and parking variances. These deviations from the current code are intended to be addressed in the new Title 19 and a process to allow for "bonus" provisions with adequate protection to ensure that long term affordability is the actual result of giving "bonuses" is a stated goal of the new Title 19. The proposed Chapter 19.46 is the proper way to deal with this one-off time constraint and should be structured to ensure that only the Anacortes Family Center project qualifies for this project. There are no other projects that would be stalled or harmed by a wait until mid-2018. As a practical matter, should a new project be presented to the City now, the current development process (pre-application meeting, neighborhood meeting, and progressive public hearings) would insure that the project could not even begin until after the new Title 19 has been finalized. At this point, any new application would be nothing more than an attempt to "vest" under current development regulation.

Chapter 19.46 short circuits current all neighborhood protections as it allows major variances and conditional uses without the hearing process currently in place. In fact, Chapter 19.46 removes any ability to oppose a project meeting the qualifications. As a demonstration project such short circuiting has no effect on Anacortes neighborhoods other than the one immediately surrounding the Anacortes Family Center property. By designating the R4a district as subject to these relaxed rules, the City runs the risk of another party attempting to "vest" under these relaxed standards. Chapter 19.46 lacks penalties or enforcement should a project be proposed that would only allow affordable housing for a short period of time. The Chapters sole method of insuring affordability is 19.46.050.A.4 which requires an agreement providing "level and duration of affordability, tenant qualifications, reporting, monitoring, and other applicable topics." To be recorded with the chain of title for the property. While this is some protection, if it were to apply to a project other than the AFC project, the protections should be beefed up and the agreement should be signed by not only the applicant but the property owner as well. In the

case of the AFC, the applicant is the property owner however, if this Chapter were used by another party, that might not be the case.

In short, to ensure that Chapter 19.46 operates as intended the City of Anacortes should amend the demonstration project boundaries much more narrowly than the R4a zone. Additionally, language clearly binding the owners of the real property as well as the applicant to the Affordable housing requirements in 19.46.050 should be added. Finally, unless this Chapter is clearly tailored to only the AFC project, there should be clearly defined penalties for conversion of any of the housing units to less than Very Low Income (VLI) units as defined in 19.46.050.

While some may say that the likelihood of another applicant trying to qualify under these reduced standards is very small, the City should not risk opening any loophole that might have unintended consequences.

Sincerely

PATRICK O'HEARN

11039 Post Drive

Anacortes, Wa



DRAFT

Anacortes Planning Commission Recorded Motion Regarding the Affordable Housing Demonstration Program Development Regulation Amendments

Proposal publish date:	November 29, 2017
Proposal name:	Affordable Housing Demonstration Program development regulation amendments
Documents available at:	https://www.anacorteswa.gov/198/Anacortes-Municipal-Code-Updates
Public hearing body:	Anacortes Planning Commission
Public hearing date:	Wednesday, January 10, 2018 at 6 p.m.
PC deliberations:	December 13, 2017; January 10, 2018

After considering the written and spoken comments and considering the record before it, the Planning Commission enters the following findings of fact, reasons for action, and recommendations to the Anacortes City Council.

Findings of Fact and Reasons for Action

1. On September 18, 2017, representatives of the Anacortes Family Center (AFC) addressed the Anacortes City Council regarding a proposed affordable rental housing unit project the organization is planning in the vicinity of the existing AFC facilities on 27th Street, within the R4A zone.
2. AFC requested that the City Council consider amendments to the current development regulations to allow the potential project to move forward, including elimination of maximum density and minimum lot size, an increase in allowed building height and relaxation of setbacks and parking requirements. AFC requested swift action in order to meet certain time constraints necessitated by the project's funding mechanisms and to quickly respond to affordable housing needs in the community.
3. The City Council directed planning staff to prepare draft code amendments on a separate and expedited schedule from the larger development regulation update effort currently underway to implement the 2016 Comprehensive Plan. Those amendments are not anticipated to be completed/adopted until mid-2018.

4. The Planning Commission held a study session on December 13, 2017 to review and become familiar with the proposed amendments. Informal public comment was accepted at the meeting.
5. SEPA environmental review was completed and a Determination of Nonsignificance (DNS) issued on December 20, 2017. The comment period for the threshold determination ended on January 3, 2018.
6. The Department of Planning, Community & Economic Development (PCED) sent the required documents and a request for expedited review to the Department of Commerce for state agency review and comment on December 18, 2017. The expedited review was complete on January 3, 2018, and no comments from state agencies were received.
7. The Planning Commission held a public hearing to take oral and/or written comments on January 10, 2018.
8. RCW 36.70A.540 authorizes the city to enact affordable housing incentive programs through amendments to the development regulations subject to certain affordability and duration requirements. The proposed amendments are consistent with these requirements.
9. The proposed amendments are consistent with the Anacortes 2016 Comprehensive Plan, Affordable Housing Strategic Plan, and the Growth Management Act.

Recommendation

The Planning Commission recommends that the City Council adopt the proposed amendments establishing the Affordable Housing Demonstration Program as proposed.

This recorded motion approved January 10, 2018:

Commission Vote	Support	Oppose	Absent	Abstain
Jeremy McNett				
Amber Moffitt				
Christine Cleland-McGrath				
Jeff Mount				
Andrea Doll				
New member				
New member				
Total				

ANACORTES PLANNING COMMISSION
ANACORTES, WASHINGTON

_____, Chair

Date