TO:   Wenatchee City Council
FROM:   Community Development Staff
SUBJECT: Proposed Amendments to the Wenatchee Urban Area Comprehensive Plan
DATE:  June 4, 2017          HEARING DATE:  June 8, 2017

I.  OVERVIEW

The Washington State Growth Management Act requires periodic review and, if necessary, revision of the Wenatchee Urban Area Comprehensive Plan. The City of Wenatchee completed a comprehensive update of the plan in 2006. The intent of the 2016-2017 update process was to consider strategic amendments as necessary to build upon the process from 2006 and meet state update requirements. The City established a process and schedule for public participation with the adoption of a Public Participation Plan under Resolution No. 2016-13.

The City of Wenatchee Planning Commission held a series of 10 workshops for the purposes of reviewing and updating each of the elements of the comprehensive plan. Notice of this process was provided to a master list of current and prior stakeholders involved in planning in the community and the public was invited to attend the workshops. The public was invited to track progress on the update process by signing up with email notifications of workshops and hearings and reviewing web postings for draft materials.

On January 22, 2017, a 60 day public review and comment period and environmental review was issued by the City. This notice identified opportunities for public comment through additional workshops, an open house and public hearings before the City of Wenatchee Planning Commission and Wenatchee City Council. The City of Wenatchee Planning Commission held a “drop in” open house on February 15, in the Council Chambers of Wenatchee City Hall, 129 South Chelan Avenue, Wenatchee. The two new proposed comprehensive sub-area plans also included additional public outreach components with the public and stakeholders. Written comments and public testimony were reviewed and considered in the review and adoption process.

ACTION REQUESTED

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

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

- As a component of the update process, two new sub-area plans are being proposed for adoption, the North Wenatchee Master Plan and the South Wenatchee Action Plan. Adoption of the North Wenatchee Plan is being adopted with limitations and policy guidance on its applicability and future steps for implementation in coordination with property owners.

This public hearing was continued until May 17, 2017 at 5:30 P.M. at the City of Wenatchee Council Chambers for the purpose of providing additional time for staff review and analysis of public and agency comments. At the conclusion of the May 17, 2017 Public Hearing, the Planning Commission forwarded a recommendation of approval to the Wenatchee City Council for consideration. The Wenatchee City Council has held a series of three workshops to review the draft proposals.

Planning staff is recommending a number of minor changes in the Land Use, Housing and Land Capacity Analysis which would amend the Planning Commission’s recommendation in order to be consistent with the City of Wenatchee updated Sewer Plan, also before the Council for consideration at the June 8, 2017 Council Session. The Planning Commission was informed at their public hearing that minor changes would be proposed to maintain consistency. The proposed amendments, and staff reports to the Planning Commission with public and agency comments can be reviewed on the City of Wenatchee Website on the internet by selecting the “2017 60-Day Review” link under the heading of “Current Projects” in the Community and Economic Development Section of the Government heading on the City of Wenatchee website: www.wenatcheewa.gov. Alternatively the following link may be utilized: http://www.wenatcheewa.gov/government/community-and-economic-development/comprehensive-plan/2016-2017-comprehensive-plan-update-process.

The materials are listed under the heading of, Draft Documents.

At the last workshop before the Wenatchee City Council on May 18, 2017, the Planning Commission recommendation, and public and agency comments were reviewed by the Council. Questions were posed specifically on two components of the Planning
Commission’s recommendation. Planning staff has provided the Council a summary of the questions below with a brief summary analysis. Should the Council determine that a change is warranted on one or both of these issues, alternative options have been provided in the form of findings and motions for the Council’s consideration that could amend the Planning Commission’s recommendation.

**Question 1/(Option A):** Changing the land use designation of an area in West Wenatchee from Residential Low (RL) to Residential Moderate (RM) and Residential Single Family (RS) to Residential Low (RL). The purpose of this change is to accommodate higher densities than previously permitted on this level, easy to develop land. Multiple property owners have requested this change to increase the range of opportunities in the types of housing units and assist in making it cost effective to construct necessary infrastructure. The question discussed at the Council workshop is whether the increase in density is appropriate with the character of the area.

**Existing (Residential Low Density- Yellow, Residential Moderate- Orange, Residential Single Family-Purple) (Option A)**
The existing comprehensive plan establishes that the Residential Low Land Use Designation has a maximum density of 8 dwelling units per acre, and a standard minimum lot size of 7,000 square feet prior to a planned development under the zoning code. The Residential Moderate Land Use Designation has a maximum density of 20 dwelling units per acre, and a standard minimum lot size of 6,000 square feet prior to a planned development. In each district, planned developments must review and incorporate appropriate design components to consider compatibility with surrounding neighborhoods. The largest vacant parcels in the area of the proposal, requested by the land owners, were 16.35, 9.60, 2.20, and 9.0 acres in size. The combined increase in potential housing units in these parcels at the maximum density is 446 housing units. This calculation is overly simplistic as it does not factor in site needs, infrastructure, constraints, building compatibility with surrounding areas, planned development criteria, etc.
Existing Plan Policies:
Policy 2, under the Residential Development Goal of the Land Use Element of the Wenatchee Urban Area Comprehensive Plan: Discourage lower density development on flat, easily developed ground.

Policy 5, under the Residential Development Goal of the Land Use Element of the Wenatchee Urban Area Comprehensive Plan: Adopt more flexible design standards for residential development that will permit the construction of different housing types compatible with surrounding neighborhoods.

If the City Council prefers the current land use designations for this area “Option A”, a draft finding of fact and motion to amend the Planning Commission’s recommendation is provided below.

**Question 2/(Option B):** A change in land use designations for an area in Olds Station which is currently designated industrial and contains a number of nonconforming commercial uses, expanding the North Wenatchee Business District (NWBD) designation to the east. The question raised at the City Council Workshop was whether the original staff recommendation reviewed at the public hearing was preferable. The rationale for staff’s recommendation is contained in the Supplemental Staff Report dated May 10, 2017, in response to the Chelan County Port District’s comments.
Staff Recommendation for the Planning Commission Hearings (Option B)
Planning Commission Recommendation to City Council in response to written and verbal testimony from the Chelan County Port District

If the City Council chooses to amend the Planning Commission Recommendation, preferring “Option B”, staff’s original recommendation for the Planning Commission Hearing, a draft finding of fact and motion to amend the Planning Commission’s recommendation is provided below.

A draft motion for the Wenatchee City Council’s consideration:
Draft Motion: I move to approve Resolution 2017-35, amending the Wenatchee Urban Area Comprehensive Plan, the Sunnyslope Sub-Area Plan and adopting two new sub-area plans, that is to say the North Wenatchee Master Plan and the South Wenatchee Action Plan.

Potential Amendments to the Planning Commission Recommendation. If choosing to make an amendment, the draft motion above can be used with the addition of the following statement: …with the following amendment(s):

Option A: Amending the proposed land use designation map of the Land Use Element in the Wenatchee Urban Area Comprehensive Plan in Exhibit “B”, and land use designation map amendments specifically identified in Exhibit “E” of this Resolution consistent with Option A of this June 4, 2017 Agenda Report and incorporating the following finding of fact in Exhibit “A” of this Resolution.

Finding: The proposed expansion of the Residential Moderate Land Use Designation is not compatible with the residential densities and character within and adjacent to the proposal.

Option B: Amending the proposed land use designation map of the Land Use Element in the Wenatchee Urban Area Comprehensive Plan in Exhibit “B”, and land use designation map amendments specifically identified in Exhibit “E” of this Resolution consistent with Option B of this June 4, 2017 Agenda Report and incorporating the following finding of fact in Exhibit “A” of this Resolution.

Finding: The recommended boundary for the proposed expansion of the North Wenatchee Business District in Olds Station identified in the April 19, 2017 and May 17, 2017 Planning Commission Hearing proposal provides:

- A more cohesive logical boundary for the North Wenatchee Business District;
- Supports the implementation of the Sunnyslope Sub-Area Plan by facilitating a step towards the inclusion of residential uses, potentially mixing apartments or condominiums and services along with or in proximity to office or industrial development;
- Supports the opportunity to expand or establish new light industrial uses in the North Wenatchee Business District expansion area;
- Recognizes that the Chelan County Port District through the sale of properties, has established a series of non-industrial uses within properties previously owned by the Chelan County Port District;
- Recognizes that light industrial uses are desirable and should be reviewed and sited through a review process that considers the unique needs for
light industrial uses and provides for compatibility in relation to existing and future non-industrial uses; and

- Supports a process to encourage the Chelan County Port District to revise existing covenants which do not align with the current comprehensive plan, the implementing zoning standards, and the proposed amendments, in order to provide clarity and encouragement for existing and future development consistent with the comprehensive plan.

Staff will be available at the public hearing to support the Council for any modifications in review of the proposed Resolution.

II. FISCAL IMPACT
No known fiscal impacts can directly be attributed to the proposed amendments to Wenatchee City Code.

III. PROPOSED PROJECT SCHEDULE
If adopted by the Wenatchee City Council, Community and Economic Development staff would provide notice to the Washington State Department of Commerce of the adoption, completing the process with a 60 day appeal period required by RCW 36.70A.

IV. REFERENCE(S)
1. Draft Resolution No. 2017-35, including Exhibits A-E