




CHELAN COUNTY

DEPARTMENT OF COMMUNITY DEVELOPMENT

2024 Development Text Amendments to Titles 11, 12, 14 Staff Report

TO: Chelan County Planning Commission 
FROM: Chelan County Community Development
HEARING DATE: March 27, 2024
FILE NUMBER: ZTA 2024-105 Development Regulation Text Amendments

PROJECT DESCRIPTION – ZTA 2024-105

Proposal: The Board of County Commissioners formed a Task Force in the fall of 2022, wrapping up in early spring of 2023, to review and propose recommendations on the provisions of the Chelan County Code that allow for substandard lot creation and the BLA provisions that also allow/encourage the revision of existing conforming properties to substandard lots. The Task Force was comprised of representatives from the 3 Community Councils (Malaga, Peshastin and Manson), a representative from the builder/realtor coalition, a representative from the agricultural community, at-large representatives from each of the Commissioner districts and representatives from Chelan County agencies of jurisdiction. The Task Force was facilitated by an outside contract consultant – Berk Associates. Berk provided the County Commissioners with a summary of the work group discussions, sections of code reviewed and recommendation for code amendments, including Titles 11 & 12. The County Commissioners directed staff to proceed with the Task Force recommendations, resulting in this draft document (Attachment 1).

The Task Force Summary and Recommendation Report is included as Attachment 2.

GENERAL INFORMATION

Applicant	Chelan County
Planning Commission Notice of Hearing Published	March 14, 2024
Planning Commission Hearing on	March 27, 2024
60-day State agency review	Initiated: March 11, 2024
SEPA Determination	March 11, 2024

SEPA Environmental Review

A Determination of Non-Significance was issued under WAC 197-11-340 for ZTA 2024-105 on March 11, 2024 (Attachment 3). The lead agency for this proposal has determined that it 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). The decision was made after a review of a completed environmental checklist and other information on file with the lead agency.

Agency Comments:

None received to date. (If received prior to hearing, will be Attachment 5.)

Public Comment:

None received to date. (If received prior to hearing, will be Attachment 6.)

WASHINGTON STATE GROWTH MANAGEMENT ACT (GMA)

RCW 36.70A.030 Definitions:

- (35) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:
- (a) In which open space, the natural landscape, and vegetation predominate over the built environment;
 - (b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;
 - (c) That provide visual landscapes that are traditionally found in rural areas and communities;
 - (d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;
 - (e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;
 - (f) That generally do not require the extension of urban governmental services; and
 - (g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.
- (36) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.
- (44) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d) (LAMIRDs), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

RCW 36.70A.020 Planning goals:

The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those counties and cities that are required or choose to plan under RCW 36.70A.040 and, where specified, also guide the development of regional policies, plans, and strategies adopted under RCW 36.70A.210 and chapter 47.80 RCW. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans, development regulations, and, where specified, regional plans, policies, and strategies:

- (1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) ***Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.***

- (4) Housing. Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.
- (9) Open space and recreation. Retain open space and green space, enhance recreational opportunities, enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- (10) Environment. Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- (14) Climate change and resiliency. Ensure that comprehensive plans, development regulations, and regional policies, plans, and strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and mitigate the effects of a changing climate; support reductions in greenhouse gas emissions and per capita vehicle miles traveled; prepare for climate impact scenarios; foster resiliency to climate impacts and natural hazards; protect and enhance environmental, economic, and human health and safety; and advance environmental justice.

RCW 36.70A.070(5)

- (5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:
 - (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
 - (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.
 - (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
 - (i) Containing or otherwise controlling rural development;
 - (ii) Assuring visual compatibility of rural development with the surrounding rural area;
 - (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
 - (iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and
 - (v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
 - (A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.
 - (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
 - (C) Any development or redevelopment in terms of building size, scale, use, or intensity may be permitted subject to confirmation from all existing providers of public facilities and public services of sufficient capacity of existing public facilities and public services to serve any new or additional demand from the new development or redevelopment. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5) and is consistent with the local character. Any commercial development or redevelopment within a mixed-use area must be principally designed to serve the existing and projected rural population and must meet the following requirements:
 - (I) Any included retail or food service space must not exceed the footprint of previously occupied space or 5,000 square feet, whichever is greater, for the same or similar use; and
 - (II) Any included retail or food service space must not exceed 2,500 square feet for a new use;
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to *RCW [36.70A.030\(23\)](#). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to *RCW [36.70A.030\(23\)](#). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

- (iv) A county shall adopt measures to minimize and contain the existing areas of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas shall not extend beyond the logical outer boundary of the existing area, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;
- (v) For purposes of this subsection (5)(d), an existing area or existing use is one that was in existence:
- (A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;
 - (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or
 - (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

CHELAN COUNTY COMPREHENSIVE PLAN

Chelan County conducts a concurrent review of proposals to amend the Comprehensive Plan. The Plan represents the long-term vision for future land uses and development. Applicants must demonstrate the merits of the requested change as being consistent with adopted goals and policies.

The following Comprehensive Plan goals and policies are relevant to the request:

CHAPTER 2 - LAND USE ELEMENT

The goals and policies contained in the Land Use Element form the basis of the land use strategy for development within the County and address the following general planning goals:

- provide for a supply and distribution of land use types to accommodate the population and employment growth projected for the planning area;
- reduce development pressures and patterns of sprawl within rural areas;
- conserve agricultural, forest and mineral resource lands of long-term commercial significance; and
- Preserve and protect critical areas, open space, and the areas of rural character.

It is common to find development occurring adjacent to built infrastructure, such as roads and power lines, and where travel to services (such as grocery stores, churches or schools) is easily accessible. This type of development is not sprawl but rather follows the pattern of rural living in Chelan County with larger lot sizes used for residential living and often agricultural activities or clustered lots with large areas of protected open space. The County will continue to experience growth pressures on developable land.

RURAL CHARACTER

The remaining County land is able to meet current and projected population needs; however, due to constrained transportation facilities and funding resources for rural utilities, it is common to find development occurring adjacent to built infrastructure, such as roads and power lines, and where travel to services (such as grocery stores, churches or schools) is easily accessible. This type of development is not sprawl but rather follows the pattern of rural living in Chelan County with larger lot sizes used for residential living and often agricultural activities or clustered lots with large areas of protected open space. The County will continue to experience growth pressures on developable land.

RESIDENTIAL DEVELOPMENT PATTERNS

Development among the hills and hilltops is relatively new but is consistent with the rural area, especially when developed in a manner which reduces road cuts and visual impacts, preserves open space, provides agriculture and/or recreational opportunities and protects critical areas.

Sprawl is defined, by Webster’s Dictionary, as “to spread or develop irregularly or without restraint” and ‘to cause to spread out carelessly or awkwardly”. The negative effects associated with sprawl are a reduction in environmental and human health. Chelan County does not support sprawl rather development of rural land is consistent with the historic density patterns; provide for the protection of the natural and critical environment and habitat; supports the Federal and State natural wilderness and park lands; protects the small rural communities; allows for recreation throughout the County; and, encourages orderly growth of populated areas through adoption of subarea plans, LAMIRD designations, and city urban growth areas in a manner consistent with the State population forecasting and Chelan County’s rural character.

Growth Patterns: The County anticipates growth to occur in a manner consistent with the land use designations planned for and implemented by the zoning map and regulations. Growth is expected to occur in areas identified as vacant and underutilized by the County Assessor’s primary land use classification code.

GOALS AND POLICIES FOR LAND USES

Goal LU 1: Residential designations shall provide for an adequate supply of land to accommodate the housing needs and strategies outlined by the comprehensive plan. Implementation regulations shall provide for a variety of residential opportunities to serve a full range of income levels.

GOAL LU 4: Preserve the integrity of significant natural, historic, and cultural features by minimizing the impacts of development.

Policy LU 4.1: Encourage development that is compatible with the natural environment and minimizes impacts to significant natural and scenic features.

Rationale: The design of development proposals should consider the relationship with the natural environment from both aesthetic and environmental perspectives. Capitalizing on natural features can enhance the quality of new development while minimizing potential adverse impacts and exposure.

Policy LU 4.3: Promote the use of land preserves and conservation areas to protect important natural area from inappropriate development.

CHAPTER 3 - RURAL ELEMENT

The GMA recommends providing for a variety of residential densities at levels that are consistent with the preservation of rural character and the requirements of the Rural Element. The Rural Element provides guidance on appropriate land uses and densities for Chelan County's rural areas. Rural governmental services should be provided at a level necessary to support and sustain the land use pattern planned for rural areas. Rural governmental services should not provide the level of service which promotes growth or sprawl in rural areas

It is the intent of this Rural Element to preserve the rural character and way of life in the rural area, and to protect private property rights while considering impacts to the environment of Chelan County.

Rural character refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

1. In which open space, the natural landscape, and vegetation predominate over the built environment;
2. That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;
3. That provide visual landscapes that are traditionally found in rural areas and communities;
4. That reduce the inappropriate conversion of undeveloped land into sprawling, low density development;
5. That generally do not require the extension of urban governmental services; and
6. That are consistent with the protection of natural surface water flows and ground water and surface water recharge and discharge areas.

As noted in the Land Use Element, the majority of land within the County is in Federal or State ownership, and is therefore considered unbuildable within the planning horizon of this plan.

In addition to Chelan County's rural character being dominated by park lands, Chelan County has a history of agricultural uses - primarily orchards of various sizes, residential rural living; forest practices, rural industrial activities, mining and small-town settlements. Over the last ten years, some areas have transitioned to vineyards, wineries, smaller-scale agricultural production and agricultural and recreational tourism.

Within the Land Use Element each region of the County has been defined by the unique characteristics and rural character, including innovative tools for development. The goals and policies in the Rural Element are to guide land use activities in and surrounding rural lands. Goals and policies have been developed for the preservation of the rural character by:

- Containing or otherwise controlling rural development;
- Assuring visual compatibility of rural development with the surrounding rural area;
- Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- Protection of critical areas, surface water and ground water resources; and,
- Protecting against conflicts with the use of agricultural, forest, and mineral resource lands of long-term commercial significance, see Resource Element.

GOALS AND POLICIES – RURAL DESIGNATIONS

Goal RE 1: Maintain a balance between human uses and the natural environment in rural areas of the County.

Rationale: Residents who choose to live in the rural areas need to realize that their lifestyle has an impact on the natural environment and efforts need to be made to find and maintain a balance between human activity and the natural environment.

Policy RE 1.1: Rural development shall avoid and mitigate impacts to critical areas, which have value as wildlife habitat and open space.

Rationale: Wildlife habitat and open space are all land uses which are typically located in rural areas and are an important part of the reason why people choose to live in a rural setting. Therefore, development may occur when suitable mitigation is provided to address impacts to Critical Areas existing in rural lands.

Policy RE 1.2: Uses not specifically addressed or prohibited in the comprehensive plan are not automatically allowed and should be reviewed on their own merits for compatibility with existing goals and policies.

Rationale: Should there be a new land use or an innovative technique towards the management of growth, they can be reviewed during the annual review process to analyze their compatibility with existing goals and policies of the plan.

Policy RE 1.3: Establish a variety of rural land use designations that would accommodate a wide variety of rural uses and densities consistent with the County's rural character.

Rationale: The rural areas of Chelan County contain a variety of land uses and densities that comprise the rural character of the area. Continuing this pattern, will help to maintain and enhance this rural character.

Goal RE 2: Maintain natural environment features that support and enhance natural resource-based economic activities, wildlife habitats, traditional rural lifestyles, outdoor recreation, and open space.

Policy RE 2.1: Review rural development applications to determine the potential for groundwater contamination.

Policy RE 2.2: Rural development should not preclude use of rural lands for agriculture and timber production and should avoid or mitigate impacts on existing agriculture or timber operations.

Rationale: Productive agriculture and timber lands exist in the rural areas. Potential negative impacts to these lands from more intense land uses should be avoided through the application of appropriate mitigation measures and/or the use of innovative

Policy RE 2.3: Ensure that rural development (residential, commercial and industrial) near designated resource lands occurs in a manner that minimizes potential conflicts and reduces conversion of farm and forest land to non-resource uses. Develop mitigating measures to provide adequate protection against potential conflicts.

Rationale: The close proximity of rural lands to resource lands is unavoidable. The presence of these resource activities such as forests and agricultural production adds to the character of these rural lands. However, many activities which take place on these resource lands are not compatible with other activities, especially residential uses. Since the conservation of these resource lands may be jeopardized by development which is not sensitive to the activities that characterize a resource based land use; it is important to provide mitigating measures that will provide an adequate transition area between potentially conflicting land uses.

Policy RE 2.4: Encourage the preservation and protection of unique, rare and fragile natural features, scenic vistas, unstable bluffs, and culturally significant features.

Rationale: These features contribute to the character and attractiveness of the rural area. Their preservation enhances the openness and aesthetic quality of the area. The use of voluntary incentives including the Chelan County Public Benefit Rating System used in evaluating applications for current use taxation of property under the Open Space Program and clustering provisions will help to encourage the preservation and protection of these areas.

Policy RE 2.6: To achieve a variety of rural densities and uses, allow for development clustering, density transfer, design guidelines, conservation easements, and other innovative techniques to accommodate growth consistent with rural character.

Rationale: The amount of privately owned developable land in the County is limited. Innovative techniques can provide for rural development while protecting the rural character of the County.

Policy RE 2.8: Protect hillside areas from erosion by requiring development to adequately capture storm drainage and avoid duplication of road systems.

Rationale: Road cuts impact on the visual quality of hillsides and are a source of erosion and shall be minimized.

Goal RE 3: Develop at densities such that demands will not be created for urban levels of public services and facilities in rural areas.

Policy RE 3.1: Provide government services in non-urban areas at a limited level appropriate to the rural setting, including police, fire, roads, and general utilities.

Rationale: Limited public facilities and services will be provided to persons living and working in rural areas. Urban levels of services should not extend beyond urban growth areas, except where provided for under the Growth Management Act.

Policy RE 3.2: Permit development of rural areas adjacent to urban growth areas at densities that will allow for orderly extension of urban utilities and services as urban growth areas expand in the future.

Rationale: Land that is immediately adjacent to an urban growth area is unique in that it has a greater potential to eventually develop at higher densities. Therefore, it is appropriate that these lands develop at an appropriate rural density so that when they do obtain the opportunity to develop in an UGA, they will permit the orderly extension of public utilities.

Policy RE 3.5: Where consistent with State and local requirements, encourage innovative site designs that utilize community water systems.

Rationale: Innovative site designs can provide an affordable option for rural residential development since many of the site improvement costs and restrictions associated with individual wells can be distributed equally between all the home sites.

Policy RE 3.6: Develop fire protection standards for all commercial, industrial and residential development in rural areas, including, but not limited to, use of fire retardant building materials, access to on-site water bodies (lake, ponds, cisterns, pools, etc), and firewise vegetation removal or fire breaks.

Rationale: Rural development depends upon adequate safety standards to protect life and property in rural areas.

Policy RE 3.7: Seek input from rural fire districts and the County Fire Marshal on design standards for adequate ingress and egress to new developments to address fire safety issues.

Rationale: To provide adequate escape routes for residents and emergency vehicles.

Policy RE 3.8: Appropriate rural densities and designations should be applied which maintain the rural character, accommodate rural population projections and can be provided with rural services within the constraints of the County Budget and Capital Facility Plan.

Rationale: In order to plan for and fund the proper size and extent of supporting public facilities, utilities and services, the density and extent of future development areas must be specified.

Goal RE 4: Encourage rural economic development consistent with the goals and policies of the Chelan County Comprehensive Plan and the Growth Management Act.

Rationale: The comprehensive plan provides for a range of rural economic activities including: rural agriculture, forestry, and mineral resource industries as well as a range of rural development opportunities consistent with the Growth Management Act.

Policy RE 4.1: Permit rural development of small scale recreational, tourist, and resort uses that rely on a rural location and setting, including commercial facilities to serve such uses, provided they do not include new residential development and are otherwise consistent with other goals and policies of this plan.

Rationale: These uses are appropriate in rural areas when it can be demonstrated that they are compatible with the goals and policies of the comprehensive plan. Public services and public facilities shall be limited to those necessary to serve the recreational or tourist use and shall be provided in a manner that does not permit low density sprawl.

IV. Designations/Siting Criteria – Rural:

A. RR20, RURAL RESIDENTIAL/RESOURCE: 1 DWELLING UNIT PER 20 ACRES

Purpose: To allow for low intensity rural development, agricultural and forestry uses which do not require the extension of services or infrastructure. These areas provide greater opportunities for protecting sensitive environmental areas and creating open space typical of a rural setting.

Uses appropriate for these areas include: open space; residential; agriculture; and forestry. Additional uses may be considered with supplemental provisions. These provisions shall address performance standards, impacts to the surrounding area, and be consistent with the goals and policies of the comprehensive plan

Density: One (1) dwelling unit per twenty (20) acres.

Locational Guidelines:

1. **Geographical and Geological Characteristics.** These areas tend to be remote or have been historically rural in character. Soil characteristics, steep slopes or other physical constraints to development may be present. Large tracts of undeveloped, open space exist.
2. **Natural Resources.** The area may have agricultural or forest land practices of both small scale and/or commercial significance. The area may also be adjacent to designated resource lands.
3. **Public Services.** Uses do not require extension or provision of urban level services. In many cases public roads or infrastructure are not available to serve the area, and may not be available in the 20 year planning period.
4. **Existing Land Uses.** Dispersed single family residences, farms or forest management activities, and other low intensity rural development may be present. Predominant parcel sizes are 20 acres or greater

B. RR10, RURAL RESIDENTIAL/RESOURCE: 1 DWELLING UNIT PER 10 ACRES

Purpose: To allow for rural development, forestry and agricultural uses consistent with the rural character and rural development provisions outlined in the goals and policies of the comprehensive plan. These areas can function as areas of transition between resource lands and areas of more intense rural or urban development. These areas also provide opportunities for protecting sensitive environmental areas and creating open space typical of a rural setting.

Uses appropriate for these areas include: open space; residential; agriculture; and forestry. Additional uses may be considered with supplemental provisions. These provisions shall address performance standards, impacts to the surrounding area, and be consistent with the goals and policies of the comprehensive plan.

Density: One (1) dwelling unit per ten (10) acres. Clustering consistent with the underlying densities and the rural character and rural development provisions of the goals and policies of the comprehensive plan may be permitted. Topography, critical areas, other environmental constraints, and compliance with all other applicable development standards shall be considered in the provisions to allow for clustering.

Locational Guidelines:

1. **Geographical and Geological Characteristics.** The area is predominantly rural in character. Soil characteristics, steep slopes or other physical constraints to development may be present. Significant areas of undeveloped open space may exist.
2. **Natural Resources.** The area may have agricultural or forest land practices of both small scale and/or commercial significance. The area may also be adjacent to designated resource lands.
3. **Public Services.** Uses do not require the extension or provision of urban level services. These areas are rural in character and may have access or limited access to rural governmental services and infrastructure. These areas may have the potential to be provided with rural governmental services within the 20 year planning period.
4. **Existing Land Uses.** Dispersed single family residences, farms or forest management activities and other rural development may be present. Predominant parcel sizes are 10 acres or larger.

C. RR5, RURAL RESIDENTIAL/RESOURCE: 1 DWELLING UNIT PER 5 ACRES

Purpose: Provides opportunities for small scale agricultural activities, and rural development consistent with the rural character and rural development provisions outlined in goals and policies of the comprehensive plan. These areas may provide opportunities for protecting sensitive environmental areas and open space typical of a rural setting. RR5 designations adjacent to urban growth areas are intended to encourage the preservation of rural areas until such time as they serve as urban growth areas and urban services become available. RR5 designations can also act as buffers between designated resource lands and more intense rural or urban development.

Uses appropriate for these areas include: open space; residential; agriculture; and forestry. Additional uses may be considered with supplemental provisions. These provisions shall address performance standards, impacts to the surrounding area, and be consistent with the goals and policies of the comprehensive plan.

Density: One (1) dwelling unit per five (5) acres. Clustering consistent with the underlying densities and the rural character and rural development provisions of the goals and policies of the comprehensive plan may be permitted. Topography, critical areas, other environmental constraints, and compliance with all other applicable development standards shall be considered in the provisions to allow for clustering.

Locational Guidelines:

1. Geographical and Geological Characteristics. The area is predominantly rural in character. Soil characteristics or other physical constraints to development may also be present. Some areas of undeveloped, open space may exist. The area may also be adjacent to designated urban growth areas.
2. Natural Resources. The area may have agricultural or forest land practices of both small scale and/or commercial significance. The area may also be adjacent to designated resource lands.
3. Public Services. Uses do not require extension or provision of urban level services. Rural governmental services are available or may be provided for within the 20 year planning period.
4. Existing Land Uses. Dispersed single family residences, farms or forestry uses, cottage industries and small businesses, and other rural development may be present. Predominant parcel sizes are 5 acres or larger.

D. RR2.5, RURAL RESIDENTIAL: 1 DWELLING UNIT PER 2.5 ACRES

Purpose: To maintain the range of rural development opportunities consistent with the rural character and rural development provisions outlined in the goals and policies of this comprehensive plan. These areas can provide buffering or transitions between existing rural developments and areas of higher or lower densities. This designation should not function as an urban reserve area, although these areas may someday be incorporated into an urban growth area.

Uses appropriate for these areas include: residential; agriculture; and forestry. Additional uses may be considered with supplemental provisions. These provisions shall address performance standards, impacts to the surrounding area, and be consistent with the goals and policies of the comprehensive plan.

Density: One (1) dwelling unit per 2.5 acres. Clustering consistent with the underlying densities and the rural character and rural development provisions of the goals and policies of the comprehensive plan may be permitted. Topography, critical areas, other environmental constraints, and compliance with all other applicable development standards shall be considered in the provisions to allow for clustering.

Locational Guidelines:

1. Geographical and Geological Characteristics The area may have moderate soil limitations and may have other limited physical constraints to development. The area may be immediately adjacent to existing residential or rural developments. The area may be adjacent to urban growth areas.
2. Natural Resources. The area has limited resource management potential. The area may be adjacent to resource lands.
3. Public Services. Uses do not require extension or provision of urban levels of services. Rural governmental services and infrastructure are typically available, planned and or funded for.
4. Existing Land Uses. Single family residences, agricultural uses, cottage industries and small businesses, and other rural development may be present. Predominant parcel sizes are currently 2.5 acres or greater in size but typically less than 5 acres.

CHAPTER 4 – RESOURCE ELEMENT

The goals and policies contained in the Resource Element form the basis of the land use strategy to support long-term resources:

- Providing for a supply and distribution of land use types to accommodate the population and employment growth projected for the planning area;
- Reducing development pressures and patterns of sprawl within rural areas;
- Conserving agricultural, forest and mineral resource lands of long-term commercial significance; and
- Preserving and protecting critical areas and areas of rural character.

Land Use Designation/Siting Criteria: Commercial Agricultural Lands

Purpose: To assure the long-term conservation of commercial agricultural lands; to protect and preserve the farmers ability to farm; encourage existing and future agricultural land uses as a viable land use and a significant economic activity within the community; and, to protect agricultural land of long term commercial significance not already characterized by urban development from encroachment and incompatible uses.

Uses appropriate for these areas include: agriculture; open space; residential; and forestry. Additional uses may be considered with supplemental provisions. These provisions shall address performance standards, impacts to the surrounding area, and be consistent with the goals and policies of the comprehensive plan. Such uses may include: natural resource support facilities and services; mineral resource activities; intensification of existing small scale recreational or tourist uses that rely upon a rural setting but that do not include A new residential component; intensification of development on lots containing existing isolated nonresidential uses; home occupations; bed and breakfasts; and community facilities.

Density: One (1) dwelling unit per 10 acres. Clustering consistent with the underlying densities and the rural character and rural development provisions of the goals and policies of the comprehensive plan may be permitted. Topography, critical areas, other environmental constraints, and compliance with all other applicable development standards shall be considered in the provisions to allow for clustering.

Locational Guidelines:

1. Geographic and Geological Characteristics: The area contains farmland soils classified as prime or unique by the Natural Resource Conservation Service. Soil characteristics, moderate slopes or other physical constraints to development may be present. The area should not be adjacent to intensive urban or incompatible rural development. The predominant land use in the area is agriculture.
2. Natural Resources: The area should contain or have the potential to contain agricultural or agriculture support activities. The area should meet the criteria under WAC 365-190-050, as agricultural lands of long term commercial significance.
3. Public Services: Uses should not require extension or provision of urban level services. These areas may have access to rural governmental services and infrastructure or have the potential to be provided with rural governmental services within the 20 year planning period. Urban services should not be present.
4. Existing Land Uses: The prevailing land use pattern consists of agricultural operations and agricultural support facilities and services. Dispersed single family residences and low intensity rural uses may be present. The predominant parcel size is typically 5 acres or larger.

Agricultural Resource Lands: Goals & Policies

While developing goals and policies and designating agricultural resource lands, many issues and concerns were identified during the public participation process and addressed during the development of the goals and policies for the agricultural section of the Land Use Element including: Agriculture vs. residential development

- Who is responsible for mitigation measures (developer of incompatible use)
- Where should development occur
- Recognize as a significant economic activity
- Agricultural uses vs. compatible and incompatible uses
- Availability of irrigation water o Protecting farmers options
- Periodic re-examination of the Commercial Agriculture designations

Areas not designated as agricultural resource lands of long term commercial significance that do not meet the designation criteria can still play an important part in the local agricultural industry. Rural designations and buffers between orchards and non-farm development may be beneficial in retaining much of the rural area's current

orchards. Future expansion of long term agriculture into rural undeveloped areas is a possibility, but will heavily depend upon the availability of water, water rights, and market conditions.

GOAL AL 1: Support the viability of agriculture and encourage the continued use of rural and resource lands for agriculturally related land uses.

Goal Rationale: The County benefits from a commercially significant and viable agricultural industry.

Policy AL 1.2: The farmer shall have the right to farm, consistent with appropriate local, state and federal requirements.

Rationale: Agriculture plays a significant role in the welfare of the County and its residents, and should be supported.

Policy AL 1.4: Conserve agricultural lands for productive economic use by identifying and designating agricultural resource lands whose principal and preferred land use is commercial agricultural resource management.

Rationale: Activities in designated agricultural resource lands should be discouraged that would limit or eliminate the ability to continue agricultural operations.

Goal AL 2: Conserve agricultural lands of long-term significance by controlling encroachment of incompatible uses.

Goal Rationale: Limiting the encroachment of incompatible uses will help to insure that agricultural lands remain viable.

Policy AL 2.1: All plats, short plats, binding site plans, development permits and building permits issued for development activities on or within five hundred feet of lands designated as agricultural resource lands, shall contain a notice that the subject property is within or near designated agricultural resource lands. The notice shall further state that a variety of commercial activities may occur on these designated lands that are not compatible with the development.

Rationale: Such notification will help property owners and purchasers to make educated decisions.

Policy AL 2.2: Encourage clustering of residential development on lands adjacent to agricultural resource lands provide open space buffers between uses and address incompatibility issues.

Rationale: Clustering can provide for open space adjacent to the resource use and may help to minimize conflicts.

Policy AL 2.3: Require new non-farm development in rural areas, adjacent to an existing orchard operation, to provide appropriate buffers and/or mitigation measures to minimize potential conflicts.

Rationale: Orchard operations in rural lands account for a significant amount of the agriculture within Chelan County. It is important to protect the farmer's ability to continue to farm by minimizing potential conflicts.

Policy AL 2.4: Development on or adjacent to designated agricultural resource lands, including plats, short plats, and binding site plans, should avoid and minimize potential conflicts with agricultural operations through appropriate siting and mitigation measures, such as buffers, screening, dust control, and pest control.

Rationale: Buffers can reduce the potential for conflicts between agricultural operations and other land uses

CHAPTER 5 – HOUSING ELEMENT

Affordable housing options and supportive housing (for seniors and special needs) within the County are limited primarily due to three factors:

1. The County’s role within the Growth Management Act is the preservation of rural lands which limits development options and higher density development.
2. The County is limited in its ability to provide infrastructure, primarily water and sewer, which are necessary to development more affordable housing.
3. Affordable housing in rural areas becomes less “affordable” when factoring in transportation costs.

Despite these limitation, the County has incorporated several regulatory options to support housing alternatives, including permitting of accessory dwelling units, subdivisions options for existing housing, bonus density associated with cluster development or planned developments and allowance of manufactured home parks.

Goal H 2: Promote a variety of residential densities and housing types.

Policy H 2.1: Promote a diversity of housing unit types and densities to meet the needs of all existing and future residents of the County, including both site built and manufactured and modular homes.

Rationale: An adequate supply of appropriately zoned land will ensure that the GMA plan does not artificially create inflation in housing prices by restricting competition in the land market.

Policy H 2.2: Encourage development of housing types that meet the needs of the elderly, physically challenged, mentally impaired, and special needs segments of the population (e.g., congregate care facilities).

Rationale: Housing needs should represent the diversity of County residents.

Goal H 4: Support regulatory changes and economic programs that promote affordable housing options.

Policy H 4.6: Major concentrations of housing should be located in areas with access to existing and projected transportation systems to minimize expansion of road systems.

Rationale: Supporting the placement of development which minimizes the development of extensive road systems and/or reduces the transportation (travel) costs of residences may result in less impact to the road system and reduce living costs to residents

AFFORDABILITY OPTIONS

Countywide, there is an assumption that the market place will guarantee adequate housing for those in the upper economic brackets, but adequate provisions for the needs of middle and lower income persons will be necessary to ensure affordable housing

Affordable housing options are supported through the zoning code which provides opportunities for clustering of lots, bonus densities with some types of development, planned unit developments, master planned resorts, segregation of residential homes, and accessory dwelling units. The County adopts regulations for the urban growth areas which reflect the associated City housing goals and densities.

REVIEW CRITERIA

The proposals were analyzed based on information provided by the applicant or when readily available, within existing County resources. While each application may or may not have met all the criteria, the applications must be weighed by their individual and collective impacts. Additionally, agency and public comment play a role in understanding potential impacts to surrounding land uses, impacts to rural character, and how the amendment may serve the general public's interest.

Pursuant to Chelan County Code (CCC) Section 14.13.040 and Section 14.14.047, the following review criteria were used to evaluate the proposed amendments:

1. *The amendment is necessary to resolve a public land issue or problem* [\(CCC 14.13.040\(1\)\)](#) (code text amendment)

Discussion: Code revisions in the past that have allowed for the creation and/or revision of substandard parcels have yielded no evidence of the benefit used as justification for the change. The impact of these provisions have led to undue stress on existing infrastructure, with no development review for concurrency of services. Lots have been created and revised through "stacking" or "tiling" of Certificates of Exemption and Boundary Line Adjustments to avoid the concurrency requirements of the GMA.

Many substandard lots were created prior to GMA through old plats and irrigated tracts. The creation of these lots made provisions for appropriate access. The revision, and in many cases, total relocation of the lot requires new access, which is not reviewed for public safety, fire/emergency accessibility, water availability and irrigation shares. Reconfiguring existing lots to redirect access via an additional private easement or changing the access point on an existing public road, should be reviewed for compliance with the county road plans and existing levels of service. These reconfigurations also avoid proper review for infrastructure improvements, which should be completed at the time of development, not deferred to other taxpayers through an exempt process.

The research and summary provided by Berk and the Task Force identified a large percentage of the parcels within each zoning designation as substandard. While they may exist, we should not be promoting, encouraging or facilitating the practice of creating additional substandard lots/parcels. This practice has compromised the primary goal of preserving agriculture in Chelan County. The smaller the lots and the more density we site in the rural areas, the more our farming community is impacted.

Finding of Fact: The practice of creating substandard lots, through either existing provisions in Title 11, or exempt actions in Title 12 have not rendered property more affordable in Chelan County. Creating more high value rural lots through a lot reduction provision does not increase affordability, nor does it provide needed workforce housing. These provision in the code proposed to be amended will align, once again, with the goals of the GMA, and the Chelan County Comprehensive Plan.

Specific to the addition of RV Parks in the Rural Industrial (RI) zoning:

Chelan County has existing provisions for siting RV parks. There is a considerable amount of Rural Industrial zoning in areas with appropriate services (water systems, ample area for septic, public roads/access, etc). Chelan County Code, District Use Chart (11.04.020) currently permits RV parks, with development standards, in some Rural designations, including Rural Commercial. With the Rural Industrial zoned properties being

located in areas with some limited public services and close to recreational amenities (parks, rivers), it seems a natural progression to include additional transient type RV parks in the Rural Industrial zoning district.

Conclusion: The amendments are necessary to resolve a public land use issue or problem.

1. *The proposed amendment is consistent with the requirements of the Washington State Growth Management Act (Chapter 36.70A RCW as amended) and any applicable county-wide planning policies.*

The amendment is consistent with goals of the Growth Management Act, Chapter 36.70A RCW. (CCC 14.13.040(2)).

The amendment complies with or supports the county-wide planning policies. (CCC 14.13.040(3)) (code text amendments)

Finding of Fact: RCW 36.70A.020 describes 15 planning goals to guide the adoption of comprehensive plans and development regulations for counties and cities planning under the Growth Management Act. These goals include, but are not limited to:

2. Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

Conclusion: The proposal is more consistent with the goals of the Growth Management Act and any applicable county-wide planning policies than the existing procedures and code language.

3. *The text amendment complies with or supports the comprehensive plan's goals and policies or how amendment of the plan's goals or policies is supported by changing conditions or state or federal mandates;*

The amendment complies with or supports comprehensive plan goals and policies... (CCC 14.13.040(3)) (code text amendment)

Finding of Fact: The proposed amendments to Titles 11 and 12 (development regulations) are supported by various goals and policies identified within the Land Use, Rural, Resource and Housing Elements of the Chelan County Comprehensive Plan identified above in staff report analysis, specifically:

LU Goals: 1, 4

LU Policies: 4.1, 4.3

RE Goals: 1, 2, 3, 4

RE Policies: 1.1, 1.2, 1.3, 2.1, 2.2, 2.3, 2.4, 2.6, 2.8, 3.2, 3.2, 3.5, 3.6, 3.7, 3.8, 4.1

AL Goals: 1, 2

AL Policies: 1.2, 1.4, 2.1, 2.2, 2.3, 2.4

H Goals: 2, 4

H Policies: 2.1, 2.2, 4.6

Conclusion: The proposed amendments support the Chelan County comprehensive plan goals and policies.

4. *The amendment does not adversely affect lands designated as resource lands of long-term commercial significance or designated critical areas in ways that cannot be mitigated; (CCC 14.13.040(4)) (code text amendment)*

Finding of Fact: This amendment would stop the degradation and further conversion of our agricultural resources and existing farm land to sprawling residential use through numerous existing means of creating

substandard lots and relocating existing lots in a manner that is inconsistent with sustainable farming practices.

Conclusion: This amendment does not adversely affect lands designated as resource lands of longterm commercial significance or designated critical areas in ways that cannot be mitigated.

5. *The development regulation amendment is based on sound land use planning practices and would further the general public health, safety and welfare. [\(CCC 14.13.040 \(5\)\)](#) (code text amendment)*

Finding of Fact: The applicant is Chelan County. The proposed Development Regulation Code amendments respect the work of the Task Force members, their review of existing code sections, consideration of alternatives and recommendations, and were forwarded to Community Development Staff by the Board of County Commissioners for processing as an amendment following the Task Force Recommendations.

Conclusion: The proposed amendment serves the interest of the general public, including public health, safety, and welfare.

RECOMMENDED MOTION

The Chelan County Planning Commission may make a motion to recommend approval or denial of the proposed Development Regulation Text Amendment to the Chelan County Board of County Commissioners, pursuant to Chelan County Code Section 14.10.050. Suggested Findings of Fact and Conclusions of Law, which may be modified, are included in this staff report. Suggested motion if the Planning Commission intends to move said proposed amendments forward with a recommendation for approval:

- A. Move to recommend **approval** of the Development Regulation Text Amendment(s) to provide regulatory support and clarification, given file number ZTA 2024-105, based upon the findings of fact and conclusions of law contained within the March 27, 2024 staff report.

FINDINGS OF FACT

1. Chelan County adopted Title 14, Development Permit Procedures and Administration outlining provisions relating to the amendment of the Comprehensive Plan consistent with RCW 36.70A. The County followed the procedures required for amendment of the Comprehensive Plan.
2. Growth Management Act (RCW 36.70A) and Chelan County Code outline provisions relating to the adoption and amendments to development regulations. The County used the applicable guidelines and regulatory review criteria for this amendment.
3. RCW 36.70A.210 requires that the Comprehensive Plan be consistent with the provisions of the adopted County-Wide Planning Policies.
4. The requirements of RCW 43.21C, the State Environmental Policy Act, and WAC 197-11, SEPA Rules, have been satisfied. To comply with the requirements of the State Environmental Policy Act for environmental review of a non-project action, the County, as lead agency issued a Determination of Non-significance on March 11, 2024.
5. The required State agency review with the Department of Commerce (COM) and other State agencies initiated on March 11, 2024 (Attachment 3), pursuant to RCW 36.70A.106.
6. A request for amendments to Chelan County Code, Titles 11 & 12, was made by Chelan County to provide policy and regulatory support. This amendment addresses the creation and/or revision of substandard lots or acreage-compliant parcels to substandard parcels, within rural areas of Chelan County, along with revising exempt (from subdivision regulations) actions so that appropriate review of infrastructure is addressed.

CONCLUSIONS OF LAW

1. The amendments to the Chelan County Code are consistent with the requirements of the Growth Management Act (RCW 36.70A), Chelan County Comprehensive Plan and County-Wide Planning Policies.
2. The amendments are necessary to address a public land use issue or problem.
3. The amendments do not adversely affect designated resource lands of long-term commercial significance or designated critical areas in ways that cannot be mitigated.
4. Reviewing agencies and the general public were given an opportunity to comment on the proposed amendments.
5. The amendments are consistent with Chelan County Code Title 14 Development Permit Procedures and Administration.
6. The requirements of RCW 43.21C, the State Environmental Policy Act and WAC 197-11 SEPA Rules have been satisfied.
7. The adoption of these amendments is in the best interest of the public and furthers the health, safety, and welfare of the citizens of Chelan County.

ATTACHMENTS

1. Draft Code Text Amendments
2. Task Force Summary and Recommendation Report to BoCC
3. Department of Commerce 60-day Review Acknowledgement letter
4. SEPA Determination dated March 11, 2024
5. Agency Comments
6. Public Comments