TO: Clark County Council

FROM: Ron Barca, Planning Commission Vice-Chair

PREPARED BY: Jose Alvarez, Planner III

DATE: September 17, 2019

SUBJECT: CPZ2019-00003 Riverview Asset ANNUAL REVIEW FOR

COMPREHENSIVE GROWTH MANAGEMENT PLAN AND MAP

AMENDMENT

PLANNING COMMISSION RECOMMENDATION

On June 20, 2019 the Planning Commission voted 5 to 0 to approve the staff recommendation of **denial** to amend the comprehensive plan designation and zoning on two parcels totaling 60 acres from Industrial with Business Park zoning (BP) to Urban Low Density Residential with Residential (R1-10) zoning ~50 acres and Commercial with Community Commercial zoning ~10 acres on parcels (200326000 and 200355000).

PROPOSED ACTION

The applicant is requesting to amend the comprehensive plan designation and zoning on two parcels totaling 60 acres from Industrial with Business Park zoning (BP) to Urban Low Density Residential with Residential (R1-10) zoning ~50 acres and Commercial with Community Commercial zoning ~10 acres on parcels (200326000 and 200355000).

BACKGROUND

The applicant owns parcels (200326000 and 200355000) that are designated Industrial (BP) and total 60 acres and is located northwest of the NE 152nd Ave. and NE 99th St. intersection. This proposed comprehensive plan designation and zone change would allow this parcel to develop into 50 acres of low-density single family residential dwellings (R1-10) and 10 acres of community commercial.

The applicant submitted a similar request in 2017 to amend the current designation to Urban Low (R1-6). Council unanimously denied the request in October of 2017 but discussed a potential change in the future if the site could not be developed for employment as intended. The applicant submitted a pre-application request in November of 2018 to consider the proposal, as described above.

The properties involved in this request were brought into the Vancouver UGA in 2004 as part of the comprehensive plan update and designated Employment Center with an Urban Holding Overlay. The Urban Holding Overlay was removed in April 2007 as part of the Development Agreement for the Orchards sub area. The Battle Ground School District purchased tax parcel 200305000

approximately 20 acres in September of 2016.

The Columbia River Economic Development Council (CREDC) published a land inventory and site readiness analysis in November of 2016. The property was not included in the three Tiers which required 20+ developable acres, site development within a range of time 6 months for Tier 1 to greater than 30 months (Tier 3), infrastructure proximity and willingness to transact. The CREDC study excluded some property from the inventory if it was reported as being in the process of being rezoned. The study identified other sites that were excluded because the use is planned for or has been rezoned or is owned by an existing company for future development.

GENERAL INFORMATION:

Parcel Numbers: 200326000 and 200355000

Location: NE 152nd Ave north of NE 99th St

Area: 60 acres

Owner(s): Riverview Asset Management & Trust Co-Trustees

Existing land use:

Site: Vacant

North: Large lot with a residence (BP) South: Residential (R1-10), Vacant (BP) East: Residential subdivision (R1-6) West: Residential subdivision (R1-5)

SUMMARY OF PUBLIC INVOLVEMENT PROCESS

Sixty-day notice notification was sent to the Department of Commerce on April 1, 2019 under RCW 36.70A.106. A Notice of Determination of Non-Significance and SEPA Environmental Checklist was published in the Columbian newspaper on May 22, 2019. A legal notice was published for the Planning Commission hearing on June 5, 2019. A notice of application and hearing was posted on the property on June 5, 2019.

PUBLIC COMMENTS

None

APPLICABLE CRITERIA, EVALUATION, AND FINDINGS CRITERIA

FOR ALL MAP CHANGES

A. The proponent shall demonstrate that the proposed amendment is consistent with the Growth Management Act (GMA) and requirements, the countywide planning policies, the Community Framework Plan, Comprehensive Plan, City Comprehensive Plans, Applicable Capital Facilities Plans, and official population growth forecasts. [CCC 40.560.010(G)(1)].

Growth Management Act (GMA)

The GMA goals set the general direction for the county in adopting its framework plan and comprehensive plan policies. The GMA lists thirteen overall goals in RCW 36.70A.020 plus the shoreline goal added in RCW 36.70A.480(1). The goals are not listed in order of priority. The GMA goals that apply to the proposed action are Goals 1, 2, 4, and 5.

Goal 1 Urban Growth. "Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner". [RCW 36.70A.020(1) and WAC 365-196-310(2)(i)].

Goal 2 Reduce Sprawl. "Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development." [RCW 36.70A.020(2)].

Goal 4 Housing. "Encourage the availability of affordable housing 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." [RCW 36.70A.020(4)].

Goal 5 Economic Development. "Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and disadvantaged persons and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services and public facilities." [RCW 36.70A.020(5)].

WAC 365-196-410, Housing Element, provides recommendations for meeting the element requirements. Under WAC 365-196-410(2)(a)(iii)(B), "The housing element shows how a county or city will accommodate anticipated growth, provide a variety of housing types at a variety of densities, provide opportunities for affordable housing for all economic segments of the community, and ensure the vitality of established residential neighborhoods...

- (iii) Housing goals and policies should address at least the following:
 - (A) Affordable housing;
 - (B) Preservation of neighborhood character; and
 - (C) Provision of a variety of housing types along with a variety of densities." [WAC 365-196-401(2)(a)(iii)(B) and (C)].

Finding: The proposed amendment is within the urban growth area and is served by public facilities and services to support the proposed amendment at urban densities. The proposed change from Industrial (BP) to Urban Low Density Residential (R1-10) zoning and Commercial (CC) zoning would increase the existing housing stock in the county. The proposed amendment is located in an area of existing urban development surrounded by residentially zoned and developed land. The proposed change from industrial to urban low density residential zoning would allow for short-term employment opportunities in the construction sector by developing an unused piece of property, but would reduce longer-term employment in the area. The proposed residential zoning would allow for additional housing stock; however the market analysis provided by the applicant indicates "The average assumed market value is \$460,000 per home which is the median home sales price...for homes on lots of 10k sq. ft. or more." Homes at this price point are well above what the median household in Clark County of \$359,000 per Washington Center for Real Estate Research, December 2018 issue of Washington State's Housing Market quarterly report. The increased short-term construction employment for the development of low-density housing stock and the future commercial employment opportunities does

not compensate for the loss of 60 acres of industrial (BP) because development of the property for business park uses would also create short-term construction employment but would also allow for longer term employment opportunities. The conversion of business park land would result in a permanent loss of jobs in the future. In addition, amending the plan designation and zoning on the 60 acres would leave 40 acres of business park zoned land to the north that would be very difficult to maintain for job producing land.

Therefore, the proposed amendment is not consistent with the State GMA Goals 4 and 5, or with WAC 365-196-410(2)(a)(iii)(B) Housing Goals and Policies and RCW 36.70.547.

Community Framework Plan

The Community Framework Plan (Framework Plan) provides guidance to local jurisdictions on regional land use and service issues. The Framework Plan encourages growth in centers, urban and rural, with each center separate and distinct from the others. The centers are oriented and developed around neighborhoods to allow residents to easily move through and to feel comfortable within areas that create a distinct sense of place and community. Community Framework Plan policies applicable to this proposal include the following:

Goal 2.0 states that the Housing Element is to "identify sufficient land for housing to accommodate a range of housing types and prices." [Framework Plan, page 13].

The following housing policies apply to the proposed action:

- "2.1.0 Communities, urban and rural, should contain a diversity of housing types to enable citizens from a wide range of economic levels and age groups to live within its boundaries and to ensure an adequate supply of affordable and attainable housing." [Framework Plan, page 13]
- "2.1.8 Housing strategies are to be coordinated with availability of public facilities and services, including human services." [Framework Plan, page 14]

Goal 9.0 states that the Economic Development Element is to "ensure that the type of economic development which occurs contributes to maintaining and improving the overall quality of life in the county." [Framework Plan, page 21]

The following Economic Development policies apply to the proposed action:

- "9.1.0 Encourage a balance of job and housing opportunities in each urban center. Provide sufficient land for business as well as homes. Businesses within the community should provide a range of job types for the community's residents." [Framework Plan, page 21]
- "9.1.1 Encourage industrial uses in major urban centers, small towns and community centers." [Framework Plan, page 21]
- "9.1.6 Establish incentives for the long term holding of prime industrial land. Encourage local jurisdictions and special districts to hold prime industrial land for future development." [Framework Plan, page 21]

Finding: The subject site is within the urban growth area and located in an area of existing urban development surrounded by residentially zoned and developed land. The area in the vicinity of the Planning Commission Recommendation

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subject parcels is predominantly zoned Low Density Residential. The Community Framework Plan encourages retention of employment land and an adequate supply of housing at a range of prices. The proposed amendment is not consistent with the economic development policies in the Community Framework Plan.

Countywide Planning Policies (CWPP)

The GMA, under RCW 36.70A.210, requires counties and cities to collaboratively develop Countywide Planning Policies (CWPP) to govern the development of comprehensive plans. The WAC 365-196-305(1) states that "the primary purpose of CWPP is to ensure consistency between comprehensive plans of counties and cities sharing a common border or related regional issues. Another purpose of the CWPP is to facilitate the transformation of local governance in the urban growth areas, typically through annexation to or incorporation of a city, so that urban governmental services are primarily provided by cities and rural and regional services are provided by counties." CWPP:

- 1.1.12 Coordination of land use planning and development:
 - Conversion of industrial or employment lands to non-industrial or non-employment center districts may occur within the following parameter:
 - Protect and preserve lands zoned heavy industrial for heavy industrial uses.
 - Protect employment center lands from conversion to residential.
 - Consider rezoning of employment center lands to non-retail commercial or business park if the proponent can show that (a) the zone change would accommodate unforeseen and rapidly changing commercial development needs and (b) the proposed designation is more suitable that the current designation given the land's site specific characteristics and (c) the proposed zone change will generate jobs at a higher density than the current comprehensive plan zone allocation. [Land Use Element, pg. 43]
- 9.1.11 Conversion of industrial or employment lands to non-industrial or non-employment center districts may occur within the following parameter:
 - Protect and preserve lands zoned heavy industrial for heavy industrial uses.
 - o Protect employment center lands from conversion to residential.
 - Consider rezoning of employment center lands to non-retail commercial or business park if the proponent can show that (a) the zone change would accommodate unforeseen and rapidly changing commercial development needs and (b) the proposed designation is more suitable that the current designation given the land's site specific characteristics and (c) the proposed zone change will generate jobs at a higher density than the current comprehensive plan zone allocation. [Economic Development Element, pg. 227]

of industrial land of this size and topography with so few environmental constraints. The applicant has offered to provide up to 10 acres of commercial land to serve the residential areas however, the site is located in area almost exclusively residential. The 10 acres of land proposed for commercial would provide for 200 jobs using the commercial assumption of 20 jobs per acre in the vacant buildable lands model (VBLM). The 60 acres of land would generate 540 jobs using the 9 employees per acre industrial assumption per the VBLM.

The county has no established incentives for the long term holding of prime industrial land but does have the authority to identify and maintain industrial zoning on land for future uses. Under Policy 1.1.12 and 9.1.11 the county is to consider rezoning of industrial land of all three of the criteria, in bullet three, above are met.

Since the applicant's request in 2017 the market for commercial/retail land has become more tenuous due to the increase in on-line retail sales. It's not likely that the proposed ten acres of commercial land would be developed in the foreseeable future.

The proposed change does not accommodate unforeseen and rapidly changing commercial development needs nor does the proposed change generate jobs at a higher density than the current Industrial designation of 9 jobs per acre.

Comprehensive Growth Management Plan 2015-2035 (2016 Plan)

The 20-Year Comprehensive Growth Management Plan contains many policies that guide urban form and efficient land use patterns. The most relevant goals and policies applicable to this application are as follows:

Goal: Adopt Urban Growth Area (UGA) boundaries to efficiently accommodate residential and employment increases projected within the boundaries over the next 20 years.

- 1.2.2 The UGA's shall be consistent with the following more specific criteria:
 - Each UGA shall provide sufficient urban land to accommodate future population/employment projections through the designated planning period.

Goal: Assure an adequate supply of industrial sites to meet market demands for industrial development over the planning horizon to create an environment conducive to the startup, growth and expansion of industries.

9.3.4 Conversion of industrial or employment lands to non-industrial or non-employment center districts may occur within the following parameter:

- Protect and preserve lands zoned heavy industrial for heavy industrial uses.
- o Protect employment center lands from conversion to residential.
- Consider rezoning of employment center lands to non-retail commercial or business park if the proponent can show that (a) the zone change would accommodate unforeseen and rapidly changing commercial development needs and (b) the proposed designation is more suitable that the current designation given the land's site specific characteristics and (c) the proposed zone change will generate jobs at a higher density than the current comprehensive plan zone allocation.

Finding: See Community Framework Plan and Countywide Planning Policies, above.

Conclusion: Criterion A has not been met.

B. The proponent shall demonstrate that the designation is in conformance with the appropriate locational criteria identified in the plan and the purpose statement of the zoning district. [CCC 40.560.010(G)(2)].

Land Use Element (pg. 33)

Urban Low

This designation provides for predominantly single-family residential development with densities of between five and ten units per gross acre. Minimum densities will assure that new development will occur in a manner which maximizes the efficiency of public services. New development shall provide for connection to public sewer and water. Duplex and attached single-family homes through infill provisions or approval of a Planned Unit Development may be permitted. In addition, public facilities, churches, institutions and other special uses may be allowed in this designation if certain conditions are met. The base zones which implement this 20-Year Plan designation are the R1-20, R1-10, R1-7.5, R1-6 and R1-5 zones. The zones may be applied in a manner that provides for densities slightly higher than existing urban development, but the density increase should continue to protect the character of the existing area.

A. Purpose.

- 1. The R1-20, R1-10 and R1-7.5 districts are intended to:
 - a. Recognize, maintain and protect established low-density residential areas.
 - b. Establish higher densities where a full range of community services and facilities are present or will be present at the time of development.
 - c. Provide for additional related uses such as schools, parks and utility uses necessary to serve immediate residential areas.

Community Commercial (CC).

A commercial center area provides services to several neighborhoods in urban areas of Clark County and is implemented with the Community Commercial zone. New community commercial areas should generally be between 5 and 20 acres in size, spaced two to four miles from similar uses or zones, serve a population of 10,000 to 20,000, locate at minor or major arterial crossroads and serve a primary trade area between 2 to 4 miles. [2016 Plan, page 34].

Finding: The proposed comprehensive plan amendment and rezoning to residential is consistent with surrounding land uses and is served by public sewer and water, and is in proximity to commercial services. Public open space and recreation opportunities are available to the east and south at the Hockinson Meadows Community Park and Cherry Park, respectively. The parcel is located along NE 152nd Ave. (a two-lane collector). The proposed amendment is in conformance with both the locational criteria in the comprehensive plan and the purpose of the proposed zoning district for residential.

The proposed 10 acres of Community Commercial meets the size criteria of the designation but there are several other Community Commercial designated properties (NE 137th Ave. and Padden Parkway and Ward Road and NE 162nd Ave.) within one mile of the proposed location and additional commercial within two miles of the site. With the location of the property at the edge of the urban growth boundary it is not likely to have sufficient population density to be viable for community commercial. As the applicant's market analysis states "Commercial tenants seek high traffic volumes and high visibility from prospective customers. The site location on NE 152nd Ave. is somewhat isolated, and doesn't feature any corner visibility from NE 99th or NE 119th Streets.

Conclusion: Criterion B is not met.

C. The map amendment or site is suitable for the proposed designation and there is a lack of appropriately designated alternative sites within the vicinity. [CCC 40.560.010(G)(3)].

<u>Finding:</u> The proposed map amendment is suitable for the proposed designation however there is not a lack of appropriately designated alternative sites of residential land. The site is surrounded by 370 acres of R1-10 zoning to the southeast and approximately 500 acres of R1-5 to the northwest. In addition, the county approved a comp plan amendment and rezone in 2013 to convert approximately 70 acres from Mixed Use to Urban Low density with R1-7.5 zoning less than a 1/3 of a mile to the west of the site. See discussion of community commercial in B above.

<u>Conclusion:</u> The site is suitable for the requested Urban Low (UL) designation. However, the applicant has not shown that there is a lack of appropriately designated residential sites within the vicinity. Criterion C is not met.

D. The plan map amendment either; (a) responds to a substantial change in conditions applicable to the area within which the subject property lies; (b) better implements applicable comprehensive plan policies than the current map designation; or (c) corrects an obvious mapping error. [CCC 40.560.010(G)(4).

<u>Finding</u>: The applicant addresses this requirement in their narrative by stating that the proposed land use amendment (b) better implements applicable comprehensive plan policies than the current map designation. The applicant states that the current map designation is isolated and surrounded by residential development. In addition, the abutting property purchased by the Battle Ground School District, would be incompatible with Business Park development.

The 120 acres of land designated Business Park amidst residential land is served by State Route 503 less than 2 miles to the west. NE 99th St. which is designated a Primary Arterial is less than 1,000 ft. south of the site. The City of Camas, recognized throughout the region as having attracted large employers in business park type environments, has three large campuses that are surrounded by residential development. Sharp Electronics is within close proximity of Prune Hill Elementary School. In Vancouver, SEH is across the street from Fisher's Landing Elementary School. These campus developments have no better access to an arterial network than the location of this site. The business park districts are intended to provide the community with employment opportunities such as compatible office and attractive campus like development with higher jobs densities and family wage jobs than in traditional industrial areas.

The Battle Ground School district purchased property with a Business Park designation (that allows elementary and secondary schools as a conditional use) in September of 2016. It is not credible to use that as a rationale for a "land use conflict". There are many uses allowed in the Business Park zone (Information, Finance and Insurance, Real Estate Rental and Leasing, Professional, Scientific, and Technical Services) that do not involve truck traffic. Since the land is vacant any imagined conflict is highly speculative.

The market analysis submitted by the applicant provides an estimate of employment by real estate type (pg. 12) which indicates that 79% of employment occurs in a commercial setting rather than industrial land. The implication is that there is a spatial mismatch in our employment land designations tilted towards industrial. The analysis however doesn't take into account that two thirds of the job types in the commercial setting are allowed in the Business Park zone and that the Business park zone allows up to 10% of the gross floor area of all buildings with the development site to serve the commercial retail needs of the development.

In addition to allowing employment, the Business Park designation provides an opportunity for school districts to broaden their tax base.

<u>Conclusion:</u> The proposed change does not better implement the applicable comprehensive plan policies than the current map designation. Criterion D has not been met.

E. Where applicable, the proponent shall demonstrate that the full range of urban public facilities and services can be adequately provided in an efficient and timely manner to serve the proposed designation. Such services may include water, sewage, storm drainage, transportation, fire protection and schools. Adequacy of services applies only to the specific change site. [CCC 40.560.010(G)(5).

Finding: The full range of urban public facilities and services are available to serve residential uses at the site. The site is in the Vancouver Urban Growth area. Water and sewer service in this area is provided by the City of Vancouver. Future development of all lots in the urban area will be required

to provide a separate stormwater system at the time of development. The site is in the Battle Ground School District. The site is served by Fire District 5. Public open space and recreation opportunities are available at the Hockinson Meadows Community Park to the east and Cherry Park to the south. The Transportation Impact Analysis shows a decrease in trips as a result of this request from 4,292 daily trips in Business Park zoning to 3,914 daily trips in the R1-10 and Community Commercial zoning, a net decrease of 378 trips per day. (See Transportation Impact Analysis)

Conclusion: Criterion E has been met.

RECOMMENDATION AND CONCLUSIONS

Based on the information and the findings presented in this report, the Planning Commission forwards a recommendation of **DENIAL** to the Clark County Council.

The following table lists the applicable criterion and summarizes the findings of the staff report for CPZ2019-00003.

COMPLIANCE WITH APPLICABLE CRITERIA		
	Criteria Met?	
	Staff Report	Planning Commission Findings
Criteria for All Map Changes		
A. Consistency with GMA & Countywide Policies	NO	NO
B. Conformance with Location Criteria	NO	NO
C. Site Suitability and Lack of Appropriately Designated Alternative Sites	NO	NO
D. Amendment Responds to Substantial Change in Conditions, Better Implements Policy, or Corrects Mapping Error	NO	NO
E. Adequacy/Timeliness of Public Facilities and Services	YES	YES
Recommendation:	DENIAL	DENIAL