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CLARK COUNTY
WASHINGTON

DEPARTMENT OF COMMUNITY PLANNING

STAFF REPORT

TO: Board of Clark County Councilors

FROM: Clark County Planning Commission

DATE: March 1, 2016

SUBJECT: Public Hearing; Establishment of a Rural Industrial Land Bank

BACKGROUND

The purpose of the hearing is for the Board to consider the Planning Commission recommendation on an application for a rural industrial land bank (RILB). Such land banks are allowed by the Growth Management Act (GMA), RCW 36.70A.367.

An application for a RILB was received by the county in February of 2014. As the application is to re-designate and rezone property, the application was treated like an annual review. The GMA has specific requirements that must be met, and those requirements and the work that has been done to meet them are described below. Per the Clark County Code, land that becomes part of a RILB is zoned for light industrial uses.

The Board of County Councilors approved a contract to prepare the RILB application package. BERK out of Seattle was hired to work with the county on meeting the RILB requirements.

The GMA requires preparation of several work products as part of the application process:

- Inventory of Available Sites
- Consultation with Affected Cities
- Programmatic Level of Environmental Review
- Master Plan Concept
- Development Regulations

In addition, because the RILB application is for lands currently zoned for agriculture (AG-20), a de-designation analysis is included as a work product. All of these are described below.

Materials are organized as 1) Programmatic Environmental Review, and 2) Addendum to the Clark County Comprehensive Plan. These are further organized, as follows:

Addendum Part 1 Inventory

Addendum Part 2 Alternative Sites Analysis

City Letters

Addendum Part 3 Appendices

- Appendix A Conceptual Plans
- Appendix B Agricultural Lands Analysis
- Appendix C Critical Areas Reports
- Appendix D Docket Application SEPA Checklist
- Appendix E Docket Site Utilities Analysis
- Appendix F Docket Site Transportation Analysis
- Appendix G Excerpt, 2007 Comp Plan EIS

Proposed Development Regulations

SEPA Comments and Responses

THE APPLICATION SITE

The application site comprises two areas that straddle SR-503 north of NE 119th St. (Addendum Part 1 Inventory, page 3). The Lagler property on the east side of SR-503 contains 378.71 acres and is made up of five parcels. The parcels abut the Vancouver urban growth area (UGA) in part along their south and west sides. All of the parcels were brought into the Vancouver UGA with the 2007 Comprehensive Plan update, and then designated Area VB after the 2007 Plan was challenged. They were changed back to AG-20 when the UGA shrunk in 2009. Even though the land is zoned for agriculture, the entire area has an Industrial Urban Reserve overlay on it.

The Ackerland property on the west side of SR-503 contains 223.72 acres. Three of the seven parcels have a railroad industrial overlay on them, and that overlay extends to the south of the Ackerland site. The largest parcel was designated with railroad industrial zoning in the 2007 Comprehensive Plan update, but the zoning was changed back to AG-20 when the UGB was shrunk in 2009.

INVENTORY OF AVAILABLE SITES

The Comprehensive Plan requires that ‘new industrial sites that are part of a major industrial land bank be required to have a minimum of 75 acres or more...’ (Policy 9.3.1). CCC Section 40.560.010(J)(2) requires that rural industrial designations be 100 acres or more.

RCW 36.70A.367(2)(b)(i) requires that an inventory of developable land be conducted and that the county determines and enters findings that land suitable to site major industrial development is unavailable within the urban growth area. Two things were done to satisfy this requirement.

The Columbia River Economic Development Council (EDC) did a 'Clark County Employment Land Inventory study in 2011 (Addendum Part 1 Inventory, page 5). The study looked at the availability of lands for industrial development both within cities and in UGAs. Two areas under private ownership, both part of Section 30 in Vancouver, were identified that meet the county's 100-acre minimum requirement. But the lands are not strictly planned for industrial uses and have some infrastructure and topographic constraints as well as being owned by numerous landowners that is challenging for lot consolidation and the size of typical industrial uses. The county adopts the CREDC document as meeting the inventory requirement for UGAs.

The second thing that was done was develop a list of sites that would otherwise meet the requirements of the Comprehensive Plan and the Clark County Code (CCC). BERK applied a standard list of what makes a good industrial site to parcels in the county that meet the minimum parcel size requirement (Addendum Part 1 Inventory, page 7), and identified four sites in addition to the docket site (Addendum Part 1 Inventory, pages 12 and 15). This accomplished two things: 1) it showed that the county examined possible alternative sites to the docket site, and 2) it provided a list of sites to compare to the docket site in the programmatic environmental review (more on that below). The Inventory summarizes the EDC study and adds the rural lands evaluation that is part of the RILB process.

CONSULTATION WITH AFFECTED CITIES

RCW 36.70A.367(1) states that a county....may establish, in consultation with cities...a process for designating a bank of no more than two master planned locations.....The potentially affected cities for this application are Vancouver and Battle Ground. Letters were sent to the cities in December of 2014 notifying them that the county had received an application and was proceeding to process it.

There hasn't been any formal input from either the city of Vancouver or the city of Battle Ground to date.

PROGRAMMATIC LEVEL OF ENVIRONMENTAL REVIEW

RCW 36.70A.367(2)(b) requires that 'the environmental review for amendment of the comprehensive plan must be at the programmatic level...' and must include an inventory of developable land and 'an analysis of the availability of alternative sites within urban growth areas and the long-term annexation feasibility of sites outside urban growth areas.'

Further, the State Environmental Policy Act (SEPA) allows agencies to use existing environmental documents. WAC 197-11-600(2) states that “an agency may use environmental documents that have previously been prepared in order to evaluate proposed actions, alternatives, or environmental impacts. The proposals may be the same as, or different than, those analyzed in the existing documents.”

The process for establishing available sites is described above. For the environmental review process, an additional criterion was used. All of the docket site properties were included in the EIS on the 2007 Comprehensive Plan update. Given the county’s desire to adopt the 2007 EIS, sites were chosen for further study that were also part of the 2007 EIS study area. All sites were considered for industrial or employment center purposes in the 2007 EIS. The 2007 EIS considered a range of natural and built environment topics addressing the cumulative effects of the subject Sites 1-4 becoming urban and changing to employment uses along with other urban and rural growth proposals. Accordingly, the environmental impacts of the subject proposal are covered by the range of alternatives and impacts analyzed in the existing environmental documents (WAC 197-11-600(3)(b)(ii)).

Building on the 2007 EIS already completed, the addendum provides the programmatic level environmental review required in RCW 36.70A.367(2)(b) and adds analyses or information about the proposal, but does not substantially change the analysis of significant impacts and alternatives in the existing environmental document (WAC 197-11-600(4)(c) where the subject properties had been evaluated for conversion to industrial or employment uses. As stated above, four sites in addition to the docket site were chosen for further study (Addendum Part 1 Inventory, page 15). The environmental review is included in Addendum Parts 2 and 3 (appendices). Most of the work was done on identifying the environmental effects of developing the docket site, but all the sites were analyzed for industrial site suitability, critical areas, and agricultural viability. Appendix C looks at critical areas among the alternative sites. Appendix D is a SEPA checklist that was submitted by the applicant. Appendix G contains a summary excerpt from the 2007 EIS.

There is additional discussion about the SEPA process below.

MASTER PLAN CONCEPT

Master planning is mentioned in both RCW 36.70A.367(1) and (2) as something that is required. Clark County has a master planning code section (CCC Section 40.520.070) but at the time of the RILB application there were no provisions for master planning for a RILB. In December of 2014, a new code section was adopted by the Board. CCC Section 40.520.075 deals specifically with master planning for rural industrial development.

There was a lot of discussion about what the master plan should be. As a practical matter, it is not possible to develop a precise master land use plan, because at this

point it is not known who will be locating in the land bank and what and how they will wish to develop.

Appendix A lists goals and objectives for a master plan. It also contains a master plan concept map for the docket site as well as maps for the alternative sites. Appendix E contains a utilities analysis prepared by Mackay Sposito and a utilities concept plan for the docket site. Appendix F contains a transportation analysis developed by Kittelson & Associates. There have been several conversations with WSDOT about access to the site from SR-503.

With this information and information about how the docket sites are constrained, a master plan concept land use map has been developed (Appendix A, page 2). It is important to note that a 100-foot perimeter setback is proposed for the site(s). With this proposal along with the portions of the site(s) that are environmentally constrained, the amount of developable land drops to about 380 acres.

DEVELOPMENT REGULATIONS

RCW 36.70A.367(3) states in part that ‘in concert with the designation of an industrial land bank area, the county shall also adopt development regulations for review and approval of specific major industrial developments through a master plan process’.

Draft development regulations are included in the packet. By county code, lands designated in RILB must be zoned light industrial. What is proposed for the RILB is a light industrial overlay district, IL-RILB zone overlay. This would in essence allow all uses that are otherwise allowed in a light industrial zone (there are some listed exceptions), but additional language regarding things like the 100’ perimeter buffer and other master planning requirements from CCC Section 40.520.075 are incorporated as well. Also, by statute, any development in a RILB requires a 30-day notice for a hearing as opposed to the CCC requirement of 15 days.

COMPREHENSIVE PLAN POLICIES

It is proposed that comprehensive plan text and policies be added to the Land Use Element (Chapter 1), as follows:

20-YEAR PLAN DESIGNATIONS AND LOCATION CRITERIA, RURAL LANDS (page 1-16)

Rural Industrial Land Bank

A rural industrial land bank is a master planned location for major industrial developments established consistent with RCW 36.70A.367. The minimum size of the land bank is 100 acres.

"Major industrial development" means a master planned location suitable for manufacturing or industrial businesses that: (i) Requires a parcel of land so large that no suitable parcels are available within an urban growth area; (ii) is a natural resource-based industry requiring a location near agricultural land, forest land, or mineral resource land upon which it is dependent; or (iii) requires a location with characteristics such as proximity to transportation facilities or related industries such that there is no suitable location in an urban growth area. The major industrial development may not be for the purpose of retail commercial development or multitenant office parks.

"Industrial land bank" means up to two master planned locations, each consisting of a parcel or parcels of contiguous land, sufficiently large so as not to be readily available within the urban growth area of a city, or otherwise meeting the criteria in "Major industrial development" above, and is suitable for manufacturing, industrial, or commercial businesses and designated by Clark County through the comprehensive planning process specifically for major industrial use.

Add a new section to **GOALS AND POLICIES** (page 1-18), based on the RILB concept plan guiding principles:

GOAL: SUPPORT THE CREATION OF A RURAL INDUSTRIAL LAND BANK CONSISTENT WITH THE GROWTH MANAGEMENT ACT TO PROVIDE A MASTER PLANNED LOCATION FOR LIVING WAGE JOBS AND INDUSTRIES SUPPORTING RURAL COMMUNITIES IN AN ENVIRONMENTALLY SENSITIVE MANNER.

1.7 Policies

1.7.1. Designate a rural industrial land bank that is compatible with surrounding land uses and that creates long term value for both the community and the industrial users.

1.7.2 Develop rural major industrial developments within the designated rural industrial land bank that promotes sustainable development by minimizing our environmental impacts, protecting natural resources, and reducing waste.

1.7.3 Anticipate changing market and industrial needs and maintain the flexibility required for a variety of light industrial uses within the rural industrial land bank.

1.7.4 Ensure rural major industrial development within the rural industrial land bank respects and preserves critical areas functions and values, and develops a stormwater solution that mimics the natural hydrology of the site while developing buffers both internally and externally. Incorporate low impact development strategies.

1.7.5 Ensure infrastructure requirements are met to maximize the land value. Coordinate infrastructure analysis and planning with public and private agencies

so that their long term planning can anticipate the future light industrial development within the rural industrial land bank.

1.7.6 Develop a roadway and site infrastructure backbone within the rural industrial land bank that allows for phased development based on the market needs. Accommodate rail access.

1.7.7 Promote a level of predictability for future light industrial developers and the County through the flexibility of standards and consolidated reviews.

ARTERIAL ATLAS AMENDMENTS

Part of the master planning process includes how the RILB will be connected to the surrounding transportation system. The primary access is proposed to be a signalized intersection in the vicinity of SR-503 and NE 134th Street. The site, however, also needs to be connected to other roads in the area. Appendix F contains proposed Arterial Atlas amendments, which are as follows:

- Commercial/Industrial Classified Road from NE 139 St. Extension to NE 149th St at approximately NE 106th Ave. west of Chelatchie Prairie Railroad;
- Commercial/Industrial Classified Road from NE 144 St. Extension to Dead End east of the Chelatchie Prairie Railroad; and
- Commercial/Industrial Classified Road from NE 134 St. Extension to NE 139th St Extension at approximately NE 110th Ave. east of Chelatchie Prairie Railroad.

DE-DESIGNATION ANALYSIS

Because the docket site lands proposed for the RILB are zoned for agriculture, a de-designation analysis was done. De-designation criteria are listed in WAC 365-190-050.

The docket sites were included in a de-designation study that was done for the 2007 Comprehensive Plan update. The areas were brought into the Vancouver UGA. The inclusion of these parcels in the Vancouver UGA was challenged. As a result, the county shrank the Vancouver UGA in 2009, and the parcels were re-zoned back to AG-20.

The de-designation analysis is included in Appendix B, in Exhibit 3 on page 7 and Exhibit 17 beginning on page 24. The analysis was done not only for the docket site, but for the alternative sites, since they are all zoned for agriculture as well. Additionally, an area-wide analysis was also conducted for each site addressing the extent of the AG-20 zone abutting the studied sites.

The docket site(s) meet several of the de-designation criteria, but not all of them (see the de-designation Chapter 2 analysis of the docket site and the area-wide analysis). The site is in agricultural use and uses the current use taxation program, and has prime

soils. The site is also in proximity of urban uses with urban services, permit activity is fairly frequent south of the site, and there is a high volume of traffic on SR 503. The local agricultural market shows activity and increases in small, value added production and direct sales. The challenges of dairy operations are described in the report.

Agriculture would continue to be an allowed use in the IL–RILB zone overlay. The perimeter buffer described in the development regulations and example cross-sections illustrate how agriculture could occur in the perimeter buffer.

A number of public comments touched on agricultural activities at the docket site and vicinity. The County has analyzed a variety of techniques to support the agricultural industry in Clark County, including:

- Agriculture Preservation Strategies Report (2008)
- Rural Lands Task Force Recommendations (2010)
- Rural Lands Study (2012)

Policy options for agricultural lands across the county, including agriculture protection districts and others, are addressed in these documents and have been considered by the Board of County Councilors. These documents are available at: <https://www.clark.wa.gov/community-planning/rural-lands-review>. The de-designation analysis does identify some findings from the broader agricultural lands review, such as the Rural Lands Study, part of which further evaluated concepts identified in the earlier strategies and task force reports.

PUBLIC INVOLVEMENT

The GMA requirements for early and continuous public involvement apply to this project. Work sessions on the project were held with the Planning Commission in October and November of 2014 and in May and November of 2015. Work sessions with the Board were held in October and December of 2014. in June of 2015, and in January of 2016. Four public open houses were held in 2015 (January, April, July and October), and one in 2016 (February). Presentations were given to NACCC, the county's Economic Development Action Team (EDAT), the Railroad Advisory Board, and the Brush Prairie and Meadow Glade Neighborhood Associations. A webpage for the project has been maintained throughout the project at: <http://www.clark.wa.gov/planning/landbank/>. Comments from each of the open houses are included on the webpage.

SEPA PROCESS

Pursuant to WAC 197-11-600(2), the county adopted the 2007 Comprehensive Plan EIS as part of the process, because the docket sites as well as the alternative sites were covered in the analysis done in that EIS. The 2007 EIS assumed that docket site parcels would be zoned for industrial or employment purposes, similar to what is proposed in the land bank application.

WAC 197-11-600(4) states that existing documents may be used for a proposal by employing one or more of several methods. Section 4(c) allows for preparation of an addendum ‘that adds analysis or information about a proposal but does not substantially change the analysis of significant impacts and alternatives in the existing environmental document.’ Pursuant to this section, the county published a Notice of Determination of Significance with an addendum that contains the alternative sites analysis, the master planning process, and the development regulations. Comments on the SEPA process are included as the last item in the PC packet.

The County held a voluntary comment period on the Addendum; these comments are responded to in the “Responses to SEPA Comments” document prepared in December 2015 and updated in January 2016.

The County held an appeal period per County code. A SEPA appeal was filed on November 4, 2015; a companion staff report addresses the appeal. The appeal by code will be heard as part of the Board hearing on the RILB application. (See related staff report).

STAFF RECOMMENDATION

Staff has reviewed the body of work prepared by BERK, and believes that the requirements of have RCW 36.70A.367 been met. Staff recommends that the Planning Commission forward a recommendation to approve to the Board of County Councilors.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission (PC) had a work session on November 5, 2015 and public hearing on December 17, 2015.

The PC voted 4-2 to recommend to the Board approval of the RILB consistent with the staff recommendation. However, the PC recommendation also includes additional land use recommendations suggested by the Railroad Advisory Board (RRAB). The RRAB suggested allowing the following land uses from the railroad industrial (IR) district for the Ackerland (west-side of SR-503) properties:

Table 40.230.085-1. Uses						
2012 North American Industrial Classification System (NAICS)				IR ¹	IL ²	IL-RILB ³
B. Manufacturing Uses						
	321	Wood product manufacturing				
		3211	Sawmills and wood preservation	P	X	P/X ¹¹
		3212	Veneer, plywood, and engineered wood product manufacturing	P	P	P/X ¹¹
	322	Paper manufacturing				
		3221	Pulp, paper and paperboard mills	P	X	P/X ¹¹
	327	Nonmetallic mineral product manufacturing				

Table 40.230.085-1. Uses					IR ¹	IL ²	IL-RILB ³
2012 North American Industrial Classification System (NAICS)					IR ¹	IL ²	IL-RILB ³
		3273	Cement and concrete product manufacturing		P	P	<u>P</u>
			327310	Cement manufacturing	P	X	<u>P/X</u> ¹¹
			327320	Ready-mix concrete manufacturing	P	X	<u>P/X</u> ¹¹
		3274	Lime and gypsum product manufacturing		P	X	<u>P/X</u> ¹¹
		3279	Other nonmetallic mineral product manufacturing		P	X	<u>P/X</u> ¹¹
	331	Primary metal manufacturing			P	X	<u>P/X</u> ¹¹
	332	Fabricated metal product manufacturing					
		3328	Coating, engraving, heat treating, and allied activities		P	P	<u>P</u>
			332813	Electroplating, plating, polishing, anodizing, and coloring	P	C	<u>P/C</u> ¹²
E. Transportation and warehousing							
	488	Support activities for transportation			X	P	<u>P</u>
		4883	Support activities for water transportation		P	P	<u>P/X</u> ¹¹

¹¹Permitted on IL-RILB parcels on the west side of SR-503; otherwise prohibited.

¹²Permitted on IL-RILB parcels on the west side of SR-503; otherwise requires a conditional use permit.

¹From the current IR use list; Planning Commission recommendation.

²From the current IL use list.

³Proposed IL-RILB use list.

In the 2007 comprehensive plan update the large Ackerland parcel with the railroad running through it was given Railroad Industrial (IR) zoning. The use list for IR in the first column was developed by the RRAB in a subsequent planning process. For comparison, the use list for light industrial (IL) is in the second column. The proposed use list for the overlay district is in the third column. County code and the comprehensive plan state that land in a RILB be zoned light industrial. Staff believes that IR uses cannot be allowed in the IL-RILB overlay since they are not allowed otherwise in IL districts.

The RRAB also recommended language requiring preparation of rail use plan be included in additional requirements for the land bank developments. This language currently exists in code for IR district developments.