



Chelan County Planning Commission

Chair: Cherié Warren Vice Chair: Doug England

Commissioners District 1: Tammy Donaghue, James Wiggs, Nik Moushon

Commissioners District 2: Cherié Warren, Mike Sines, Ken Hemberry

Commissioners District 3: Christopher Willoughby, Jesse Redell, Doug England

Meeting Agenda

Wednesday, April 22nd, 2026 at 6:30 PM

Chelan County Community Development

400 Douglas Street,

Wenatchee WA, 98801

Or via Zoom- details listed below:

Join Zoom Meeting

<https://us02web.zoom.us/j/86477382799?pwd=2R8FITXjrEe5XAL0OeLVZX1cP75W2b.1>

Meeting ID: 864 7738 2799

Passcode: 717869

Meeting to Order

I. Administrative

- A.** Review/Approval of Minutes from March 25th, 2026 Planning Commission Meeting.

II. Public Comment Period

- A.** Comment for any matters not identified on the agenda (limit 2 minutes per person)

III. Old Business

IV. New Business

- A.** Reviewing Draft Malaga UGA plan

V. Discussion, at the Chair's discretion

VI. Adjournment *Meeting will go no longer than 8:30 PM.*

Any person may join this meeting via Zoom Video conference, of which the link is provided on the Chelan County Website. A Copy of the Agenda may be reviewed online
<https://www.co.chelan.wa.us/community-development/pages/planning-commission>

Chelan County has been recording Planning Commission meetings which will continue to be accessible on the Community Development Planning Commission web page shortly after the meeting takes place.

**Next Regular Meeting
May 27, 2026 at 6:30 PM**

** All Planning Commission meetings and hearings are open to the public.*



CHELAN COUNTY PLANNING COMMISSION MINUTES

Chelan County Planning Commission
Chelan County Community Development

Date: March 25, 2026

400 Douglas Street
Wenatchee, WA 98801

CALL TO ORDER

Meeting was called to order at 6:30 PM

COMMISSIONER PRESENT/ABSENT

Doug England	Present - zoom	James Wiggs	Absent
Tammy Donaghue	Present	Ken Hembery	Present
Cherie Warren	Present	Jesse Redell	Present - zoom
Chris Willoughby	Present	Mike Sines	Absent
Nik Moushon	Present - zoom		

STAFF PRESENT

Madalyn Treat
Deanna Walter
Mike Kaputa
Erin McKay
Shon Smith

PUBLIC PRESENT:

Skip Frans
Eugene (**zoom**)

PUBLIC PRESENT VIA ZOOM:

Minutes:

Chairwoman Cherie Warren starts the meeting and takes roll.

She proceeds, asking the commissioners if they had read the minutes from the

February 25th meeting.

Hearing no corrections, changes, or additions.

Motion:

Motion made by commissioner Donaghue, second by commissioner Hemberry, to approve agenda and meeting minutes from February 25th Planning Commission Meeting.

Vote – Unanimous

Motion carries

PUBLIC COMMENT PERIOD FOR ITEMS NOT ON THE AGENDA

No public comment.

New Business:

CPA 24-145 Recreation Element (PROS Plan) Update - Chelan County's Recreation Element of its Comprehensive Plan, also known as a Parks, Recreation, Open Space, and Trails (PROST) Plan, examines the County's parks, recreation, and open space assets and engages the public in determining their desired quality of life and the appropriate level of recreational service to be provided, then outlines recommended improvements to form a basis for future capital improvement planning. This plan has been prepared in compliance with State of Washington Growth Management Act requirements and serves as the County's strategic plan to deliver parks & recreation services to the community, and complements the policy framework identified in Chelan County's Comprehensive Plan's Parks and Open Space Element. Additionally, the plan has been developed in compliance with the Washington State Recreation and Conservation Office guidelines.

Chelan County Natural Resources Director Mike Kaputa and Specialist Erin McKay give a presentation outlining the PROS Plan.

Commissioners discuss PROS plan with Director Mike and Specialist Erin.

No public comment.

Old Business:

Discussion at the Chair's Discretion:

Commissioners briefly discuss the 2026 docket and recent legislation that they should be aware of.

ADJOURNMENT

Meeting Adjourned at 7:51 p.m.

Next Planning Commission Meeting to be held on April 22,
2026, at 6:30 pm

**All Planning Commission meetings and hearings are open
to the public.**

Memorandum

March 19, 2026

To: Susan Dretke and Deanna Walter, Chelan County

From: Shirley Schultz and Josh Jensen, Anchor QEA

cc: Kevin Overbay, Chelan County Board of County Commissioners
Brian Points, Dylan Kluss, Robyn Player, Points Consulting
Matt Covert, Facet NW

Re: Malaga Urban Growth Area (UGA) Plan

The Malaga community, located in unincorporated Chelan County along the Columbia River, is experiencing development patterns and growth pressures that are no longer consistent with its designation as a Limited Area of More Intensive Rural Development (LAMIRD). Over the past several decades, the area has experienced substantial increases in population, housing density, and employment activity, supported in-part by the LAMIRD designation (over the last 10 years) and associated urban-scale zoning. However, corresponding urban infrastructure has not been made available. Under the Washington Growth Management Act (GMA), this level of growth should occur within Urban Growth Areas (UGAs), where jurisdictions can plan land capacity, infrastructure, and public services to accommodate twenty-year population and employment forecasts. Malaga's existing conditions, including continued residential expansion and emerging economic activity tied to regional industry, indicates that it functions as an urban area and warrants planning consistent with that role.

At the same time, the absence of urban infrastructure, particularly sewer service, has created increasing environmental and public health risks. All development in Malaga relies on on-site septic systems, and available data shows that the cumulative effect of these systems at current densities contributes to rising nitrate concentrations in the underlying aquifer, which serves as the community's primary drinking water source. This trend conflicts with state groundwater protection requirements and creates the potential for significant long-term treatment costs if regulatory thresholds are exceeded. Soil and site constraints further limit the feasibility of septic-based development at higher densities. Conversion to a UGA would enable coordinated infrastructure planning, including provision of sewer service, allowing Chelan County to accommodate growth while protecting groundwater quality, supporting economic development, and ensuring compliance with state planning and environmental requirements.

The proposed UGA boundary includes areas currently zoned Rural Village, Rural Residential Recreational, and Rural Industrial. The boundary excludes agricultural and resource lands and includes land along the Columbia River from approximately Stemilt Creek Road to an area

encompassing the former Alcoa site, while excluding agricultural and resource lands within the Malaga Vision Plan planning area. Proposed zoning within the UGA would align with zoning currently applied in Peshastin, subject to community input. See Attachment A for a map of the proposed UGA.

Purpose of the Malaga UGA Plan

This Malaga UGA Plan provides the basis for evaluating and justifying conversion of Malaga from a LAMIRD to a UGA as part of the 2026 to 2046 Comprehensive Plan update process. The information and analysis presented herein are consistent with the requirements and standards of Chelan County Code Title 10 and the GMA.

This plan summarizes the basis for conversion, including background information on applicable GMA requirements and Chelan County procedures for UGA designation, followed by an evaluation of Malaga's existing conditions and future role. The analysis demonstrates that Malaga exhibits urban levels of development, is expected to accommodate future population and employment growth, and is currently underserved by rural infrastructure. The memorandum also evaluates the feasibility of providing urban services to the area and concludes with a proposed UGA boundary and supporting rationale. The following attachments are included to support this plan:

- **Attachment A:** Proposed UGA Map
- **Attachment B:** Malaga Vision Plan (2017)
- **Attachment C:** Malaga Land Capacity Analysis (LCA)
- **Attachment D:** Wellhead Protection from Nitrate Contamination Memorandum (2026)
- **Attachment E:** Soil Mapping and Employment Forecasting Findings (2026)
- **Attachment F:** Revised Code of Washington and Washington Administrative Code UGA criteria compliance
- **Attachment G:** Case Law memorandum (2025)

Background

Chelan County is undertaking the Comprehensive Plan periodic review process, which is supported by a Periodic Update Grant by the Washington State Department of Commerce (Commerce). The Malaga area has been the subject of multiple planning and community efforts since the adoption of Chelan County's first GMA Comprehensive Plan in the 1990s. The 2017-2037 Comprehensive Plan included a thorough review of the area that was summarized in a 2017 Malaga Vision Plan, which is included as Attachment B. The results of the community study and visioning process were that Malaga was designated as a LAMIRD and large portions of the area were upzoned to "Rural Village" following the Comprehensive Plan update.

Since 2017, multiple residential subdivisions have been proposed or fully built out to current development standards, including public water services and full street sections. Sewer services are

provided with community or individual septic systems (OSS). That period of continued growth has also seen the closure of the Alcoa plant and the construction of a Microsoft data center, as well as proposals for additional residential and industrial development (e.g., the Helion fusion power plant).

A Land Capacity Analysis (LCA) was prepared for the 2026-2046 Comprehensive Plan to ensure that sufficient land is available to meet future housing needs, based on projected population growth and the corresponding housing demand of the range of income segments within the county (Points 2025). A separate LCA was prepared for the Malaga LAMIRD and included as Appendix C of the countywide LCA. An inventory of land within the proposed UGA is included in the Malaga LCA and included with this memorandum as Attachment C. Maps prepared showing re-developable, vacant, and underutilized residential parcels in and around the Malaga LAMIRD are also included in Attachment C.

The significant growth in Malaga has also been monitored by Malaga Water District (MWD), the entity that manages municipal groundwater supply for ongoing and proposed residential development using individual on-site septic systems within the District's Wellhead Protection Areas (WHPAs). Recent monitoring has indicated that increased nitrate loading to the Malaga aquifer is correlated with increased development in the area (see Attachment D). This issue is described further in the following sections to justify the need for urban services in Malaga.

The area has been reviewed with the current periodic update of the Comprehensive Plan: employment and population estimates have been updated and additional studies regarding water quality and septic carrying capacity have been completed. The compiled materials clarify that urban services are required in Malaga and that they can be provided.

Designation of UGA

GMA Requirements

The Revised Code of Washington (RCW) Chapter [36.70A.110](#) outlines the requirements for designation of UGAs. The statute describes the planning, procedures and criteria required for initial adoption of UGA boundaries. Per the RCW:

"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), 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.

The statute directs the county to designate UGAs in consultation with local jurisdictions, including federally recognized tribes, though it does not define a limit on what level of density is "urban." An analysis of the RCW and WAC related to UGAs is included in Attachment F.

Chelan County UGA Procedures

In Chelan County, proposals to designate UGAs must comply with procedural and substantive requirements under the GMA, as outlined in RCW 36.70A, and shaped by WAC rules, case law, and the Comprehensive Plan and development regulations (Attachment F). The County's consultant team conducted a case law review and has prepared this plan consistent with previous cases involving UGA creation or conversion (Attachment G).

Countywide Planning Policies and the Land Use Element of the Comprehensive Plan include criteria for UGA designations. The Comprehensive Plan notes that "Urban growth areas are to be located first in areas already characterized by urban development where existing public facility and service capacity is available and second, in areas where public or private facilities or services are planned or could be provided in an efficient manner." Malaga's level of development places it between the first and second tiers for urban growth.

The most directly related policies are as follows (emphasis added):

- Policy LU 5.1: Designated urban growth areas should include those areas *already characterized by urban growth* as well as those areas projected to accommodate future growth.
- Policy LU 5.2: Designate and size urban growth areas in accordance with the Growth Management Act (RCW 36.70A.110) based on population growth; *existing land use and transportation systems; capacity of public facilities and services; capacity to fund the necessary infrastructure and capital facilities*. Consideration should also be given to addressing grossly irregular corporate boundaries during the process of designating urban growth boundaries.

Malaga as a UGA

Malaga is characterized by urban levels of development

Malaga is the center of a growing community along the Columbia River. The Malaga LAMIRD has always been characterized by its strong manufacturing and industrial core, with a rise in commercial and retail businesses also resulting from economic and population growth in the region. This economic growth has been occurring and is expected to continue as indicated through local business interviews (see Attachment E). This population growth has occurred as planning and zoning for Malaga has evolved from a vision to the current LAMIRD, allowing for denser housing and more

affordable housing types (e.g., duplexes). The Malaga LAMIRD has added x new residential units since 2017, with x units currently under construction and an additional x residential lots under subdivision review as of January, 2026. The combination of new employment and new housing supports a balanced community in an area that can be served efficiently.

Even though recently developed lots are large enough to meet minimum sizes for septic (12,000 square feet) they are served with other typical urban services. The lots have full road sections, including sidewalks, and are laid out in a neighborhood street grid. The lots are served by MWD, which draws from a municipal groundwater supply. The community is also home to a fire station, there are public parks, and the commercial area is served by transit.

It should also be noted that the area within the proposed UGA boundary is not suitable for resource or agricultural uses, distinguishing it from rural areas of the county. The majority of Malaga within the UGA boundary is zoned Rural Village, which is not a resource or agricultural land use designation.

Malaga is projected to accommodate future growth

The Land Capacity Analysis (LCA) for the 2026-2046 Comprehensive Plan update contains a detailed analysis of the growth expected in Chelan County, including Malaga. In Malaga, the LCA shows approximately 10 percent population growth over the 20-year planning period and demand for an additional 100 housing units, or about 15 percent housing growth. Malaga has the zoning capacity in vacant and underutilized land to accommodate approximately 277 additional housing units. Growth targets are based on population allocations made at the county level based on estimates provided by the State Office of Financial Management. Chelan allocates population to UGAs and then to the rural county areas.

For housing in the county (outside the UGAs), including in Malaga, the County is planning for housing that is affordable to all income levels. Malaga property prices are slightly lower than the surrounding area, and the ability for the community to accommodate additional housing units at higher densities can benefit housing provision for the county. To support the Comprehensive Plan periodic update, a Housing for All Planning Tool analysis was completed, which includes countywide housing need projections. A portion of the low-income housing allocation was reserved for the Malaga UGA in response to the continued population growth in the area.

Industrial property, which comprises about 68% of the proposed UGA's area, continues to develop and redevelop, with demand for utilities and employees. This includes the Helion power station, which is under construction, as well as the Microsoft data centers that have been built in the area. Approximately 90 jobs are expected to be created within five years, with continued growth over the planning period. See Attachment E for a detailed jobs analysis.

Malaga is currently underserved by rural services

Residential development in Malaga is currently served by individual or community septic systems, with new lots that are sized to accommodate individual septic. In 2024, two new subdivisions were reviewed by MWD for confirmation that the MWD could serve the new residences. These new subdivisions have been put on hold due to environmental concerns related to groundwater contamination. This included an independent review of the proposals' wellhead protection studies, which showed that there is a direct correlation between on-site septic and increased nitrate concentrations in MWD wells. Therefore, while there is water available to serve development, continued reliance on septic systems endangers water quality to the detriment of human health. MWD informed the County that, even with enhanced septic systems, development at the current densities is not allowable. Further, providing nitrate treatment for the water system is not tenable for a small system and would be counter to affordability in the community. Either lots must be much larger (2.5 acres), or sewer must be provided. See Attachment D for documentation of water quality concerns.

Further studies have shown that many soils in the area are not conducive to supporting septic, due to soil type and groundwater travel toward MWD's wellheads. Given that much of the land area in the proposed Malaga UGA is a "Type 4" soil, the minimum lot size for septic should be approximately 19,000 square feet – larger than the infill densities that the County has desired for Malaga. See Attachment E for soils information.

Given existing development patterns in Malaga and the County's stated interest in infill of the area at something denser than 2.5 acre lots, policies should support sewer provision as an urban service within a UGA. This would allow development at a range of densities consistent with recent and historic development patterns in the area and aligned with other UGA zoning in the county (the County has proposed adopting Peshastin UGA zoning, with possible modifications, for Malaga).

Urban Services can be provided to Malaga

Currently, the MWD serves approximately 660 customers via municipal groundwater supplies and can serve up to twice as many under current health department regulations and water rights. The MWD has committed to planning appropriately to finance water improvements and maintenance projects into the future, including developing a sewer plan. (Malaga Water District Comprehensive Plan)

Existing zoning in the proposed UGA has the capacity for approximately 277 additional residential units and demand could be met by the current water system. However, those units would need to be served by off-site sewer in order to protect the community's drinking water from increased nitrate contamination.

Capital improvements like a sewer treatment plant can be funded in many ways, including developer fees, water quality grants and loans, or tools such as tax increment financing via the Port. The Port, Chelan County, and MWD have all committed funds to conducting a sewer study and plan for the central area of Malaga, should the LAMIRD be redesignated as a UGA. While financing options are not yet confirmed, the Chelan Douglas Regional Port Authority board designated the Malaga area as a Tax Increment Financing District, with the first listed funding item being a sewer plan and wastewater treatment.

Conclusion

Chelan County can consider UGAs and their boundaries this year, along with the periodic update of the Comprehensive Plan. In considering Malaga as a UGA, the following rationale, goals, and policies could be added to the Comprehensive Plan, demonstrating consistency with the RCW and WAC (Attachment F).

Rationale

- Malaga is characterized by urban levels of development.
- Malaga is projected and planned to accommodate future growth.
- Malaga is currently underserved by rural services, resulting in nitrate contamination to groundwater from existing septic systems.
- Urban Services can be provided to Malaga. Several entities have earmarked funds and are prepared to pursue a planning process for installing sewer in Malaga once the conversion to UGA is approved and this critical urban service can be provided.
- By defining the boundary of the UGA and increasing development potential in town will ease development pressure on surrounding RR5 and RR10 and help preserve the surrounding rural resource lands.

Goals/Policies

- Increase density of development in central part of Malaga.
- Zone UGA appropriately, looking to other UGAs for compatible zoning.
- Encourage further economic development in underutilized commercial and industrial lands.
- Plan for and implement utility construction and extensions, especially sewer.
- Adjust rural population allocations commensurate with new UGA and allocated growth in Malaga.
- Add Malaga infrastructure to the capital facilities plan and utilities elements of the Comprehensive Plan.

References

Chelan County Comprehensive Plan, 2017-2037

[Malaga Water District Comprehensive Plan](#), 2018, Prepared by RH2 Engineering

Points Consulting (Points), 2025. Draft Chelan County 2026-2046 Comprehensive Plan Land Capacity Analysis. Prepared for Anchor QEA and Chelan County. June 2025.