

**ZTA-22-419  
STAFF REPORT**

**Leavenworth Urban Growth Area Amendments**

**FROM:** Department of Community Development  
**TO:** Chelan County Planning Commission  
**DATE:** October 12, 2022  
**SUBJECT:** Proposed 2022 Leavenworth Urban Growth Area Amendments

**RECOMMENDED MOTION**

These proposals are recommended for adoption. Adoption of the proposed amendments aligns with countywide planning policies, county planning policies, and the 1997 interlocal planning MOU and RCW 36.70A.100. Land use changes are not in conflict with Chelan County planning policies and proper public notice procedures have been followed. Please refer to These proposals are recommended for adoption. Adoption of the proposed amendments aligns with countywide planning policies, county planning policies, and the 1997 interlocal planning MOU and RCW 36.70A.100. Land use changes are not in conflict with Chelan County planning policies and proper public notice procedures have been followed. Please refer to **Error! Not a valid bookmark self-reference.** for the full text of each amendment, along with SEPA documentation. Suggested findings of fact and conclusions of law are included above in sections F and G.

**A. Attachments**

Attachment A for the full text of each amendment, along with SEPA documentation. Suggested findings of fact and conclusions of law are included below in sections F and G.

**B. Introduction & Background**

The City of Leavenworth has submitted 14 proposed amendments to its Urban Growth Area (UGA) Development Regulations. These are summarized in the table below.

**Exhibit 1. Land Use Regulation Changes in Leavenworth Urban Growth Area**

Ordinance	Description
1542	Update Bed & Breakfast (short-term rentals) regulations
1543	Update and clarify Duplex and ADU regulations
1544	Consolidate Land Use and Development definitions into a single chapter
1583	Define zero lot line development and provide standards

<b>Ordinance</b>	<b>Description</b>
1585	Permit cryptocurrency in the light industrial district
1588	Update planned development district and define affordable housing
1590	Regulate and allow mechanical stacked parking
1596	Amend code regarding: <ul style="list-style-type: none"> <li>• Concurrency standards for public facilities and utilities</li> <li>• Development standards for manufactured homes</li> <li>• Permitted uses in commercial districts</li> <li>• Development code administration for Comprehensive Plan amendments and Development Regulation amendment process</li> <li>• Official zoning map</li> </ul>
1627	Create new district use chart, revise definitions and land use regulations
1628	Address code consistencies. Amend chapters about code interpretation and variances. Amend Supplementary Regulations regarding: <ul style="list-style-type: none"> <li>• Visibility obstructions</li> <li>• Fences</li> <li>• Accessory buildings</li> <li>• ADUs</li> <li>• Bed and Breakfast facilities</li> <li>• Duplexes</li> <li>• Building height limit exceptions</li> <li>• Home occupations</li> <li>• Major recreational equipment</li> <li>• Unlicensed vehicles</li> <li>• Yard requirements</li> <li>• Decks, patios and balconies</li> </ul>
1650	Amend Comprehensive Plan with updated Land Capacity Analysis, and updates Land Use Designations map
1651	Replace RL10 and RL12 zoning districts with new R-8 district and update District Use chart and official zoning map
1654	Establish Affordable Housing Incentive Program to encourage development of housing units for households with low and moderate incomes

## C. Chelan County Code Requirements

These regulations are evaluated in accordance with **Chelan County Code Section 14.13.040** Development Regulation Amendment evaluation criteria, **Chelan County Code Section 14.14.047** Amendment review criteria for comprehensive plan text changes, and **Chelan County Code Section 14.14.060** for Comprehensive Plan Maps. These criteria determine the process for approval, modification, or denial of regulation amendment applications and text amendments to county-adopted city comprehensive plans.

**(1) The amendment/proposal is necessary to resolve a public land use issue or problem.**

**Finding:** In the 1997 interlocal planning MOU, Chelan County establishes policies with the City of Leavenworth regarding land use regulations within its Urban Growth Area (UGA). Chelan County agrees to adopt the city's "land use regulations, development standards and land use designations for the city's UGA." The County also agrees to implement the city's "street, street lighting, curb, gutter and sidewalk design standards" within the UGA.

GMA requires comprehensive planning for counties and cities designated under its jurisdiction. RCW 36.70A.100 details that each city's comprehensive plan must be coordinated and consistent with "other counties or cities with which the county or city has, in part, common border or related regional issues".

Chelan County has not adopted relevant land use changes and comprehensive plan amendments for the city of Leavenworth's UGA since 2016. This amendment is necessary to resolve this issue, including amendments from 2016–2022, and bring the County into alignment with the agreement outlined in the MOU and relevant state planning policies.

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

**Finding:** The GMA planning goals include but are not limited to the following:

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.
3. 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.
4. 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 for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
5. Permits. Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

The adoption of the city's comprehensive plan amendments and land use regulations within the UGA is consistent with the first two GMA goals, to encourage development in urban areas and to reduce sprawl. Housing and subdivision related amendments included for adoption promote the variety of residential densities in housing types within the UGA. Other land use updates encourage economic development consistent with the adopted comprehensive plan. Updating standards within the UGA will also support the timely review and processing of development applications to ensure predictability.

**Commented [LG1]:** What about 14.14.060 - Comp Plan Map? Ord 1650. Similar to other criteria though.

**Commented [cd2R1]:** I am going to bring this up at PC hearing...1650 is a City CPA, not a county amendment. 1654 is also in question because we would not implement that in the UGA - that program would have to be managed by the City. In addition - 1640 is identified in the Procedural Requirements, but not noted in the Introduction grid on page 1.

**Commented [cd3R1]:** 1590 also indicates that they have new stacked parking regs for RL10 & RL12, but did 1651 replace ALL RL10 & RL12 districts with the new RL8? Their Comp Plan map doesn't show any RL10 or RL12.

**Commented [LG4]:** Deanna please confirm, the website has a note outside the list of resolutions:

**10.14.040 Leavenworth zoning:**  **SHARE**

The board of Chelan County commissioners adopts the city of Leavenworth's land use regulations, development standards and land use designations, as they apply to the unincorporated city of Leavenworth urban growth area. Zoning map was adopted with original zoning code. Amendments to the zoning map are completed through county process outlined in Title 14. (Res. 2010-08, 1/12/10; Res. 2009-115 (Exh. A) (part), 10/20/09; Res. 2009-05, 1/6/09; Res. 2007-87, 6/12/07; Res. 2007-72 (part), 5/1/07; Res. 2006-09, 1/10/06; Res. 2004-79, 7/27/04; Res. 2002-38, 2/26/02; Res. 2000-129 (part), 10/17/00).

\* Code reviser's note: Res. 2016-94 and Res. 2018-25 adopt amendments to the development regulations for Leavenworth.

**(3) The amendment complies with or supports comprehensive plan goals and policies and/or county-wide planning policies, or how amendment of the comprehensive plans' goals or policies is supported by changing conditions or state or federal mandates.**

**Finding:** The City of Leavenworth has reviewed and found the proposed amendments consistent with the City's Comprehensive Plan goals and policies. The County-wide Planning Policies support the use of the City regulations within the UGAs and adoption of city comprehensive plan amendments.

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

**Finding:** The proposed amendments do not change resource lands or critical area regulations which would be reviewed based on the site-specific development at the time of future permit.

**(5) The amendment is based on sound land use planning practices and would further the general public health, safety and welfare. The comprehensive plan amendment would serve the interests of not only the applicant, but the public as a whole, including health, safety, or welfare.**

**Finding:** The proposed amendments are the result of appropriate planning processes to reflect the community desire for development.

## D. Procedural Requirements

Appropriate City procedures have been followed for each amendment proposed for County adoption including hearing notices, 60-day notices to the State Department of Commerce (several of which were jointly noted for the City and County). The State Environmental Policy Act (SEPA) was addressed based on the determinations of the City's responsible official. The County has included the amendments in its 2022 Docket with a notice to the Department of Commerce, hearing notice, and review of the City's SEPA documents and adoption. Additionally, a set of housing-related ordinances incorporated extra public engagement effort. In 2021 and 2022 the City publicized the discussion of housing code amendments (including Ordinances 1640, 1650, 1651, and 1654 regarding R-8 zoning, duplexes, and low-income housing development) by mailing a postcard to local residents with information about the Housing Action Plan and current discussions about housing code amendments, a link to a public-facing page about housing on the City's website, and an invitation to meet with Development Services staff.

## E. Ordinance Descriptions

Ordinance 1542 amends LMC Chapter 18.52.120 to clarify and update the Bed and Breakfast (short-term / vacation / overnight rentals in residential neighborhoods) regulations, criteria, and standards. It requires bed and breakfast facilities to be the principal residence of the property owner, sets limits on number of occupants, sets sign standards and parking requirements, and establishes an inspection and permitting process.

*Note: Per CCC 11.88.290 (C) (iv) The board of Chelan County commissioners adopts the cities of Cashmere, Chelan, Entiat, Leavenworth, and Wenatchee land use regulations, development standards and land use designations, as they apply to short-term or vacation rentals of fewer than thirty consecutive nights or days, within the county adopted unincorporated urban growth area respecting each city as it is now or is hereafter amended for the cities of Cashmere, Chelan, Entiat, Leavenworth, and Wenatchee;*

*provided, that any city regulation requiring acquisition of a business license is not adopted nor incorporated as a county regulation and that instead a conditional use permit may be required, and the county's review procedures in this section must control.*

Ordinance 1543 updates and clarifies ADU and Duplex regulations in LMC 18.20, 18.21, 18.22, and 18.23 (permitted and conditional uses in RL6, RL12, Multifamily Residential, and RL10 districts). It allows ADUs as a permitted use in these districts, and sets requirements including non-transient use, a limit of one ADU per home site, minimum one parking space, and maximum 1,200 square feet. The ordinance requires a minimum lot size of 12,000 square feet for duplexes.

Ordinance 1583 defines zero lot line development in LMC Chapter 21.90, and amends Chapter 18.24.090 to provide standards for yards, setbacks, lot coverage, and design articulation.

Ordinance 1585 defines cryptocurrency mining in LMC Chapter 21.90.030, and amends Chapter 18.45.20 to permit cryptocurrency mining facilities in the light industrial district and requires verification of meeting Chelan County PUD requirements, electrical consumption impacts, and a permit from Washington State Department of Labor and Industries.

Ordinance 1588 updates Chapter 18.40 to set requirements for residential or multiple-use Planned Development as a conditional use, including public benefit, perimeter transitions, minimum site size and scope, road improvements, density, setbacks, height limits, maximum site coverage, parking, recreation areas, and other characteristics.

Ordinance 1590 defines stacked parking in Chapter 21.90.030 and sets design requirements. It permits stacked parking in General Commercial, Central Commercial, Tourist Commercial, Residential Low Density RL6, RL10, and RL12, and Multifamily Residential districts.

Ordinance 1596 amends the code in the following areas:

- Chapter 14.14 and 17.020.070 — Concurrency for public facilities and utilities
- 14.16.080 — Manufactured home standards
- 18.28.020, 18.32.020, and 18.44.020 — Permitted and conditional uses in the General Commercial, Central Commercial, and Tourist Commercial districts.
- Development code administration:
  - 21.31.030 — General time frame for Comprehensive Plan amendments
  - 21.35.010 — Initiation of development regulation and zoning map amendments
  - 21.03.030 — City Council review of recommendations of the Planning Commission
  - 18.12.010 — Official zoning map amendments
  - 18.12.040 — Penalty for unauthorized change of the official zoning map
  - 18.12.050 — Official zoning map shall be maintained at City Hall

Ordinance 1610 amends the code regarding subdivisions in the following areas:

- Chapter 17.080.010 and 17.08.070, regulating Short Plats, divisions of land into nine or fewer plots
- 17.12.010 — Chapter applies to Major Subdivisions of land into ten or more plots

- 21.90.030 — Amending definitions of final short plat, final plat, major subdivision, and short subdivision

Ordinance 1627 creates a new district use chart, and revises definitions and land use regulations.

Ordinance 1628 addresses code consistencies, amends Chapter 18.04.030 regarding code interpretation and variances, and amends Supplementary Regulations regarding:

- 18.35.005 — Purpose and Applicability of supplementary regulations
- 18.35.010 — Visibility obstructions
- 18.35.020 — Fences, walls, and hedges
- 18.35.030 — Accessory buildings
- 18.35.035 — Accessory Dwelling Units
- 18.35.038 — Bed and Breakfast facilities
- 18.35.040 — Prohibiting more than one principal structure in low-density residential districts
- 18.35.045 — Duplex dwellings
- 18.35.050 — Exceptions to building height limits
- 18.35.060 — Home occupations
- 18.35.070 — Major recreational equipment
- 18.35.080 — Unlicensed vehicles: parking and storage restrictions
- 18.35.090 — Yard modification requirements
- 18.35.100 — Decks, patios, and balconies

Ordinance 1640 removes minimum lot size requirement for duplexes, making it the same as for single family dwellings, in RL6, RL12, and RL10 districts. It amends Chapter 21.90 definitions for duplex and removes duplexes as a conditional use in Chapter 18.52.130.

Ordinance 1650 amends the Comprehensive Plan with an updated Land Capacity Analysis and an updated 2021 Land Use Designations map that includes a new R8 zone. The related Ordinance 1651 amends the zoning code and adopts the new official zoning map. Maps in Figure 1 and Figure 2 below show where RL10 and RL12 zones are changed to the new R8 zone.

Ordinance 1651 amends Chapter 18.21 to replace RL10 and RL12 zoning districts with a new R8 district and updates the District Use chart and official zoning map to reflect this change. The R8 district permits single family residences, duplexes, and accessory dwelling units, with a minimum lot size of 8,000 square feet. Areas where RL10 and RL12 zones are changed to R8 are shown in the yellow areas on the map in Figure 1 and dashed yellow outlines on the map in Figure 2 below.

**Figure 1. Leavenworth Comprehensive Plan Land Use Designations**

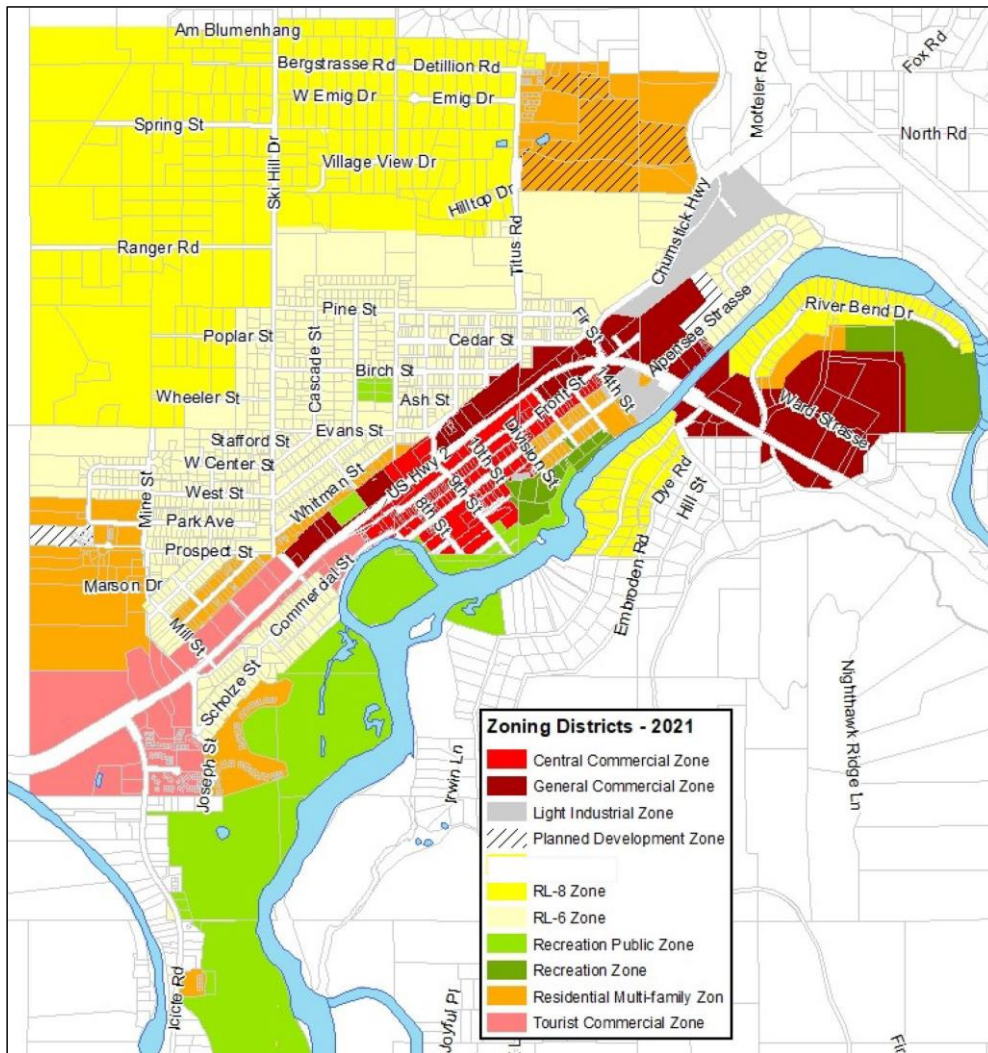
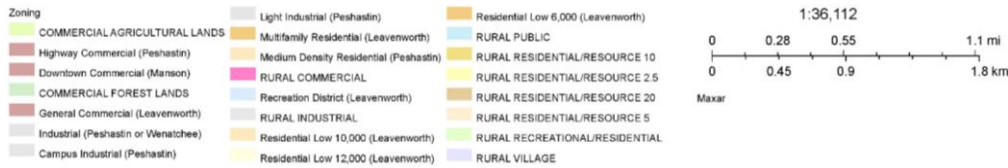
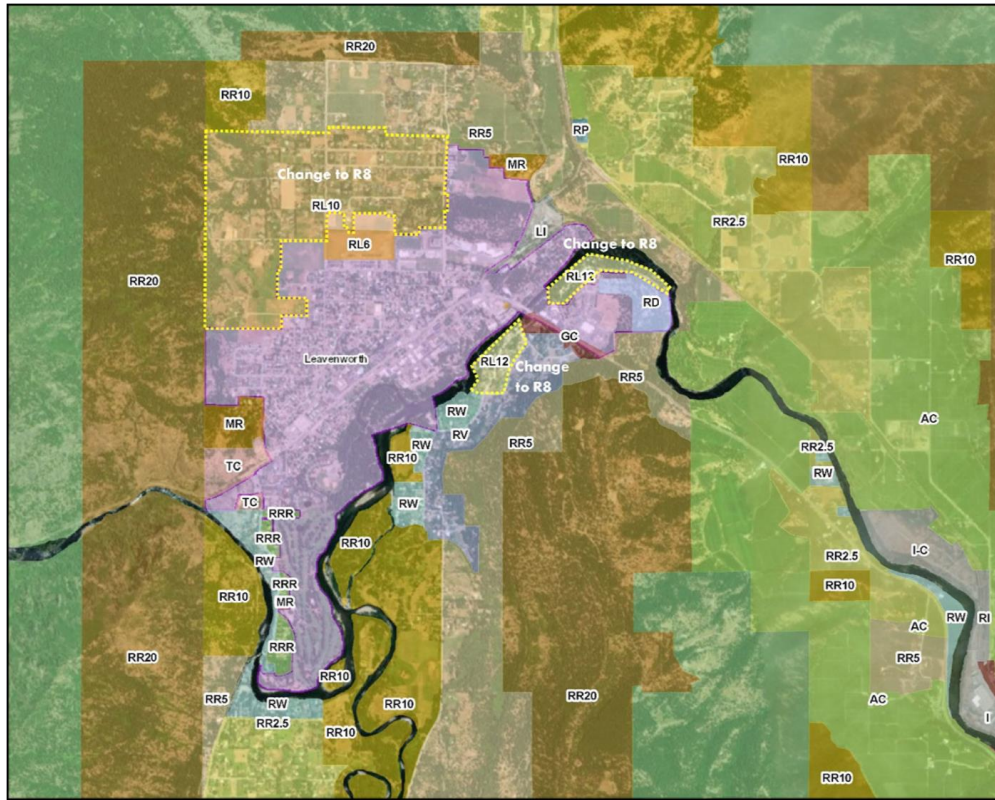


Figure 2. Chelan County zoning map of area surrounding Leavenworth





Ordinance 1654 amends Chapter 18.42 to establish the Affordable Housing Incentive Program, with the intent to encourage development of housing units that are affordable to service industry workers and others with low or moderate incomes. To incentivize development, regulations are modified pertaining to density, lot coverage, front yard setbacks, alley access, parking, and design standards.

#### **F. Staff Conclusions**

Adoption of the proposed amendments aligns with county planning policies, per the 1997 interlocal planning MOU and RCW 36.70A.100. Land use changes are not in conflict with Chelan County planning policies and proper public notice procedures have been followed. Please refer to These proposals are recommended for adoption. Adoption of the proposed amendments aligns with countywide planning policies, county planning policies, and the 1997 interlocal planning MOU and RCW 36.70A.100. Land use changes are not in conflict with Chelan County planning policies and proper public notice procedures have been followed. Please refer to **Error! Not a valid bookmark self-reference.** for the full text of each amendment, along with SEPA documentation. Suggested findings of fact and conclusions of law are included above in sections F and G.

#### **G. Attachments**

Attachment A for the full text of each amendment, along with SEPA documentation. Suggested findings of fact and conclusions of law are included below.

#### **H. Suggested Findings of Fact**

1. Chelan County and the City of Leavenworth have adopted Comprehensive Plans per the requirements of RCW 36.70A.040 (4) (d), the Growth Management Act.
2. RCW 36.70A.210 requires that the Comprehensive Plan be consistent with the provisions of the adopted County-Wide Planning Policies.
3. Chelan County has made a determination of non-significance issued on October 12, 2022. The DNS relates to all amendments included for adoption.
4. The City of Leavenworth sent notices to Department of Commerce for a 60-day review prior to City Council adoption. The County also sent a notice to the Department of Commerce for a 60-day review prior to Board of County Commissioner adoption.
5. Reviewing agencies and the general public were given an opportunity to comment on the proposed amendments.
6. Chelan County Code, Title 14, provides review criteria for the consideration of adopting amendments to Comprehensive Plans, Maps, and Development Regulations. Chelan County followed the procedures required for amendments.
7. A workshop was held with the Chelan County Planning Commission on September 28, 2022 to review and discuss related amendments.

8. A Public Hearing will be held with the Chelan County Planning Commission on October 26, 2022. Public testimony will be taken and included in the file of record.
9. A Public Hearing with the Board of County Commissioners is expected to occur in November or December, 2022.

#### I. Suggested Conclusions of Law

1. The proposed amendments to the City of Leavenworth UGA zoning code and development regulations address a public need or a land use issue.
2. The proposed amendments are consistent with the City of Leavenworth Urban Area Comprehensive Plan and the County-wide Planning Policies.
3. The proposed amendments are consistent with the goals of the Growth Management Act, Chapter 26.70A RCW.
4. The requirements of RCW 43.21C, the State Environmental Policy Act, and WAC 197-11 have been satisfied.
5. The proposed amendments do not adversely affect lands designated as resource lands of long-term commercial significance or critical areas in ways that cannot be mitigated.
6. The required State agency review with the Department of Commerce (COM) and other State agencies was completed through the review of Leavenworth's adoption process. The County also sent a notice to the Department of Commerce for a 60-day review prior to Board of County Commissioner adoption.
7. Public notice was provided pursuant to Chelan County Code Title 14.
8. 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.

#### J. Recommendation

These proposals are recommended for adoption. Adoption of the proposed amendments aligns with countywide planning policies, county planning policies, and the 1997 interlocal planning MOU and RCW 36.70A.100. Land use changes are not in conflict with Chelan County planning policies and proper public notice procedures have been followed. Please refer to **Error! Not a valid bookmark self-reference.** for the full text of each amendment, along with SEPA documentation. Suggested findings of fact and conclusions of law are included above in sections F and G.

#### K. Attachments

### ATTACHMENT A

Full text and SEPA documentation for Leavenworth Ordinances

**Commented [JT5]:** The order and title hierarchy are from the Wenatchee staff report from last year -- but would it make sense to change it to:  
H. Recommendation  
These proposals...  
I. Attachments  
ATTACHMENT A

**Commented [LG6R5]:** Sure