



CHELAN COUNTY

DEPARTMENT OF COMMUNITY DEVELOPMENT

2023 Development Text Amendments to Titles 3, 11, 12, 13, 14 Staff Report

TO: Chelan County Planning Commission
FROM: Chelan County Community Development
HEARING DATE: June 28, 2022
FILE NUMBER: PL 2023-260 (Development Regulation Text Amendments)
2023 Docket

RECOMMENDED MOTION

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

- A. Move to recommend **approval** of the Development Regulation Text Amendments to provide regulatory support and clarification, given file number PL 2023-260, based upon the findings of fact and conclusions of law contained within the June 13, 2023 staff report.

GENERAL INFORMATION

Applicant	Chelan County
Planning Commission Workshop	May 24, 2023
Planning Commission Notice of Hearing Published	June 17, 2023
Planning Commission Hearing on	June 28, 2023
60-day State agency review	Initiated: June 13, 2023
SEPA Determination	June 12, 2023

SEPA Environmental Review

A Determination of Non-Significance was issued under WAC 197-11-340 for PL 2023-260 on June 12, 2023 (Attachment 1). The lead agency for this proposal has determined that it does not have a probable significant adverse impact on the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(c). The decision was made after a review of a completed environmental checklist and other information on file with the lead agency.

Agency Comments:

None received to date. (If received prior to hearing, will be Attachment 2.)

Public Comment:

None received to date. (If received prior to hearing, will be Attachment 2.)

60-Day Notice:

Sent to Department of Commerce June 13, 2023. Letter of acknowledgement included as attachment 3.

PROJECT DESCRIPTION – PL 2023-260

Proposal: The Board of County Commissioners has requested regulation text amendments to the Chelan Code, numerous titles, to provide regulatory support and clarification. This includes amendments to the Chelan County Code, specifically Titles 3, 11, 12, 13 and 14, to add a new Conditional Use, provide clarifying language for existing uses and definitions, and new definitions to support the new CUP and existing codified (but undefined) uses in the Chelan County Code. The following Chelan County Code Titles and Sections are proposed to be amended:

TITLE 3

3.24.020 (d)

- (d) Expedited Single-Family Permit Review. Gives the option to allow for expedited permit review of single-family residential permits depending upon staff availability. Expedited review may be processed as follows:
- (1) Request for expedited review will be processed on a “first come, first served” basis and reviews will only be conducted after normal business hours and dependent on staff availability.
 - (2) Expedited permit review will be conducted in a manner so as not to interfere with processing of regular permit applications.
 - (3) Staff will complete the first plan check review within two business days of receipt of a complete application for expedited permit review ~~(see also subsection (e)(1) of this section).~~
 - (4) If corrections are issued, the second plan check review will be conducted within two business days of receipt of all corrections from the applicant ~~(see also subsection (e)(1) of this section).~~
 - (5) Fee for the expedited permit review is inclusive of both building and permit center plan review efforts only. The expedited permit review fee is in addition to the normal base plan review and permit fees.
 - (6) Request for expedited permit review will be conducted for any application requiring a discretionary permit (until the decision has been issued and the appeal period has expired) and projects requiring SEPA (until the appeal period has expired).
 - (7) Fees for expedited permit review will be charged for each individual permit request related to a single-family residence.

~~(8) If staff does not deliver the application within the time frames outlined in subsections (e)(3) and (4) of this section, sixty percent of the expedited review fees will be returned to the applicant, with the remaining balance used to offset overtime pay to staff.~~

Title 11

11.04.020

District Use Chart

USE/ACTIVITY	RR20	RR10	RR5	RR2.5	RW	RRR	RV	RC	RI	RP	AC	FC	MC
<u>Highway Low Impact Business Activity</u>		<u>CUP</u>	<u>CUP</u>	<u>CUP</u>									

11.93.XXXX Highway low impact business activity (Development Standards):

1. The property/parcel must be existing in it’s current legally described configuration as of the date of adoption (insert date)
2. The property shall meet the minimum lot size of the underlying zoning designation as of the date of adoption (insert date)
3. The property shall have existing approved access from either a private road or direct access to the limited access state highway – no new access shall be permitted
4. No use requiring either a traffic study or required access improvements will be permitted
5. The property shall be adjacent to a US or State Route (US2, US97, US97A, SR207, SR971) and have 200 feet of continuous frontage on said US or State Route
6. The proposed commercial use shall not be elsewhere defined in the CCC
7. The applicant shall provide a narrative of the potential impact to surrounding properties and proposed mitigation
8. No retail sales on site – no customers on-site
9. The applicant shall provide a lighting plan. Only areas immediately surrounding structures may be illuminated after dusk, with only indirect, shielded lighting.
10. The applicant shall provide hours of operation compatible with the surrounding uses
11. The business shall be limited to no more than 4 employees (including the owner/manager) on site at one time, and provide a parking plan to accommodate employee on-site parking.
12. Building footprint (cumulative for all structures) may not exceed 10,000 sf or the maximum lot coverage for the zone, whichever is smaller
13. No outdoor storage of materials or vehicles/machinery waiting for repair shall be permitted

14. Parking of commercial vehicles in use for the business shall be wholly screened from all adjacent residentially zoned properties.

11.88.030 Livestock.

- (1) A fence adequate to contain the fowl/animals shall be maintained at all times.
- (2) Animal Densities.
 - (A) Inside a county urban growth area:
 - (i) Lots less than one acre:
 - (a) No livestock.
 - (b) Four poultry, rabbits or other similarly sized animals, excluding roosters, within a fenced area adequate to contain the fowl/animals.
 - (c) Two pot belly pigs, within a fenced area adequate to contain the animals.
 - (ii) Lots one acre or greater:
 - (a) One head of livestock per acre of fenced area adequate to contain the animals, including cattle, bison, sheep, goats, swine, horses, mules, llamas, ostriches and other like animals.
 - (b) Twelve poultry, rabbits or other similarly sized animals per acre of fenced area, adequate to contain the fowl/animals.
 - (c) Two pot belly pigs, within a fenced area adequate to contain the animals.
 - (B) Outside an urban growth area:
 - (i) Lots less than one-half acre:
 - (a) No livestock.
 - (b) Twenty-four poultry, rabbits or other similarly sized animals excluding roosters within a fenced area adequate to contain the fowl/animals.
 - (c) Two pot belly pigs, within a fenced area adequate to contain the animals.
 - (ii) Lots one-half acre or greater, but less than five acres:
 - (a) One head of livestock per one-half acre of fenced area adequate to contain the animals, including cattle, bison, sheep, goats, swine, horses, mules, llamas, ostriches and other like animals.
 - (b) Twenty-four poultry, rabbits or other similarly sized animals per one-half acre, of fenced area, adequate to contain the fowl/animals. Roosters are limited to one per half-acre, of fenced area, adequate to contain the fowl/animals.
 - (c) Two pot belly pigs, within a fenced area adequate to contain the animals.
 - (iii) Lots five acres or greater:
 - (a) Four head of livestock per acre of fenced area adequate to contain the animals, including cattle, bison, sheep, goats, swine, horses, mules, llamas, ostriches and other like animals.
 - (b) Twenty-four poultry, rabbits or other similarly sized animals per one-half acre of fenced area, adequate to contain the fowl/animals. Roosters are limited to two per acre, of fenced area, adequate to contain the fowl/animals.
 - (c) Two pot belly pigs, within a fenced area adequate to contain the animals.

11.88.200 Accessory dwelling unit.

Accessory dwelling units shall meet the following criteria:

- (1) There shall be no more than one accessory dwelling unit per lot in conjunction with a single-family dwelling unit, or duplex.
- (2) An accessory dwelling unit may be attached to, created within, or detached from a new or existing single-family dwelling unit.

- (3) The accessory dwelling unit will require one parking space, which is in addition to any off-street spaces required for the primary residence, unless used as a Short-Term Rental pursuant to 11.88.290 (additional parking required).
- (4) The floor area of the accessory dwelling unit may be attached to, created within, or detached from a new or existing single-family dwelling unit; provided, that the floor area of an accessory dwelling shall not exceed one thousand two hundred (1,200) square feet. Excluded from the calculation of the allowed floor area are the following: garages, and any space subservient to the primary garage use (e.g., storage, mechanical, ~~bathroom, utility room~~), carports, ~~stairwells~~ and ~~uncovered~~ decks.
- (5) The property owner (which shall include title holders and contract purchasers) shall occupy either the primary unit or the accessory unit as their permanent residence only if property is permitted and used as a Short Term Rental, pursuant to 11.88.290.
- (6) No recreational vehicle shall be considered an accessory dwelling unit.
- (7) A common driveway servicing both the existing or new single-family dwelling unit and the accessory dwelling unit shall be used to the greatest extent possible.

(8) Accessory Dwelling Units shall not count towards density calculations within each zone

~~(8) Both the titleholder and the director of the Chelan County community development department shall sign a notice to title. Said notice to title shall be notarized, and be recorded by the Chelan County auditor for the property prior to building permit issuance stating:~~

~~The separate sale or division of the accessory dwelling unit from the single family dwelling unit is prohibited, unless all standards in zoning and subdivision can be met. This covenant is intended to run with the land burdening and benefiting the parties' successors and assigns.~~

11.88.170 Accessory uses and structures.

Accessory uses are permitted upon compliance with the terms and provisions of this title. They must be clearly secondary to, supportive of, and must be compatible with the principal use(s) and consistent with the purpose and intent of the zoning district:

- (1) (A) Fences shall be erected and maintained to a height not to exceed ~~six-seven~~ (7) feet in the side or rear yard area and four feet in the front yard, except on corner lots.
- (B) Fences for public facilities, utilities, industrial, agricultural and commercial uses may be erected and maintained to a height not to exceed eight feet in the side or rear yard area and four feet in the front yard, except on corner lots.
- (C) On corner lots, all fences located in the building setback for either street shall not exceed four feet, except where superseded by a clear view triangle (Section 11.88.090) which limits height to three feet.
- (D) Fences outside of the building setback or required yard areas do not have a height restriction.
- (E) All fences over ~~six-seven~~ (7) feet (or as required by the International Building Codes, 3.04.100(2)) require a building permit.

11.93.370 Small-scale recreational or tourist use.

The following uses and respective conditions shall apply:

- (1) Small-scale recreational and tourism uses include activities and facilities defined in Section [14.98.1795](#).
- (2) Facilities and activities that may occur within small-scale recreational or tourist uses include administrative and storage buildings, meeting/conference facilities, recreational facilities including but not limited to trails, equestrian facilities, interpretive and/or educational facilities, ball fields, swimming pools, exercise facilities/gymnasiums, as well as short-term visitor accommodations such as lodges, cabins, tent and RV camp sites, for use by one group or entity, consistent with applicable building codes and the requirements of this code. The lodging facilities may not be rented out individually.
- (3) No more than ~~six thousand five hundred~~ seven thousand square feet of gross conditioned (defined per current building code) floor area shall be devoted to buildings and structures for each ~~ten acres of land area~~ parcel meeting the minimum lot size of the zoning district within the project site. Caretakers' residences authorized herein may be in addition to the six thousand five hundred square feet of gross floor area for other buildings and structures.
- (4) One single-family dwelling unit may be allowed for each parcel meeting the minimum lot size of the zoning district ~~twenty acres of land within the project site~~ for the use of on-site staff or landowner. The permitted residence may be a detached residential unit, or it may be part of an overall structure that includes additional services, as allowed by existing building codes, including but not limited to: an office, convenience store, recreation/game room, laundry, bathrooms, showers, etc. Such facilities are intended to serve the needs of the park facility users and staff only. New residential development shall not be permitted on the site for year-round or second home residential housing, except as permitted herein for an on-site manager, caretaker, or landowner.
- (5) Lodging facilities associated with small-scale recreational or tourist uses shall meet the following standards:
 - (A) Permitted lodges may include additional services to be located within the structure, as allowed by existing building codes, including but not limited to the following: office, convenience store, recreation/game facilities, laundry, bathrooms, showers, etc. Such facilities are intended to serve the needs of the ~~park~~ facility users and staff only. Commercial uses shall not be opened and/or available for use by the general public.
 - (B) Campground/RV parks shall meet the general site development requirements of Section [11.93.330](#), and shall have no more than twenty camp or RV sites or any combination thereof to the maximum of twenty.
 - (C) As approved by the hearing examiner, short-term/temporary occupancy of recreational vehicles for a time period of not more than ten days during any sixty-day period is permitted.
 - (D) Mixed use development allows the option to create up to five units within a lodge or five cabin units, and fifteen RV or tent sites, provided all other applicable provisions of this section are met. (Res. 2014-38 (Atts. A, B) (part), 4/15/14; Res. 2007-98 (part), 7/2/07; Res. 2006-114 (part), 8/29/06; Res. 2002-101 (part), 7/16/02; Res. 2002-8 (part), 1/15/02; Res. 2001-60 (part), 4/17/01; Res. 2000-129 (part), 10/17/00. Formerly 11.93.360).

TITLE 12

12.14.050 Exemption categories and criteria.

The administrator may approve certificates of exemption based on one or more of the following exemption categories:

- (1) Platted Lots of Record. Any lot that is wholly within the boundaries of a recorded major subdivision, short plat or assessor's plats.
- (2) Over Twenty-Acre Lots. Any lot that is twenty or more acres or one-thirty-second of a section (RCW [58.17.040\(2\)](#)).
- (3) Laws of Descent. Any lot created by testamentary provisions or the laws of descent (RCW [58.17.040\(3\)](#)).
- (4) Division by Intervention. A lot created or reconfigured by a public road or intervening ownership. An open, maintained, and ungated Forest Service Road is considered a public road for purposes of this exemption.

12.24.015 All final land division review and approval requirements.

- (1) All requests for final approval of a preliminarily approved land division must be submitted to the legislative body of Chelan County for final approval, affixed with the required signatures of signing agencies of jurisdiction within five years, unless otherwise defined by RCW [58.17.140](#), of said preliminary approval, after which time the preliminary approval is void. However, extensions may be granted by the administrator as follows:

TITLE 13

13.04.150 Public notice.

- (1) Whenever the county issues a DNS under WAC [197-11-340\(2\)](#) or a DS under WAC [197-11-360\(3\)](#), the county shall give public notice as follows:
 - (A) If public notice is required for a nonexempt license, the notice shall state whether a DS or DNS has been issued and when comments are due.
 - (B) If an environmental document is issued concurrently with the notice of application, the public notice requirements for the notice of application in RCW [36.70B.110\(4\)](#) will suffice to meet the SEPA public notice requirements in WAC [197-11-510\(1\)](#).
 - (C) If no public notice is otherwise required for the permit or approval, the county shall give notice of the DNS or DS by:
 - (i) Publishing notice in a newspaper of general circulation in the county, city or general area where the proposal is located; and
 - (ii) Posting the property, for site-specific proposals; and
 - (iii) Mailing to all property owners, as shown on the records of the county assessor, and all street addresses of properties within three hundred feet, for site-specific proposals.

TITLE 14

14.98.1795 Small scale recreation and tourism.

“Small scale recreation and tourism” means a land use that relies on a setting to provide recreational or tourist use, including recreational center and commercial facilities to serve those uses, but that does not include new residential development. It includes activities and facilities such as, but not limited to, cultural/religious camps, retreat centers, retreat facility, campgrounds, RV parks, lodges and cabin rentals, camping units, outdoor equipment rentals, guide services, trails and trailhead facilities, and similar uses. Small scale recreational and tourist uses are of a size or intensity which has minimal impacts on the surrounding area and which makes minimal demands on the existing infrastructure and public service. (Res. 2020-68 (Exh. C) (part), 6/16/20: Res. 2014-38 (Atts. A, B) (part), 4/15/14: Res. 2012-78 (part), 8/14/12).

14.98.1535 Recreational vehicle park/campground.

“Recreational vehicle park/campground” means any lot or parcel of land upon which two or more recreational vehicle, camp sites, and/or lodge or cabin units, as allowed, are located, established, or maintained for occupancy ~~by recreational vehicles~~ as temporary living quarters for recreation or vacation purposes.

(1) “Major recreational vehicle (RV) parks/campgrounds” means ~~developed campgrounds~~ having more than fifty camp or RV sites, cabins and/or lodge units as allowed.

(2) “Minor recreational vehicle (RV) parks/campgrounds” means ~~developed campgrounds~~ having fifty or fewer camp or RV sites, cabins and/or lodge units as allowed. (Res. 2020-68 (Exh. C) (part), 6/16/20: Res. 2012-78 (part), 8/14/12).

14.98.625 Dwelling unit.

“Dwelling unit” means one or more rooms designed, occupied or intended for occupancy as a separate living quarters with exterior access, sleeping, sanitary facilities and kitchen facilities provided within the dwelling unit for the exclusive use of a single household. Sleeping facilities do not require a bed, but only space for sleeping accommodation(s). Kitchen facilities do not require permanent components and may include non-permanent components such as microwaves, hotplates and/or refrigerators for functionality. (Res. 2021-95 (Att. A), 7/27/21; Res. 2020-68 (Exh. C) (part), 6/16/20: Res. 2012-78 (part), 8/14/12).

New Definitions:

14.98.XXXX Highway low impact business activity

Commercial activity adjacent to State Highways that have minimal impact on adjacent residential uses, provide a local need for tourism support, and does not require upgraded existing access. This use is not designed for businesses that offer retail services generating daily customer traffic. Examples of this use may be an office headquarters for property owners business where no customers are onsite, or businesses where all activity occurs within a wholly enclosed structure with no more than 4 employees such as owner operated boat/vehicle repair or small scale manufacturing. This use is intended to buffer residential uses in the Rural Residential zones from the impacts of being an adjacent or secondary lot along the State Highway.

14.98.XXXX Retreat Centers

A site that includes multiple buildings, outdoor recreation activities or relaxation/spa uses and may include overnight lodging for a duration no longer than 10 days and for no more than 50 total visitors. A retreat center has a community hall that serves as a common eating or gathering space. The property may be rented to more than one entity/family/group at a time. The Retreat Center may have an onsite property manager and multiple employees that work onsite to accommodate cleaning, cooking, and Center maintenance.

14.98.XXXX Retreat facility

a one-unit site utilized by a single entity/family that includes overnight, short-term group lodging for no more than 36 guests of the same function, has a common kitchen, indoor and outdoor eating/dining area(s), and indoor and outdoor living and gathering areas, outdoor recreation activities/uses, such as a swimming pool, hot tub, yard game area, firepit, etc., in a rural setting. No onsite employees or property managers.

DISCUSSION

Chelan County has experienced a growth of rural related commercial uses, throughout the various zoning designations and as identified within the District Use Chart of Title 11. Numerous commercial activities are permitted either outright or as a conditional use within these zoning designations.

The properties in the rural designations and immediately adjacent to the many state highways within Chelan County create an opportunity for limited commercial activity as these properties serve as a natural buffer between the intensity of the highway traffic and the secondary residential lots. If appropriate commercial activities are proposed on these adjacent properties, the property owners, secondary residential lots and the public, all benefit. There is an identified public purpose associated with allowing low impact commercial uses where they are best served by existing infrastructure. Adding a Conditional Use, with appropriate development standards, will provide an element of economic development where infrastructure is readily available and there is a logical transition between the state highways and residential properties that may be impacted by the highway.

The 2022/2023 legislative session yielded new mandates to address affordable and workforce housing. This new legislation is slated to be effective January 1, 2025. In an effort to align Chelan County development codes with the legislative mandates, these amendments provide both opportunities and clarification regarding Accessory Dwelling Units (ADUs). Title 11 has permitted ADUs in Chelan County since 2011, with restrictions.

With the adoption of the Short Term Rental Code (11.88.290), some existing provisions and restrictions within the ADU criteria are no longer necessary, and actually provide roadblocks to creating affordable workforce housing within the County. These amendments offer to remove those roadblocks and clarify size calculations for those structures.

In addition to the two primary amendments explained above, we have added new definitions and enhanced existing definitions within Title 14. Other items addressed in this proposed amendment include clarifications to one section in Title 13 regarding when boundary notifications are required for SEPA, and some clarifying language in two sections of Title 12.

COMPREHENSIVE PLAN

Chelan County conducts an annual concurrent review of development regulation text amendments for compliance with the adopted Comprehensive Plan. The Comprehensive Plan represents the long-term vision for future land uses and development. Applicants must demonstrate the merits of the requested change as being consistent with adopted goals and policies.

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

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

Policy LU 1.2: Protect residential neighborhoods from impacts associated with incompatible land uses through application of development standards and permit conditioning.

Policy LU 1.6: Consider environmental limitation, availability of infrastructure and consistency with the Comprehensive Plan and the Growth Management Act when establishing residential density standards.

Policy LU 10.3: Require industrial development to provide adequate setbacks, landscape buffers and/or screening to aid the transition between industrial development and other land uses.

Rationale: Appropriate setbacks, landscape buffers, and screening provided by vegetation, fencing and other methods can help mitigate impacts to less intensive land uses.

Policy LU 10.6: Develop regulations to ensure that cottage industries in rural areas are compatible with surrounding land uses.

Rationale: Impacts to surrounding land uses should be addressed.

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

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

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

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

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

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

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

Goal Rationale: Development in rural areas should not be at densities which require urban levels of service. Development at lower densities will also help protect the rural quality of life.

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

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

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

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

Goal H 1: Encourage the availability of affordable housing to all economic segments of the population of the county.

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

Goal H 3: Encourage the appropriate preservation of existing housing stock.

Policy H 3.1: Where appropriate, encourage the retention and revitalization of existing housing stock with methods such as:

- a. Permitting accessory housing or the division of existing structures in single family neighborhoods*

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

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

Accessory Dwelling Units

Accessory Dwelling Units (ADUs) may be attached, detached, or within an existing structure¹. The classification of an ADU under the Building Permit process requires a kitchen. If a structure does not include a kitchen, such as a guest house, living space above a garage, loft, or studio, it is considered habitable space, but not an ADU. Some property owners are not willing or able to classify a structure as an ADU because of the existing structures or the regulatory requirements. This provides a challenge when trying to determine which ADU structures are used for housing purposes.

Chelan County permits the placement of ADUs in all residential zoning districts with the intent to lessen housing demand and manage housing cost throughout the County.

Affordability Options

The market indicators show that housing costs are increasing with each passing year. If housing prices are too high, or little housing is available, it may be difficult to attract and retain workers. On the flip side, if costs are low and availability is high, the creation of new housing will slow, impacting construction employment. Finding ways to balance housing needs, costs, and demands will support residents, developers, builders, and lenders.

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

Goal ED 1: Encourage efforts to diversify the existing economic base to focus on long-term sustainable economic development throughout the County

Policy ED 1.1: Seek to attract businesses and industries that complement and build upon existing business and industry.

Policy ED 1.2: Incentivize development that creates local re-investment funds and provides jobs in the local community.

Goal ED 4: Local economic development efforts should promote the advantages of working and living in Chelan County, such as availability of work, job security and stability, access to recreational and cultural activities, educational opportunities, quality health care, and affordable housing.

Policy ED 4.2: Encourage economic development efforts that invite broad community participation and address the needs, concerns, rights and resources of a diversity of cultural groups.

Policy ED 4.3: Foster a diverse private-sector job base that supports attractive wages and facilitates the retention and expansion of existing businesses.

Goal ED 6: Establish a regulatory climate favorable for economic development.

Goal Rationale: Many factors make up a positive economic climate. Economic development requires policies of positive and predictable support and encouragement for private investment.

Policy ED 6.3: Streamline the permitting process and provide the public with excellent customer service

REVIEW CRITERIA

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

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

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

Finding of Fact: Rural zoned properties adjacent to state highways within Chelan County are presently underutilized as they are perceived as incompatible for strictly residential uses. The public is best served by providing an opportunity for these properties to be developed and used a Highway Low Impact Business Activity, providing a logical buffer between the state highway and secondary lots used for residential purposes.

Minor clarifying amendments to Titles 3, 11, 12, 13 and 14 provide the public with a clear and predictable code, and the county more consistent application of the code.

The proposed amendments would create policy support for and remove regulatory barriers to provide economic development opportunities on lands currently underutilized due to their location/proximity to the state highway.

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

2. *The amendment is consistent with goals of the Growth Management Act, Chapter 36.70A RCW. [\(CCC 14.13.040\(2\)\)](#).* (code amendment)

The amendment complies with or supports...county-wide planning policies. [\(CCC 14.13.040\(3\)\)](#) (code amendment)

Finding of Fact: RCW 36.70A.020 describes 13 planning goals to guide the adoption of comprehensive plans and development regulations for counties and cities planning under the Growth Management Act. These goals include, but are not limited to:

- (1) 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.

A portion of this proposal intends to amend Title 11 and Title 14, to conditionally allow a low impact business activity in specific areas within Chelan County. This low impact business activity, if created, would help existing and new small businesses to develop by providing a location that already has existing transportation infrastructure.

Conclusion: The proposal is consistent with the goals of the Growth Management Act and any applicable county-wide planning policies.

3. *The amendment complies with or supports comprehensive plan goals and policies... [\(CCC 14.13.040\(3\)\)](#)* (code amendment)

Finding of Fact: The proposed amendments to the development regulations would support numerous goals and policies within the Land Use, Rural Element, Housing and Economic Development sections of the Comprehensive Plan by clarifying existing development standards for consistent and clear application of the code, along with providing new economic development opportunities for rural properties adjacent to state highways.

Any future construction related to a low impact commercial activity would be required to comply with Chelan County development regulations, critical areas code, the Chelan County SMP, and current building codes.

The proposed amendments would support LU Goal 1 and LU Policy 1.2 through the conditional use permit process, which, as proposed, would require mitigation of any impacts, limited facility hours, and several other development standards.

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

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

Finding of Fact: This amendment would conditionally allow the low impact business activity on properties that are adjacent to state highways, with specific development criteria.

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

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

Finding of Fact: The applicant is Chelan County. The proposed development regulation code amendments would serve the applicant's interest to create a regulatory framework in which a low impact business activity could be implemented on rural properties adjacent to state highways. This use is not expected to adversely affect public health, safety, or welfare, and proposed development standards would limit the size and scope of the activities to be compatible with the primary use of lands for rural residential and with surrounding uses. The implementation of a low impact business activity would benefit the general public by creating opportunities for residents to generate income and, depending on the types of businesses occupying the space, could also improve local economy.

This proposal would conditionally allow the low impact business activity use in multiple Rural Residential zones with a wide range of possible surrounding land uses, such as single-family residential, agricultural, or commercial uses. Conditions for this use, including parcel size, setbacks, hours, etc., are intended to minimize any negative noise, aesthetic, or traffic impacts of a low impact commercial activity use on surrounding land uses.

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

FINDINGS OF FACT

1. Chelan County adopted Title 14, Development Permit Procedures and Administration outlining provisions relating to the amendment of the Development Regulations consistent with RCW 36.70A. The County followed the procedures required for amendment of the development regulations.
2. The requirements of RCW 43.21C, the State Environmental Policy Act, and WAC 197-11, SEPA Rules, have been satisfied. To comply with the requirements of the State Environmental Policy Act for environmental review of a non-project action, the County, as lead agency issued a Determination of Non-significance on June 15th, 2023.
3. The required State agency review with the Department of Commerce (COM) and other State agencies initiated on June 13th, 2023 (Attachment 3), pursuant to RCW 36.70A.106.
4. A request for amendments to Chelan County Code was made by Chelan County to provide policy and regulatory support to conditionally allow a low impact business activity for properties adjacent to the state highway in the some Rural Residential zones.
5. A request for amendments to Chelan County Code was made by Chelan County to provide regulatory support and clarifying language for clear and consistent application of the code, and for public predictability regarding application of the code.

CONCLUSIONS OF LAW

1. The amendments to the Chelan County development regulations are consistent with the requirements of the Growth Management Act (RCW 36.70A), Chelan County Comprehensive Plan and County-Wide Planning Policies.
2. The amendments are necessary to address a public land use issue or problem.
3. The amendments do not adversely affect designated resource lands of long-term commercial significance or designated critical areas in ways that cannot be mitigated.
4. Reviewing agencies and the general public were given an opportunity to comment on the proposed amendments.

5. The amendments are consistent with Chelan County Code Title 14 Development Permit Procedures and Administration.
6. The requirements of RCW 43.21C, the State Environmental Policy Act and WAC 197-11 SEPA Rules have been satisfied.
7. The adoption of these amendments is in the best interest of the public and furthers the health, safety, and welfare of the citizens of Chelan County.

ATTACHMENTS

1. SEPA Determination, signed and published June 15, 2023
2. Agency and Public Comments (none at time of staff report issuance)
3. 60-day Review Acknowledgment Letter from WA Dept. of Commerce, dated June 13, 2023

11.04.020

District Use Chart

USE/ACTIVITY	RR20	RR10	RR5	RR2.5	RW	RRR	RV	RC	RI	RP	AC	FC	MC
<u>Highway Low Impact Business Activity</u>	P(1)	P(1)	CUP	CUP									

11.93.XXXX Highway low impact business activity (Development Standards):

1. The property/parcel must be existing in it’s current legally described configuration as of the date of adoption (*insert date*)
2. The property shall meet the minimum lot size of the underlying zoning designation as of the date of adoption (*insert date*)
3. The property shall have existing approved access from either a private road or direct access to the US or state highway – no new access shall be permitted
4. No use requiring access improvements will be permitted
5. The property shall be adjacent to a US or State Route, specifically (US2, US97, US97A, SR207, SR971) and have 200 feet of continuous frontage on said US or State Route
6. The proposed commercial use shall not be elsewhere defined in the CCC
7. The applicant shall provide a narrative of the potential impact to surrounding properties and proposed mitigation
8. No retail sales on site
9. The applicant shall provide a lighting plan. Only areas immediately surrounding structures may be illuminated after dusk, with only indirect, shielded lighting.
10. The applicant shall provide hours of operation compatible with the surrounding uses
11. The business shall identify the proposed number of employees (including the owner/manager) on site at one time, and provide a parking plan to accommodate employee on-site parking.
12. Building footprint (cumulative for all structures) may not exceed 10,000 sf or the maximum lot coverage for the zone, whichever is smaller
13. No outdoor storage of materials or vehicles/machinery waiting for repair shall be permitted
14. Parking of commercial vehicles in use for the business shall be reasonably screened from all adjacent residentially zoned properties.

11.93.370 Small-scale recreational or tourist use.

The following uses and respective conditions shall apply:

- (1) Small-scale recreational and tourism uses include activities and facilities defined in Section [14.98.1795](#).
- (2) Facilities and activities that may occur within small-scale recreational or tourist uses include administrative and storage buildings, meeting/conference facilities, recreational facilities including but not limited to trails, equestrian facilities, interpretive and/or educational facilities, ball fields, swimming pools, exercise facilities/gymnasiums, **as well as short-term visitor accommodations such as lodges, cabins, tent and RV camp sites**, consistent with applicable building codes and the requirements of this code.
- (3) No more than ~~six thousand five hundred~~**seven thousand** square feet of gross **conditioned (defined per current building code)** floor area shall be devoted to buildings and structures for each ~~ten acres of land area within the project site~~. Caretakers' residences authorized herein may be in addition to the ~~six thousand five hundred~~**seven thousand** square feet of gross floor area for other buildings and structures.
- (4) One single-family dwelling unit may be allowed for each ~~twenty acres of land within the project site~~ **parcel meeting the minimum lot size of the zoning district** for the use of on-site staff or landowner. The permitted residence may be a detached residential unit, or it may be part of an overall structure that includes additional services, as allowed by existing building codes, including but not limited to: an office, convenience store, recreation/game room, laundry, bathrooms, showers, etc. Such facilities are intended to serve the needs of the park facility users and staff only. New residential development shall not be permitted on the site for year-round or second home residential housing, except as permitted herein for an on-site manager, caretaker, or landowner.
- (5) **Lodging facilities associated with small-scale recreational or tourist uses shall meet the following standards:**
 - (A) **Permitted lodges may include additional services to be located within the structure, as allowed by existing building codes, including but not limited to the following: office, convenience store, recreation/game facilities, laundry, bathrooms, showers, etc. Such facilities are intended to serve the needs of the ~~park~~ facility users and staff only. Commercial uses shall not be opened and/or available for use by the general public.**
 - (B) **Campground/RV parks shall meet the general site development requirements of Section [11.93.330](#), and shall have no more than twenty camp or RV sites or any combination thereof to the maximum of twenty.**
 - (C) **As approved by the hearing examiner, short-term/temporary occupancy of recreational vehicles for a time period of not more than ten days during any sixty-day period is permitted.**
 - (D) **Mixed use development allows the option to create up to five units within a lodge or five cabin units, and fifteen RV or tent sites, provided all other applicable provisions of this section are met.**

6. 10-acre minimum lot size for this use in all Rural-Residential zoning designations

14.98.1795 Small scale recreation and tourism.

“Small scale recreation and tourism” means a land use that relies on a setting to provide recreational or tourist use, including recreational center and commercial facilities to serve those uses, but that does not include new residential development. It includes activities and facilities such as, but not limited to, cultural/religious camps, **campgrounds, RV parks, lodges and cabin rentals, camping units**, outdoor equipment rentals, guide services, trails and trailhead facilities, and similar uses. Small scale recreational and tourist uses are of a size or intensity which has minimal impacts on the surrounding area and which makes minimal demands on the existing infrastructure and public service.

New Definitions:

14.98.XXXX Highway low impact business activity

Commercial activity adjacent to State Highways that have minimal impact on adjacent residential uses, and does not require upgraded existing access. This use is not designed for businesses that offer retail services generating daily customer traffic. Examples of this use may be an office headquarters for property owners’ business where no customers are onsite, or businesses where all activity occurs within a wholly enclosed structure, such as owner operated boat/vehicle repair or small scale manufacturing, **retreat centers, lodges and cabin rentals, and camping units**. This use is intended to buffer residential uses in the Rural Residential zones from the impacts of being an adjacent or secondary lot along the US or State Highway.

14.98.XXXX Retreat Centers

A site that includes multiple buildings, outdoor recreation activities or relaxation/spa uses and may include overnight lodging for a duration no longer than 10 days and for no more than 50 total visitors and shall include uses defined in WAC 246-360-010(19). A retreat center has a community hall that serves as a common eating or gathering space. The property may be rented to more than one entity/family/group at a time. The Retreat Center shall have a property manager on site during all operational activities, and may have multiple employees that work onsite to accommodate cleaning, cooking, and Center maintenance. **Overnight lodging shall comply with 11.93.370(5)**



CHELAN COUNTY PLANNING COMMISSION

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Mike Sines
Christopher Dye

District 3
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FILE NUMBER: **PL 2023-260 (Code Text Amendments)**

REMAND FROM BOCC

Text Amendment:

Titles 11 and 14

11.04.020 District Use Chart

11.93.370 Small-scale recreation and tourist use

11.93.XXX (to be assigned) Highway low impact business activity

14.98.XXX (to be assigned) Definition of "Highway low impact business activity"

14.98.XXX (to be assigned) Definition of "Retreat Center"

APPLICANT:

Chelan County

60-DAY STATE AGENCY REVIEW: **Initiated: June 13, 2023**

Reinitiated for remanded language: November 6, 2023

NOTICE OF APPLICATION DATE: **June 15, 2023**

SEPA DETERMINATION & DATE: **DNS issued on June 12, 2023**

PC PUBLIC HEARING DATE: **December 20, 2023; May 22, 2024**

PUBLIC COMMENT: **Attached**

PLANNING COMMISSION RECOMMENDATION:

Motion by:

Motion to:

2nd to Motion:

Vote –

CHAIR
CHELAN COUNTY PLANNING COMMISSION

DATE

Attachments: Exhibit A