



San Juan County Community Development & Planning

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DATE: January 9, 2008

Staff Report

TO: PLANNING COMMISSION

FROM: COLIN MAYCOCK, SENIOR PLANNER

SUBJECT: LOPEZ VILLAGE URBAN GROWTH AREA BOUNDARY

MEETING DATE: January 29, 2007

ISSUE:

Approving an amendment to the San Juan County Comprehensive Plan to redraw the Lopez Village Urban Growth Area (UGA) boundary proposed in Ordinance 9, 2005 to exclude lots not in areas served by the Fisherman Bay Sewer District, Fisherman Bay Water Users Association, Milagra Water Association or the new Common Field water system.

STAFF RECOMMENDATION:

Staff recommends approving the proposed Lopez Village Urban Growth Area (UGA) as shown in Exhibit A and making a motion to recommend its approval to Council.

EXECUTIVE SUMMARY:

The Western Washington Growth Management Hearings Board (GMHB) noted that while the Lopez Village UGA was consistent with the San Juan County Comprehensive Plan, in order to bring the Lopez Village UGA into compliance with the Growth Management Act, the County needed to address a number of key issues relating to the provision of urban services to the entire area of the UGA. Currently both water and sewer services are not available throughout the UGA. The GMHB Final Decision and Order 05-2-0019c (FDO) April 19, 2006 held, amongst other things, that;

1. The County and Fisherman Bay Sewer District must sign an agreement whereby the FBSD agrees to expand its services to the entire UGA.
2. The County must amend its Comprehensive Plan to include a 6 year Capital Improvement Financing Plan for Fisherman Bay Sewer District.

1. The County must perform an analysis of the capability of FBSD to provide service to the UGA over the planning horizon and amend its Comprehensive Plan to include the analysis.
2. The County and Fisherman Bay Water Association must sign an agreement whereby FBWA agrees to provide service to those areas in the UGA not currently served by a different system.
3. County must amend its Comprehensive Plan to include a 6 year Capital Improvement Financing Plan for the FBWA.
4. County must perform an analysis of the capability of the FBWA to provide service to the UGA over the 20 year planning period and amend its Comprehensive Plan to include this analysis.
5. The County must also sign an agreement with the Milagra Water system which states that it will do one of two things: 1). Upgrade to become a Class A system or, 2). Merge with Fisherman Bay Water Association.
6. The County must adopt an adaptive management program to monitor the possible seawater intrusion into the Lopez Village water supply.

In order for the county show that the different utility providers could, in fact, provide sufficient service to the UGA, the utility providers had to change their existing service areas to include all the parcels within the 2005 UGA. To facilitate the expansion of the service areas the county encouraged property owners to apply for inclusion into the District's and Association's respective service areas. Those who chose not be included within the service areas of the different providers, could no longer be considered as part of the UGA.

This amendment will not make the Lopez Village UGA compliant with the GMA. It is, however, one step among many others towards compliance and an action the County can take to show a good faith effort to comply with the Growth Board's April 2006 FDO. (The first step towards compliance was the publication of a SEPA DNS detailing the different documents used to make the determination on April 11, 2007.) The county is bringing this forward with the understanding that GMA compliance will be contingent upon the successful adoption of the plans of the sewer district and water association along with the required adaptive management provisions regarding saltwater intrusion.

The county has signed agreements with Fisherman Bay Water Association and Milagra Water Association and has received a letter from the Fisherman Bay Sewer District each of which detail the different service providers intent to complete the necessary planning activities by the beginning of April 2008. At which point the county will be able to adopt the service providers plans into the Comprehensive Plan and through this process show that urban level services will be provided through out the planning period.

EXHIBITS:

- Exhibit A Map of Proposed Lopez Village UGA Boundary
- Exhibit B Map of 2005 Lopez Village UGA

- Exhibit C Map of Parcels served by Sewer and Water providers in 2005
- Exhibit D Map of Parcels being annexed into Fisherman Bay Sewer District, 2007/08
- Exhibit E Email detailing the annexation of parcel TPN 251432013 (Apostolidis)
- Exhibit F Letter from Sewer District

BACKGROUND:

The original Lopez Village Urban Growth Area (UGA) was adopted by San Juan County in October of 2000. The UGA covered an area of about 466 acres and included the Lopez Village Commercial Core as well as properties north and south of the village core.

The adoption of the Lopez Village UGA, along with several other county planning decisions was appealed to the Growth Management Hearing Board (GMHB). In May, 2001, the GMHB issued a final decision and order (FDO) in the matters under appeal. The GMHB found the Lopez Village UGA to not be compliant with the Growth Management Act (GMA) and ordered that 1) UGA boundaries be established using the criteria of RCW 37.70A.110 and 2) that the non-municipal UGA boundaries be established only after a complete capital urban facilities and service analysis.

While the GHMB found that additional work was needed to establish the boundaries and the service needs, the hearings board commented that the “concept” of establishing unincorporated UGAs not only complies with the GMA but appears from the record to be the only viable alternative available to the county to deal with affordable housing and achieve compliance with the rural element of the GMA. (GMHB 2001a, pg 5)

In response to the 2001 GMHB order the county initiated a number of activities to gain a better understanding of the water, sewer, stormwater and transportation issues affecting Lopez Village and to satisfy the hearings board order. Activities included the preparation of analyses of stormwater drainage, traffic circulation and wastewater. In addition, the county Health Department in cooperation with the Lopez Village water system operators and with the assistance of volunteer citizens developed a water system plan for the village as well as studies to evaluate the groundwater supply.

By May 2002, the drainage, sewer and traffic circulation analyses had been completed and water system evaluation and planning was underway. On May 3, the county adopted Ordinance 6-2002, a moratorium on land division covering certain areas within the Lopez Village UGA. The moratorium affected land divisions in the portion of the UGA outside the village core. The moratorium limited the lot size in the portion of the UGA outside the village core to lots no smaller than five acres in size. The moratorium on smaller lot sizes was put in place to restrict the creation of non-rural size lots until the water analysis was completed and the final UGA boundaries set.

On May 6, 2002, the county filed a motion with the GMHB to find the Lopez Village UGA compliant with the GMA.

The GMHB FDO on the county’s motion was issued in October 2002. The GMHB found that while significant progress had been made the County still had work to do. The portion of the October 2002 order that applied to Lopez Village found that for the Lopez Village UGA to achieve compliance, the county needed to 1) complete final growth boundary lines in the Lopez Village UGA after studies on water availability and saltwater intrusion were concluded and 2) complete a Lopez UGA capital facilities plan.

In the time since the October 2002 FDO additional work has been completed on water system planning for Lopez Village including the completion a number of reports pertaining to water issues on Lopez Island (Mayo 2002, Mayo 2007), seawater intrusion study (PgC 2003), an abbreviated coordinated water system plan (LVWSPC 2003) and a water system service capacity analysis (HDR/EES 2005). In addition the County Public Works Department has completed a stormwater capital facilities evaluation (SJC 2004).

Ordinance 9-2005, July 2005, created a new UGA boundary. The boundary enclosed an area of a total of 206 acres. The 2005 UGA designated all of the land within the UGA as Village Commercial at an allowed residential density of 4 units per acre within the UGA. Planned Unit Developments would be allowed to a density of up to 8 units per acre but would be required to meet the more rigorous planning and design requirements of the County Planned Unit Development regulations. No specific provisions were made at that time for affordable housing.

The 2005 UGA boundary provided for a 2020 population of about 697 persons, or an increase of about 483 persons from 2004 to 2020. This represents an average annual growth rate of about 7.6 percent over the 12 year period. The average household size on Lopez Island based on the 2000 census is about 2.12 persons per household. A population of 697 persons means that approximately 329 residential units are expected by the year 2020.

While the availability of water service and supply were key factors in determining the location and area of the 2005 UGA, it was the incorporation of parcels not included in either of the service areas of Fisherman Bay Water Users Association or Fisherman Bay Sewer District which drew the attention of the GMHB. (The relationship of the groundwater supply to the size and boundary location of the UGA was fully described in Section C of the May 31, 2005 Staff Report.) Subsequent studies have shown that there are sufficient water rights in the village to meet the projected demand to 2027, (Mayo, 2007).

The land use and density standards described above provide a basic level of land use controls sufficient to manage development in the UGA to achieve the planned densities and range of land uses necessary for the village to develop as the commercial/service center for the island.

When the 2008 UGA boundary is adopted and the GMHB finds it compliant with the GMA, a Lopez Village Subarea Planning process will be initiated with the goal of completing a Subarea Plan for the village. The development of a subarea plan has been on hold until the issue of the size and boundary of the Lopez Village UGA is settled. A completed Lopez Village Subarea Plan will be adopted as an element of the County's comprehensive plan and will contain development regulations specific to the needs of the village.

BOUNDARY AND SIZE EVALUATION:

The availability of water service was a key factor in determining the location and area of the 2005 Lopez Village UGA. Information on the capacity of the groundwater supply was used to establish the amount of growth that could be supported by the resource over the planning period. An analysis of the amount of land needed to provide an adequate land

supply over the planning period was used to determine the extent and logical boundaries for the UGA. Information on the service capabilities of the various water systems in the Lopez Village area and their location in relation to the village core was used to evaluate suitable service providers. Based on the May 31, 2005 Staff Report, it can be shown that the reduction of the land supply in the Lopez Village UGA by 8.43 acres will not negatively impact the ability of the UGA to meet projected demands.

LAND SUPPLY:

The 2005 land supply analysis was premised upon the limited availability of water and the total number of connections then available. The 2005 Lopez Village UGA was considerably smaller than the 2000 interim UGA. The interim UGA included about 466 acres of land and around 230 individual land parcels. The 2005 UGA included 206 acres of land and 146 individual parcels, the majority of which were served by two water providers and the sewer district. While the GMHB's April 2006 FDO found the 2005 land supply analysis "justifies the size of the UGA, as long as Ordinance 6-2002 remains in place to ensure that urban densities are not permitted until urban services are available (GMHB 06, pg. 3)" a minor change the UGA's size is unlikely to invalidate that finding. The proposed UGA will be approximately 143 parcels, approximately 198 acres, it will be served by 3 different water providers and will fall entirely within the Fisherman Bay Sewer District Service Area. The proposed UGA removes 3 separate parcels from the 2005 UGA for a total of 8.43 acres and will not negatively impact the land supply because while there will be ultimately fewer parcels and thus less area available for residential development, current development patterns show a movement toward higher density developments in appropriate areas.

At the time the data was collected for the water system analysis report (HDR/EES 2005), the Fisherman Bay water system had about 113 Equivalent Residential Units (ERU) connections. About 12 of these or about 10 percent were commercial connections. The remaining 101 connections served residential users. If the ratio of commercial connections to residential connections remains about the same over the planning period, by 2020 the number of residential connections would increase to about 329 ERU's and the commercial connections to about 36 ERU's.

The average household size on Lopez Island based on the 2000 census is about 2.12 persons per household. Assuming each of the 329 residential connections expected by 2020 serves an average household, the anticipated population of the Lopez Village UGA would be about 697 persons. Based on the number of residential connections in 2004, the Fisherman Bay system served a population of about 214 persons. The anticipated increase in population would be about 483 persons or about 228 households.

The proposed UGA reduces the 2005 UGA by approximately 4% of its overall size, a percentage that slightly exceeds the acceptable 3%+/- margin of error. A closer examination of the 2005 land supply analysis, however, shows that it identified Commercial, Government, Institutional, Multifamily, Residential/Commercial land use parcels. The land analysis shows that with the addition of a 25% market factor and a further addition of 7 acres to compensate for the presence of wetlands, approximately 110 developable acres are necessary to meet the demand for non residential as well as residential development. Of that total, the proposed reduction of 8.43 acres constitutes a 7.5% reduction of land available for development. This 7.5% reduction, if spread across, the land identified for the non commercial, residential and the market factor would entail a

diminution of each by approximately 2 acres, 4.5 acres and 2 acres respectively. However, given that the 3 parcels being removed from the UGA are residential and, furthermore, given that the central concern is to show that sufficient land is available for residential development, the analysis will focus on the effects of removing these parcels from areas previously considered to possess residential development potential and retain the 2005 acreages for non residential development and the market factor, 25 acres and 20.5 acres respectively.

In 2005, it was determined that if all 228 dwelling units were developed by 2020 as anticipated, the net supply of developable land at an average density of four units per acre would be about 57 acres. The land supply analysis identified a total of 38 residentially developed parcels that also had additional development potential. The parcels identified for removal from the 2005 UGA, TPN's 251433002, (2.35 acres), 251432004 (5.09 acres) and 251432014 (.99 acres), are the site of one or more homes and were assigned generic development potentials of 7 units, 18 units, 3 units respectively, (# of acres/4 minus existing units) or 28 units altogether. The elimination of these lots from the total shows up in the table below as a total of 35 residentially developed parcels with further development potential and a total of approximately 38 acres.

Since the 2005 land supply analysis was completed and accepted by the GMHB, plans have been developed, particularly by Lopez Community Land Trust and Lopez Housing Options that may fully utilize the density bonus allowed for Planned Unit Developments, potentially creating 36 and 31 units respectively. The assumption that all developable land would only realize 4 units per acre was a very conservative one and subsequent developments and the economics of rising land costs point toward the development of some parcels at higher than average densities. With this in mind, it's possible to reduce the base number required acres by 8.43 and by projecting no more than 1% of the remaining 49 acres is developed at the maximum allowed density of 8 units per acre, the proposed UGA boundary will be sufficient for the projected population.

The 10.39 acres currently being developed by the Lopez Community Land Trust and Lopez Housing Options group alone may well account for 26 of the lost 28 units. In order to meet the projected population growth only one half of one acre of the 62.7 currently vacant acres needs to be developed at the allowed density of 8 units per acre.

Given that two different projects may produce all but 2 of the units potentially lost by reducing the UGA it is reasonable to project that when the UGA reaches compliance, 1% of the available land may be used at a higher than average density. As this slight increase in density will not impact the land available for either institutional or purely commercial uses in the UGA, staff recommends retaining the elements of the land supply analysis pertaining to these sectors of the property market.

The 2005 land supply analysis outlined the assumptions and criteria that were used to determine the 25 acres needed to meet the future commercial and institutional uses. This analysis included the considerations;

To arrive at a reasonable estimate of the amount of developable land needed for additional non-residential uses over the planning period, staff looked at the existing pattern of non-residential development and considered the following:

- The Lopez Village UGA is planned to serve as the commercial/community center for the island, the same function it serves today. As the island's population increases there will be a demand for additional goods and services. Additional business development to fulfill the demand should occur in Lopez Village.
- Non-residential development in the village currently occupies a total of 28 parcels that together cover about 35 acres.
- The size of the parcels developed with non-residential uses range from 0.1 acres to 5+ acres.
- Over the planning period, several non-residential-non-commercial, institutional uses are not likely to require land beyond their existing property for expansion and no more than the existing number of these uses is likely to be needed. This includes the post office, library, museum, community center and the fire station.
- Several parcels are underdeveloped and could be developed with additional non-residential uses.

A figure of 25 acres was selected as the amount of developable land that would need to be available during the planning period to provide sufficient land for additional non-residential development. Twenty-five acres is a two-thirds increase in the amount of land currently developed with non-residential uses.

Combining the 25 acres needed to meet the demand for non-residential land over the planning period with the 49 acres needed to meet the demand for residential land over the planning period yields a total of 74 acres needed to provide a sufficient supply of developable land in the UGA to meet the projected growth.

The 2005 land supply went on to describe the delineation of the market factor, the impact of seasonal occupation of homes and the impact of the presence of 7 acres of wetlands in the UGA;

The actual amount of developable land that needs to be provide in the UGA to meet the requirement for 74 acres of developable and available land will be larger than 74 acres because of factors affecting the land supply that serve to remove otherwise potentially developable land from the supply pool. Following is a description of the three applicable factors examined for the Lopez Village UGA and how they were applied to estimate the supply of land needed to provide 74 acres of developable land.

The first factor considered was the market factor: The market factor accounts for undeveloped land within the UGA boundary that won't be developed or come on the market to be developed during the planning period primarily as the result of the landowners decision to not sell or develop the property. A typical value for market factor used in many communities in the state is 25 percent. A market factor of 25 percent means the net amount of developable land needed for the anticipate growth over the planning period would be increased by 25 percent to account for the market factor. Because of the relatively small amount of net acres needed to meet the growth needs of the UGA, a market factor of 25 percent would increase the amount of potentially developable land needed within the UGA from 74 acres to about 94.5 acres.

The second factor considered was the seasonal home factor: In San Juan County, the seasonal home factor is significant factor affecting the supply of land for year round housing. Juan County has a relatively high percentage of its housing stock used for seasonal housing. According to the 2000 Census, about 38 percent of the housing units on Lopez Island are

seasonally occupied. The affect of the seasonal home factor on the land supply in Lopez Village is difficult to define.

Because water availability, as measured by ERU connections, is the limiting factor determining the amount of growth in the UGA, a connection to a seasonal housing unit would result in one less connection available for a year round unit and consequently no net increase in the number of housing units (connections), but a decrease in the growth of the year round population of the UGA. Since seasonal housing units use less water on an annual basis than year around units, if the proportion of seasonal housing units was large, the effect would be the same as if very efficient water conservation measures were put in place. The result would be that the average daily water consumption figure per ERU over the entire water system would likely decrease. A long term decrease in the average daily demand per ERU would mean that the current 30 million gallon per year withdrawal limit for the UGA could serve more connections and more housing units would be possible.

As a consequence of the manner in which factors limiting growth in the Lopez Village UGA have been determined, i.e. water service connections, an increase in the land supply to account for absorption by seasonal housing isn't warranted since each seasonal housing unit would replace a year round unit and not be in addition to year round units. For this reason a seasonal housing factor was not applied to the Lopez Village UGA. However, the growth and make up of the housing stock and its relationship to water usage should be monitored over the planning period to detect any trends that may affect the land supply.

The third factor is the presence of critical areas and other physical and regulatory constraints that would remove otherwise developable land for the land supply. There are wetland areas within the village core that show up on the County's critical areas maps. The amount of wetland acreage covering otherwise developable property is about 7 acres. This reduces the amount of available developable acreage by 7 acres and therefore the amount of land needed within the UGA would need to increase by 7 acres to make up for the loss to wetlands.

After evaluating the various factors, staff has determined that a reasonable figure for the amount of developable land in the Lopez Village UGA to provide sufficient land to support the anticipated growth in both residential and non-residential development is around 101.5 acres.

Lopez Village UGA

LU Code	# Parcels	Acres
Total UGA	143	197.67

I. Developed Parcels with Building or Other Improvements

A. Developed parcels /w residences

dev r	1 ac or less	27	11.11		
dev r	1-2 ac	2	2.4		
dev r	2-3 ac	3	7.95		
dev r	3-4 ac	0	0		
dev r	4-5 ac	1	4.4		
dev r	5-6 ac	1	5.41		
dev r	6+ ac	1	6.6		
Total /w res. development		35	37.87	35	37.87

B. Developed Parcels /w Commercial Development

dev c	1 ac or less	16	7.3		
dev c	1-2 ac	3	4		
	2-3 ac	1	3		
	4+	1	4.1		
Total /w comm. development		21	18.4	21	18.4

C. Developed Parcels w/ Government Structures

dev gov	1 ac. or less	2	1.8		
dev gov	greater than 1 ac	1	5.4		
Total w/ gov structures		3	7.2	3	7.2

D. Developed Parcel w/ Institutional structures

dev in	1 ac or less	1	0.8		
dev in	1-2 ac	1	1.3		
dev in	2-3 ac	1	2.2		
dev in	3+	1	5.1		
Total w/ inst. Structures		4	9.4	4	9.4

E. Developed Parcel w/ multi family structures

dev mr	1-2 ac.	3	5		
dev mr	2-3 ac.	1	2.4		
Total w/mf structures		4	7.4	4	7.4

F. Developed parcel w/ residential/commercial

dev rc	total	2	2.9	2	2.9
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G. Right of Way Parcels

dev row	total	8	3.5	8	3.5
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H. Utility Parcels

dev u	total	3	8.9	3	8.9
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I. Parking lots

dev p	total	3	0.5	3	0.5
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II. Vacant Parcels

A. Vacant Open Space

vac os	open space	9	35.8	9	35.8
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B.

Vacant Government Owned Land

vac gov	total	1	0.8	1	0.8
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C. Vacant Institutional Owned Land

vac in		1	2.3	1	2.3
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D. Vacant Parcels

vac	1 ac or less	38	10.5		
vac	1-2 ac	3	5		
vac	2-3 ac	2	5.2		

vac	3-4 ac	0	0		
vac	4-5 ac	2	9.9		
	5-6 ac	0	0		
	6-7 ac	2	13.6		
	7-8 ac	1	7.5		
	8+	1	11		
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Total vacant parcels		49	62.7	49	62.7
				143	197.67

GROWTH RESERVE AREA:

The Growth Reserve area shown in Exhibit A includes land identified for possible future inclusion in the Lopez Village UGA as growth warrants and appropriate provisions can be made for urban level services. The Growth Reserve area is an overlay district. Staff is proposing to create development standards for this overlay district aimed at helping to minimize development patterns that would affect the ability to convert from a rural pattern of development to a more intense development pattern characteristic of an Urban Growth Area. Regulations under consideration include, requirements for clustering lots in subdivisions and installing individual septic systems in a manner that would allow easy connection to the Fisherman Bay Sewer District STEP System.

ANALYSIS:

RCW's 36.70A.030 and 36.70A.110, are the Growth Management Act sections that relate directly to the creation and delineation of Urban Growth Areas.

- ❖ RCW 36.70A.030 is the 'Definition' section of the GMA and states that;

"Urban growth' refers to growth that makes intensive use of the 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."

This section further defines an Urban Growth Area as an area "designated by a County pursuant to RCW 36.70A.110. "

- ❖ RCW 36.70A.110 details the necessary attributes of a UGA. The pertinent sections, (2), (3) and (4) respectively state that;

1. Based upon the growth management population projection made for the County by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty year period...An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses...Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.

2. Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas.
3. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and when such services are financially supportable at rural densities and do not permit urban development.

The GMHB has found in the past that UGA's that are not associated with existing cities to be compliant with the GMA and that the proposed Lopez Village UGA meet the criteria of providing for different densities and sufficient land to accommodate growth. It is clear, however, that urban level services have to be available, or be reasonably expected to be available within the planning period.

The 2006 GMHB FDO 05-2-0019c also cites RCW's 36.70A.070 (3) (a) – (d), 36.70A.070 (1), 36.70A.020(10) and (12) as areas in which the County is lacking compliance.

- ❖ RCW 36.70A.020 details the GMA's Planning Goals. The goals which the GMHB determined the County had not adequately addressed in the 2005 UGA were;
 1. (10) Environment. Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
 2. (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

It is clear that these two goals are, in this case, intimately linked. The inability to show sufficient capacity to serve the UGA was, in itself, a failure to adequately protect the environment. By only including properties within the water and sewer service districts, as identified by their own plans, the County will meet the above GMA goals.

- ❖ RCW's 36.70A.070 (3) (a) – (d), and 36.70A.070 (1) deal directly with mandatory elements of the Comprehensive Plan. Section (1) details the necessary elements of the land use element such as "the proposed general distribution and general location and extent of the uses of land, where appropriate for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities and other land uses," while section (3) (a) – (d) spell out the required parts of the capital facilities element.

1. (3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within the projected funding capacities and clearly identifies sources of public money for such purposes.

While the GMHB held that the use of independent service providers is compliant with the GMA, which obviates the County's need to show the sources of public funds, it is obvious that for the proposed UGA to be considered compliant the county must adopt the capital facility elements of the Water Associations' and Sewer District's respective plans into the comprehensive plan.

In light of the above considerations, it is worthwhile to clearly lay out the central issue.

1. The county does not provide urban level water and sewer services within the Lopez Village UGA.
2. A number of independent service providers however do provide these services to parcels within the UGA.
3. The UGA defined by Ordinance 9-2005 included 13 parcels that were not in the service areas of either sewer district or water users associations.
4. The county has been directed to show that there is sufficient resources and appropriate plans to guarantee service to the entire UGA over the planning period.
5. In order to show that there are sufficient resources to meet the projected demand and there are plans in place to assure the construction of those facilities necessary to meet projected needs, the county must rely upon the plans produced by the independent service providers.
6. The county has signed service agreements with two water providers, Fisherman Bay Water Users Association and Milagra and expects the Common Field water system serving the LCLT/LOHO properties to merge with Fisherman Bay Water Users when service becomes available to them.
7. Fisherman Bay Sewer District has agreed to update its existing plan by the end of March and is in the process of finalizing an annexation process that will bring 8 of the parcels previously beyond its service area into it. Fisherman Bay Water Users Association is adapting its service area to include those parcels that were previously beyond it and not served by one of the other systems.
8. The county cannot compel property owners to join service providers districts nor can the county compel service providers to expand their service areas.
9. The county encouraged the property owners of each of the 13 parcels to request inclusion into either sewer district or water user's association service areas.

10. All but 3 property owners did so.
11. The properties not in the service area of the sewer district or water user associations' service areas may not be included in the UGA.
12. The 2005 UGA boundary, approved by the GMHB, must be amended to reflect this.
13. The loss of 8.43 acres of developable land does not invalidate the overall land supply because the allowed density bonus can be reasonably expected to be used during the planning period.

CONCLUSION:

Amending the 2005 UGA boundary to exclude 3 parcels not served by either water or sewer providers is a necessary step towards becoming compliant with the state's Growth Management Act albeit one that, in itself, will not be compliant. And that the loss of 8.43 acres of developable land within the UGA will not negatively impact the supply of land.

FINDINGS:

1. Within the parameters laid out in this report, there is sufficient land within the proposed UGA to meet the projected growth expected in the Lopez Village UGA.
2. Amending the 2005 Lopez Village UGA boundary to exclude 3 parcels, TPN's 251432014, 251432004, 251433002, that are not now served, nor are likely to be in the foreseeable future by the Fisherman Bay Sewer District or one of the three water providers in the village, is one part of a larger process by which the county may become GMA compliant.
3. Lopez Village UGA GMA compliance is contingent, amongst other actions, upon the completion of documents by independent service providers and their adoption into the county's comprehensive plan.
4. The eventual adoption of the revised Lopez Village UGA boundary by the San Juan County Council will not, in itself, bring the UGA into compliance.
5. The county will need to show the ability of the different service providers to serve the UGA before it will be compliant.

MOTION:

I move to recommend the adoption of the proposed Lopez Village UGA boundary as shown in Exhibit A.

**San Juan County
Lopez Village UGA Staff Report**

List of References

Sears-Brown. 2003. Fisherman Bay Sewer District WWTP Improvement, Addendum to the 1994 Engineering Report, August 2003. Brown & Sears

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