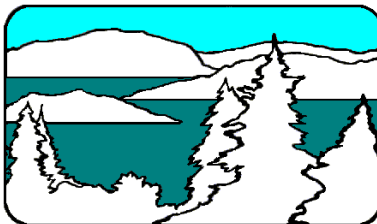


**SAN JUAN COUNTY**

**FINAL SUPPLEMENTAL ENVIRONMENTAL  
IMPACT STATEMENT**

**PLANS FOR ACTIVITY CENTERS ON ORCAS AND  
LOPEZ ISLANDS**

**April 14, 2000**



DATE: April 14, 2000

TO: Recipients of the draft SEIS

FROM: Laura Arnold, Planning Director

RE: Final Supplemental Environmental Impact Statement on Activity Center Plans on Orcas and Lopez Islands

This Final Supplemental Environmental Impact Statement (SEIS) on the Activity Center Plans for Orcas and Lopez Islands has been prepared in accordance with WAC 197-11-560 to respond to comments on the contents of the draft Supplemental Environmental Impact Statement which was released for review and comment on March 1, 2000. Reference copies of this document are being made available for public review at island libraries and at the Decatur and Waldron Island schools. Copies may be purchased from the County Planning Department.

The County received 14 written comments on the draft SEIS. Written responses are included in this final SEIS. The final SEIS also contains a summary of the preferred alternatives and also includes factual corrections to the draft SEIS.

The State Environmental Policy Act (SEPA) directs that the County may not take action on comprehensive plan proposals for at least seven days after issuance of a final SEIS. Action on the proposal will occur in separate events.

1. The boundaries and densities for activity centers will be addressed by the county in June of 2000 as a part of its response to the final decision and order of the Growth Management Hearing Board regarding the Comprehensive Plan and implementing regulations and official maps adopted in 1998, after public hearings are held and the Planning Commission and Board of County Commissioners complete their reviews and deliberations.
2. The internal land use designations, allowable uses, and area-specific development standards will be completed in a separate proceeding, following additional community meetings and public hearings on these issues.

The Planning Commission and Board of County Commissioners have scheduled joint hearings on April 26<sup>th</sup> on Lopez, April 27<sup>th</sup> on Orcas, and April 28<sup>th</sup> on San Juan on county actions to respond to the terms of the Growth Management Hearing Board order. Notice of these hearings will also appear in the legal ads of the *Journal of the San Juans* newspaper.

To the extent that this final SEIS addresses certain aspects of the Comprehensive Plan the order requires the county to re-examine (activity center boundaries and densities and proposed use of Village Growth Area designations for Eastsound and Lopez Village), this document and the draft SEIS will be a part of the official record for that action.

We look forward to your continued involvement in the comprehensive planning process.

Final  
Supplemental  
Environmental Impact Statement

**SAN JUAN COUNTY  
PLAN FOR ACTIVITY CENTERS  
ON ORCAS AND LOPEZ ISLANDS**

San Juan County Planning Department  
P.O. Box 947  
Friday Harbor, Washington 98250

April 14, 2000

## **Fact Sheet**

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### **PROPOSAL NAME**

San Juan County Plan for Activity Centers on Orcas and Lopez Islands

### **PROPOSED ACTION**

The adoption of seven activity center plans for designated villages and hamlets on the Islands of Orcas and Lopez in San Juan County and the amendment of the *San Juan County Comprehensive Plan* to include these plans.

### **PROJECT LOCATION**

The Planned Action is relevant to locations on Lopez and Orcas Islands within San Juan County, Washington. The plan will affect the following Activity Centers and surrounding areas:

- Deer Harbor Activity Center
- West Sound Activity Center
- Orcas Village Activity Center
- Olga Hamlet Activity Center
  
- Doe Bay Activity Center
- Lopez Village Activity Center
- Islandale Activity Center

The proposal is also relevant to Eastsound, as discussed in this final SEIS.

### **ANTICIPATED PROJECT COMPLETION**

Anticipated adoption of official maps showing the boundaries and densities for the activity centers and interim boundaries for Eastsound and Lopez Village growth areas will take place during the summer of 2000. Location-specific land use and development plans are expected to be completed during the winter of 2000-2001.

### **PROPONENT**

San Juan County

### **LEAD AGENCY AND RESPONSIBLE OFFICIAL**

San Juan County Planning Department  
P.O. Box 947  
Friday Harbor, Washington 98250  
(360) 378-2393  
Laura Arnold, Planning Director

### **CONTACT FOR THE FINAL SEIS**

Laura Arnold, Planning Director

## LICENSES AND PERMITS REQUIRED

The proposal is a Planned Action that will require adoption by the San Juan County Board of Commissioners. No licenses and permits are required. Licenses and permits may be required for specific projects that may be implemented under the plan.

## AUTHORS AND PRINCIPAL CONTRIBUTORS

San Juan County Planning Department

## PRIOR SEPA ENVIRONMENTAL REVIEW

This document will supplement the *San Juan County Comprehensive Plan* which was the subject of programmatic SEPA review, including:

- *Draft Environmental and Economic Impact Statement for the San Juan County Draft Comprehensive Plan and Four Alternatives* (February 1995)
- *Supplemental Environmental Impact Statement for the Draft Comprehensive Plan Element 3* (Shoreline Master Program) (June 1996)
- *Final Environmental Impact Statement for the San Juan County Final Draft Comprehensive Plan* (October 1996)
- *Supplemental Environmental Impact Statement for the San Juan County Revised Final Comprehensive Plan* (October 1997)
- *Final Supplemental Environmental Impacts Statement on Proposed Revised Comprehensive Plan, Official Maps, Unified Development Code, and Shoreline Master Program* (November 1997)
- *Draft Supplemental Environmental Impact Statement on Activity Center Plans for Orcas and Lopez Islands* (March 2000)

## DATE OF ISSUANCE OF THE DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT (DSEIS)

April 14, 2000

## LOCATION OF BACKGROUND DATA

San Juan County Planning Department  
135 Rhone Street  
Friday Harbor, Washington 98250  
(360) 378-2393  
<http://www.co.san-juan.wa.us/planning/index.html>

Earth Tech  
10800 NE 8th Street, 7<sup>th</sup> Floor  
Bellevue, WA 98004  
(425) 455-9494

**DATE OF FINAL ACTION** - Action to adopt the proposal may commence no earlier than seven days from the date of the issuance of the final SEIS.

**COST OF DOCUMENT** - Copies of the final SEIS are available from San Juan County Planning Department at the above address until supplies are exhausted. The cost of printing will be charged. Review copies are available at the Orcas and Lopez Libraries. The document may also be viewed or downloaded from the San Juan County website; address:

<http://www.co.san-juan.wa.us/planning/index.html>

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**Appendix 1 – Comment Letters on the Draft SEIS**

**Figures – Preferred Alternatives**

DH3	Deer Harbor Hamlet Activity Center Alternative 3
WS1	West Sound Hamlet Activity Center Alternative 1
OV5	Orcas Village Activity Center Alternative 5
O3	Olga Hamlet Activity Center Alternative 3
DB2	Doe Bay Hamlet Activity Center Alternative 2
LVGA	Lopez Village Growth Area Alternative
I5	Islandale Hamlet Activity Center Alternative 5

Final  
Supplemental  
Environmental Impact Statement

for

**SAN JUAN COUNTY  
PLAN FOR ACTIVITY CENTERS  
ON ORCAS AND LOPEZ ISLANDS**

San Juan County Planning Department  
P.O. Box 947  
Friday Harbor, Washington 98250  
(360) 378-2393

*Prepared in compliance with:*

The State Environmental Policy Act of 1971, Chapter 43.21C,  
Revised Code of Washington (RCW), SEPA Guidelines,  
Effective January 16, 1976 and as amended September 1998,  
Chapter 197-11, Washington Administrative Code (WAC)

and

San Juan County SEPA Rules

*Prepared by:*

San Juan County Planning Department

April 14, 2000

## **1.0 EXECUTIVE SUMMARY**

This section summarizes the results of the environmental review and the *Draft Supplemental Environmental Impact Statement (DSEIS) for the San Juan County Plan for Activity Centers on Orcas and Lopez Islands*, based on the plan alternatives, as proposed in the *Activity Centers Planning Preliminary Report* (June 1999). Plan alternatives for seven hamlets and villages on Orcas and Lopez Islands were reviewed in the draft SEIS. These “Activity Center” areas were designated by the San Juan *Comprehensive Plan* (1998) and provided with interim Activity Center land use controls by the Unified Development Code (UDC). The plan alternatives addressed by the draft SEIS propose new location-specific Activity Center designations and use and development standards, which would replace the interim provisions.

However, before the interim districts can be replaced with area-specific plans for activity centers the County must first establish consistency between its rural activity center designations and the requirements for “areas of more intensive rural development” (AMIRDs) as set forth in RCW 36.70A.070(5)(d). The County must also adopt measures to minimize and contain the existing areas or uses within AMIRDs and ensure that those areas shall not extend beyond the *logical outer boundaries* of the existing area of more intensive rural development. This consistency analysis is contained in the *Areas of More Intensive Rural Development (AMIRDs) Report (February 2000)* in the Appendix to the draft SEIS.

In addition, to the extent that the AMIRD analyses conducted for these areas in the draft SEIS indicated density changes from the 1979 densities, this final SEIS includes consideration of densities within each area that can be supported by the criteria in RCW 36.70A.070(5)(d). The AMIRD analysis also indicated modifications to be made to the outer boundaries of some of the activity centers and these are incorporated into the recommended “preferred alternatives.”

The draft SEIS provided a “programmatic” or plan-level analysis of the elements of the environment which San Juan County identified as having the greatest potential for adverse effects by the proposed alternatives. Elements of the environment reviewed included: Aesthetics, Earth, Water (Surface Water and Groundwater), Plants and Animals (including Wetlands), Land and Shoreline Use, Transportation/Circulation, and Public Services and Utilities (Water and Sewer). Each village/hamlet alternative was analyzed to determine its potential affect on these elements.

This final SEIS is organized to identify preferred alternatives based on the environmental issues and to make recommendations toward reducing adverse impacts. The preferred alternatives for each cannot be finalized without completed internal use designations and specific tables of allowable uses and area-specific development standards. That step will follow the confirmation of activity center and growth area designations and their boundaries and densities.

## **1.1 BACKGROUND**

The Proposed Action is to adopt new location-specific plans for “Activity Centers” on both Orcas and Lopez Islands in San Juan County, Washington. The plan addresses seven distinct areas as Activity Centers or growth areas, which were previously designated by the 1998 *San Juan County Comprehensive Plan* as either “villages” or “hamlets.”

The *Comprehensive Plan* defines “Villages” as being similar to towns and providing a variety of housing types and residential densities, a pedestrian-orientation, and a compact core. Villages have community sewage treatment facilities and community water systems. “Hamlets” are defined as higher density residential areas with small commercial centers which provide goods and services to surrounding rural and resource land uses. Hamlets are served by community water systems and may have community sewage treatment facilities but only rural governmental services.

Alternative land use scenarios have been proposed for each of the seven Activity Centers (two villages and five hamlets). Detailed descriptions of each alternative are provided in the *San Juan County Activity Centers Planning Preliminary Report* (June 1999). The proposed new land use alternatives will replace the "interim" land use classifications specified in Section 3.1 of the UDC, which implements the Land Use Element of the *San Juan Comprehensive Plan*. Under all village and hamlet alternatives existing residential densities would remain consistent with the 1979 *Comprehensive Plan*.

The Activity Centers analyzed by the SEIS include the hamlets of Deer Harbor, West Sound, Olga and Doe Bay and Orcas Village on Orcas Island, and the Islandale hamlet and Lopez Village on Lopez Island. An appendix to the draft SEIS also discussed village growth area alternatives for Eastsound and Lopez Village.

**Deer Harbor** is located on southwest Orcas Island. The community is largely residential, and the Deer Harbor Marina and Resort currently provides a community center. The alternatives seek to establish a new Community Center (DHCC) designation and Residential (DHR) designation. The alternatives offered differing locations and scale for the DHCC area. The Deer Harbor Planning Committee, a grass-roots group, produced a Deer Harbor Plan which was also considered and incorporated as much as possible in the review.

**West Sound** is also located on southwest Orcas Island at the crossroad between Deer Harbor and Orcas Village. A small commercial district at the intersection of Deer Harbor Road and W. Crow Valley Road characterizes the hamlet. Residential uses are sparsely distributed on 2-acre lots. A marina is located at the southeast end of the settlement. The alternatives offered various land use designations including the designation of a West Sound Marine Commercial (WSMC) area consistent with existing marine-related activities around the marina.

**Orcas Village** is located at the southern end of Orcas Island and provides the most popular gateway to the island via the Washington State Ferry facility. This village has a core district and activities focus largely on the ferry terminal. The existing Orcas Hotel is prominent, and the village has an intimate pedestrian scale atop a steeply sloping landscape. The alternatives included various land use scenarios including the retention of the existing village commercial core (Orcas Village Commercial – OVC) district with infill development, expansion of the commercial district, and the creation of a new Community Center (OVCC) district higher on the hillside overlooking the village. The alternative recommended by the grass roots Orcas Village Steering Committee (in its report of October, 1999) was also reviewed.

**Olga** is a small hamlet on Orcas Island's east side which possesses a unique human scale amid surrounding hills, forest, and the water. The hamlet currently has two small commercial areas: an arts/crafts gallery and restaurant at the north end at the junction of Olga Road at Point Lawrence Road; and a small, more traditional commercial district at the south end at the end of Olga Road where it meets the water. While the hamlet is limited in size and its services, the County believes that it should take a more active role as a provider of goods and services to the island's east side. Action alternatives proposed included the establishment of a new hamlet-wide designation and use table, the designation of a commercial area along the length of Olga Road (OC), the recognition and expansion of two commercial areas at the north and south ends of the hamlet, both (OC), or the designation and expansion of the northern end as Commercial (OC) and the south end as Community Center (OCC) with a new road linking them through the western portion of the hamlet. Residential uses would remain essentially the same.

**Doe Bay** is a hamlet anchored by the small Doe Bay Resort, which is oriented toward the water and marine-related activities, particularly sea kayaking. The alternatives all proposed retaining and/or expanding the resort use via a Doe Bay Resort Commercial (DBRC) designation. They also included the establishment of a Community Center designation (DBCC) further north, however, to provide commercial goods and services to area residents. Another alternative is removal of the hamlet designation and application of the Rural Farm Forest designation.

**Lopez Village** is the largest of the settlements addressed by the plan. Lopez Village is Lopez Island's largest and most densely settled community, and a village core now exists in the area previously designated as Urban under the 1979 *Comprehensive Plan*. Two commercial areas are present: the village core and a commercial strip along Fisherman Bay Road at Fisherman Bay south of the village core. Surrounding residential densities are at the

suburban limit of ½ -acre per dwelling unit. The action alternatives included designating two commercial districts for the village core and along Fisherman Bay – Lopez Village 1 and 2 (LVC1 and LVC2), respectively, with differing uses along with two residential designations (LVR1 and LVR2); the designation of a third residential designation (LVR3), which would allow commercial uses and residential adjacent to the village core; or a combination of these alternatives.

**Islandale** has the most dispersed settlement of the Activity Centers. The action alternatives included replacing the hamlet designation with a Rural Residential designation or creating an Islandale Hamlet designations and a list of allowable uses, with those uses tailored to the Islandale Commercial or Islandale Residential designations within it.

## **1.2 AREAS OF SIGNIFICANT CONTROVERSY**

Planning issues associated with these Activity Centers focus on the role and impact of growth and change to small settlements located in highly desirable island environments. Tourism and immigration from the mainland drive economic development in these areas, but also may bring about changes which residents consider detrimental to the environment and their high quality of life. While the issues addressed by this SEIS are often location-specific, some overarching controversies were identified. These include:

- Impacts to existing hamlet and village character and lifestyle brought by growth;
- Impacts to existing transportation facilities brought by growth;
- The role of commercial resorts in community planning and development;
- The need to increase housing opportunities, particularly for lower income residents, as property values escalate;
- The need to provide family-wage employment opportunities;
- The provision of water and sewer infrastructure and impacts as a result of private well and wastewater systems;
- Inconsistencies between some upland land use designations and shoreline designations, particularly the Urban Environment shoreline designation with its provision for higher residential densities;
- The nature of what constitutes a “rural” environment and lifestyle as opposed to an “urban” environment and lifestyle; and
- Potential boundary and density changes to existing activity centers due to the AMIRD requirements of RCW 36.70A.070(5)(d).

## **1.3 SUMMARY OF SIGNIFICANT IMPACTS AND SIGNIFICANT UNAVOIDABLE IMPACTS**

### **1.3.1 Significant Environmental Impacts**

A summary rating of the identified environmental impacts is shown in Table 1-1. The table identifies each of the proposed village and hamlet alternatives and references their anticipated impacts to the applicable elements of the environment. Because this is a programmatic analysis, a range of impacts has been identified and significant impacts which may present “fatal flaws” are flagged. Table 1-1 provides a summary rating of the impacts, but it does not provide a detailed description of the anticipated effects of the action alternatives. Discussions regarding impacts may be found in Section 3.2.1 of the draft SEIS under each identified element of the environment per action alternative.

**Table 1-1: Summary Rating of Impacts – Preferred Alternatives are Shaded Gray**

Action Alternative	Aesthetics	Earth	Surface Water	Ground-water	Wildlife	Plants (incl. Wetlands)	Land and Shoreline Use	Transportation Circulation	Community Water	Community Sewer
<b>Deer Harbor</b>										
DH1	●	◐	◐	◐	◐	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
DH2	◐	◐	◐	◐	○	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
DH3	◐	◐	◐	◐	○	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
DH4										
<b>West Sound</b>										
WS1	◐	○	◐	◐	◐	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
WS2	◐	◐	◐	◐	◐	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
WS3	●	◐	◐	◐	◐	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
WS4	◐	○	◐	◐	◐	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
WS5										
<b>Orcas Village</b>										
OV1	◐	○	◐	○	◐ <sup>5</sup>	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
OV2	◐	◐	◐	○	◐ <sup>5</sup>	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
OV3	●	◐	◐	◐	◐ <sup>5</sup>	◐	● <sup>3</sup>	● <sup>4</sup>	◐ <sup>6</sup>	◐
OV4	●	◐	◐	◐	◐ <sup>5</sup>	◐	● <sup>3</sup>	● <sup>4</sup>	◐ <sup>6</sup>	◐
OV5	◐	○	◐	○	◐ <sup>5</sup>	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	
OV6										
<b>Olga</b>										
O1	●	◐	○	◐	◐ <sup>5</sup>	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
O2	●	◐	◐	◐	◐ <sup>5</sup>	○	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
O3	◐	◐	◐	◐	◐ <sup>5</sup>	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
O4	●	◐	◐	◐	◐ <sup>5</sup>	◐	● <sup>3</sup>	◐	◐ <sup>6</sup>	◐
O5										
<b>Doe Bay</b>										

Action Alternative	Aesthetics	Earth	Surface Water	Ground-water	Wildlife	Plants (incl. Wetlands)	Land and Shoreline Use	Transportation Circulation	Community Water	Community Sewer
DB1	○	○	○	○	○	○	○	○	⊖ <sup>6</sup>	○
DB2	○	○	○	●	○	○	○	○	⊖ <sup>6</sup>	○
DB3	⊖	○	○	●	○	○	○	○	⊖ <sup>6</sup>	○
DB4	●	○	○	●	○	○	○	○	⊖ <sup>6</sup>	○
DB5										
<b>Lopez Village</b>										
LV1	○	○	○	● <sup>1</sup>	⊖ <sup>5</sup>	○	● <sup>3</sup>	○	● <sup>6</sup>	⊖
LV2	●	○	○	● <sup>1</sup>	⊖ <sup>5</sup>	○	● <sup>3</sup>	●	● <sup>6</sup>	⊖
LV3	⊖	○	○	● <sup>1</sup>	⊖ <sup>5</sup>	○	● <sup>3</sup>	⊖	● <sup>6</sup>	⊖
LV4										
<b>Islandale</b>										
I1	●	○	○	● <sup>2</sup>	○	○	⊖	⊖	⊖ <sup>6</sup>	○
I2	●	○	⊖	● <sup>2</sup>	○	○	○	⊖	⊖ <sup>6</sup>	○
I3	●	○	○	○	○	○	⊖	○	⊖ <sup>6</sup>	○
I4	⊖	○	○	● <sup>2</sup>	○	○	○	○	⊖ <sup>6</sup>	○
I5	○	○	○	● <sup>2</sup>	○	○	0	○	⊖ <sup>6</sup>	○
I6										

**LEGEND**

- Indicates no identified potential impact
- Indicates little or least potential impact
- ⊖ Indicates substantial potential impact
- Indicates potential significant impact
- Indicates that impacts could not be evaluated

- <sup>1</sup> Assumes that development may proceed without the provision of adequate water or sewer infrastructure. If infrastructure is provided, consistent with the requirements of the Comprehensive Plan, then no significant impacts are anticipated.
- <sup>2</sup> Assumes potential for septic contamination of recharge soils by development west of junction of MacKaye Harbor Road at Mud Bay Road.
- <sup>3</sup> Results from the inconsistency of upland and shoreline uses per existing designations.
- <sup>4</sup> Results from additional trip generation and a variety of potential traffic-related conflict.
- <sup>5</sup> Results from inconsistency of shoreline designation for adjacent marine environment (see <sup>3</sup> above).  
Required to assure acceptable availability of water in the future.

## 1.4 Preferred Alternatives and Mitigation Recommendations

### *Introduction*

Based on the environmental impact analysis documented in the draft SEIS and on the analysis of boundaries and densities conducted for each area (and Eastsound) in an appendix to the draft SEIS, the following presents the preferred alternatives. However, preference expressed here is still subject to change through the public review process to complete the location-specific designations and land use and development standards for them. This will occur *after* outer boundaries and densities are confirmed or modified to comply with RCW 36.70A.070(5)(d).

Mitigation measures are recommended to reduce potential impacts. These are detailed in the draft SEIS Section 3.3 “Mitigation Measures.” The following discussion of preferred alternatives incorporates a summary of mitigation measures recommended for each area.

Orcas Island. Based on the AMIRD analysis conducted in addition to the evaluation of previously identified alternatives and the consideration of Eastsound as an urban (or village) growth area as discussed in the draft SEIS, it is evident that Eastsound must play a significant role in planning for the necessary commercial, community and civic, and residential growth needs of the island. For this reason, interim growth boundaries and density provisions are recommended through a village growth area designation rather than the current village activity center designation. Only two of the hamlets, Deer Harbor and Olga, are recommended to include future provisions for density bonus programs. The programs are to be developed as a part of the county effort to provide for permanently affordable housing. Orcas Village, and the West Sound and Doe Bay hamlets, are constrained significantly by environmental considerations and AMIRD criteria in the Growth Management Act from providing opportunity to establish locations alternative to either Eastsound or to the non-AMIRD rural areas for future residential, as well as commercial, development beyond existing levels. (Potential for housing development at Doe Bay is discussed further below.)

Lopez Island. Only Lopez Village offers potential as an area for significant residential and commercial growth expansion. The Islandale hamlet, even if retained, is unlikely to be capable of providing even a small proportion of the estimated needs for future commercial space and affordable housing units on Lopez for the planning period based on what is currently known about ground water quality and quantity and other environmental impact issues related to marine water quality. Lopez Village, then, cannot continue to be considered as a rural village activity center if the county’s affordable housing needs and Lopez Island’s share of those, as well as commercial and other community growth needs, are to be met. This is discussed in more detail in Section 2 of this final SEIS.

#### **1.4.1 Deer Harbor**

Alternative 3 (see Figure DH3) is recommended as a proposal for further location-specific plan development because it provides the better environmental protection among the alternatives and provides for a mixed-use community center near the existing commercial center of the area.

For purposes of establishing outer boundaries and densities in compliance with the AMIRD criteria:

- The parcel containing the existing community hall should be added to the hamlet. The proposed boundary expansion would include only one (1 acre) parcel; the use exists does not add any undeveloped acreage to the hamlet, is not adversely affected by critical areas, and helps to preserve the character and function of the existing community.
- The large undeveloped parcels on the south east and east should be removed from the hamlet because these are not “*predominantly delineated by the built environment*” as required by RCW 36.70A.070(5)(d); these should be designated Rural Farm Forest with a density designation of no more than one unit per five acres.
- The area surrounding the slough should be excluded and designated Rural Farm Forest with a density designation of no more than one unit per five acres.
- The northern tier of parcels has an existing parcel pattern of 2.9 acres per unit and should be assigned a density standard of one unit per 2 acres.
- Two areas have an existing parcel pattern with an average of 5 acres per parcel. Because these are currently developed with single-family houses and future redevelopment would have potential for adverse impacts to the Deer Harbor slough and the wetland buffer for it, a 5-acre per unit density is indicated.
- Existing developed areas surrounding the resort and including the Cayou Valley subdivision have an established pattern of .7 acres per parcel and should remain in the existing ½ acre per unit density designation.
- The remaining hamlet areas have an average parcel size of 1.7 acres per unit and should be designated for 2 acres per unit densities with non-waterfront parcels assigned for potential development to ½ acre per unit for permanently affordable housing.

Alternative 3 allows for mixed residential and nonresidential uses in a central core area and could incorporate civic or community uses to provide more of a Deer Harbor community focus. Design and development guidelines would help to provide a cohesive appearance and to maintain community visual character and scale. The location of the Deer Harbor Community Center designation would provide greater protection from adverse effects to the shoreline and slough environments and avoids steep slopes, wetlands, and other challenging terrain.

The Urban shoreline designation at the resort may not be appropriate for density purposes but the Urban shoreline designation criteria are met at this location based on the existing use. With the density reductions described for the preferred Deer Harbor alternative, a range of densities is provided within the hamlet boundaries. Density bonuses are proposed for use in the existing higher density areas to encourage the development of housing affordable to low and moderate income households.

However, there is no adopted water system plan for the hamlet and the water supply capacity is unknown. It appears that there is not enough remaining known water supply capacity to warrant continued development at the current densities. If there is no water supply capacity available for new development, the potential exists for individuals to construct private wells that are exempt from acquiring water rights and from SJC concurrency requirements (i.e., wells that serve six homes or less). If allowed to proliferate, these types of wells could accelerate saltwater intrusion and adversely impact existing wells. They would also likely contribute to increased low-density sprawl if they discouraged more compact forms of development usually associated with community systems.

#### **1.4.2 West Sound**

While West Sound does not offer much capacity for infill development (the hamlet is almost completely built out) it does warrant continued identification as a hamlet to acknowledge its “crossroads” character and role in the rural area it serves as a community or neighborhood center. Alternative 1 most closely represents “status quo” conditions.

No boundary changes are indicated by the AMIRD analysis. The existing 2-acre per unit density adequately reflects a middle range of the existing development pattern. Allowed densities appear to be sustainable, with one exception: the Urban shoreline designation near the existing Commercial district has an associated residential density standard (7000 sf/unit for single-family and 2100 sf/unit for multi-family) that is inconsistent with the lower-density residential upland designation as well as the existing character of the hamlet. The Urban designation does not reflect the criteria adopted for Urban shorelines and should be changed to Rural, with a density in accordance with the upland 2-acre per unit standard.

The water system is fully subscribed and has capacity to accommodate projected demand.

Selecting Alternative WS1 would retain the existing character of this small hamlet while allowing incremental marine-related uses to expand in the marina area. Implementing Marina Commercial development/design guidelines could create a more cohesive marine-oriented designation, distinct from the West Sound Commercial Designation.

Alternative WS1 would also be expected to create the least impacts with regard to potential surface water runoff because it involves the least change from existing circumstances. Development in the Marina Commercial designation would likely create some incremental impacts.

Alternative WS1 would provide the most consistency with existing land uses and the *Comprehensive Plan Land Use* Element because it would institute use designations that would best maintain the existing character and activities in the hamlet. A single Commercial district would be provided consistent with the existing small district. The marina area would be designated as Marina Commercial and would foster uses consistent with the existing marina and would not be expected to create a second commercial district that would compete with the existing one. Residential densities are presently low in West Sound, and this would be expected to continue. Residential uses would remain predominant but West Sound would not be expected to meet *Comprehensive Plan* goals addressing the affordability of housing in hamlets.

Wellhead protection and aquifer protection strategies should be enacted as potential mitigation to protect local water supplies. In addition, the County should work with the West Sound Water Association to adopt a water system plan consistent with local adopted land use patterns which meets state standards for public water systems.

Measures to identify and correct failing septic systems should be developed as mitigation strategies. The county’s O & M program for septic tanks and drainfields will assist with this. This is especially important for areas along shorelines and within more compactly developed Activity Centers, where on-site system failures may threaten water quality or public health.

### 1.4.3 Orcas Village

With modifications to be further developed in the village planning process, Alternative 5 presents the best option to allow for some mixed-use and some commercial expansion but in a confined area immediately adjoining the ferry terminal. Alternative OV5 would meet more of the *Comprehensive Plan* policies than other alternatives, although it would limit non-residential growth to infill in the Orcas Village Commercial area and the new proposed mixed-use area.

Based on the AMIRD analysis, the northern part of the village area is not consistent with the “(5)(d)” rule. It is comprised of large parcels, mostly wooded, and undeveloped or underdeveloped at best (i.e., only three homes in 40 acres). See Figure OV-2. Portions of this area have steep slopes and it lacks public road access that is necessary to achieve the level of density allowed by the current CP. It is not “*predominantly delineated by the built environment*” as required for inclusion in the village.

The village boundary should be revised to exclude these parcels, and the official map revised to designate these for rural use at a density inward to reflect that those parcels are not considered ripe for development at the given density and reduce the allowed density or uses in that portion of the village to a level commensurate with the site constraints. A rural farm forest designation with a density of at least five acres per unit would be consistent with surrounding rural land designations and with the existing average parcel size of 7.25 acres for these parcels.

The existing parcel pattern in the remaining area indicates a density reduction to 2 acres per unit other than along the shoreline and in the immediate area of the ferry landing, where existing parcels average .7 acres. In this area, the Urban and Rural shoreline densities of 7000 square feet per unit and ½ acre per unit, respectively, are higher than the existing development pattern would support, and this portion of the village is largely built out.

There is no adopted water system plan for the village and the water supply capacity is unknown - it appears that there is not enough remaining water supply to warrant continued development at the current densities. The sewer system is operating at only 27% of its capacity and can accommodate additional development.

The density and boundary changes indicated by the AMIRD analysis are described in Figure 1.4.3.

The incorporation of Orcas Village development/design standards, as proposed by Alternative OV5, would help retain and potentially enhance the character of the village and should take into account the importance of views and the role played by the Orcas Hotel building in the village’s visual character. If feasible, an alternative location could be found for the fuel tanks that would reduce their prominence. Stabilization of the bluff east of the WS Ferry dock should be considered or an alternative alignment for Killebrew Lake Road further back from the bluff. Erosion control measures should be required for all new development.

Because new development would be located as infill within the existing Urban zone, which is of limited size and already largely developed, impacts from additional impervious surfaces would likely be incremental.

The county should consider providing for higher residential densities within the mixed use area proposed in Alternative 5 to allow for multi-family development which would help diversify housing opportunities in the immediate area while preserving more challenging terrain for single-family units.

Ensuring consistency between uses and activities permitted under the Shoreline Master Program and UDC designations is necessary to facilitate planning and development within several of the hamlets and villages, including Orcas Village. The Urban Environment shoreline designation is largely consistent with the upland OVC designation under Alternative OV5 with the exception of the eastern part of the shoreline designation, which applies the Urban designation to an area of unstable bluffs east of the ferry terminal. The Urban Environment shoreline densities need to be made consistent with adjacent upland densities.

Alternatives OV5 and OV1 would create the least transportation-related impacts, although some incremental increase in trip generation would be anticipated as well as increases in parking demand with a concurrent reduction in parking availability. Future traffic congestion will be related to the WA State Ferry system and schedule with periodic peak traffic periods. The use strategies and transportation planning under OV5 should help reduce the growth of trip generation, however.

The construction of a public parking lot(s) at one or more locations for island visitors coming from the ferry and the development of a more compact commercial designation, providing pedestrian access, would encourage community

development by fostering a more accessible, convenient, and interesting retail/commercial core. This could also reduce traffic throughout the village by reducing motorists' need to search for parking. Parking facilities should be accessible to and from Horseshoe Highway.

Wellhead protection and aquifer protection strategies should be enacted as potential mitigation to protect local water supplies. In addition, the County should work with the community water providers to adopt a water system plan consistent with adopted land use patterns which meets state standards for public water systems.

#### **1.4.4 Olga**

Alternative 3 would best retain the existing character of Olga while allowing for future growth. AMIRD analysis did suggest exclusion of area on the northwest corner but this is not recommended: the area is physically and visually connected with the remainder of Olga and offers future alternatives for hamlet-level development and potential for circulation improvements. The analysis also indicates retaining the existing ½ acre density in most of the area (with the caveat that constraints on public facilities will limit build-out capabilities) but a 2 acre per unit density standard should be applied to the less developed areas with an allowance for a bonus to ½ acre per unit for affordable housing development.

The goal is to retain Olga's character and human scale over the planning period. Selecting the Alternative O3 concept would recognize the existing dual commercial settlement pattern. The size of the areas in which commercial development would be permitted appears substantially larger than the commercial areas, which now exist. These proposed areas could be scaled back to ensure that the existing scale and character of development is retained and to minimize possible traffic conflicts. Access to and from parcels west of the Olga Road (at the junction with Point Lawrence Road) should be given careful consideration during project-level review because of the parcel's close proximity to the junction.

Concern over additional traffic and congestion on Olga Road has led to the proposal that a new roadway be constructed to provide a means for motorists to more conveniently enter and leave the proposed southern commercial zone (Alternative O4). The incorporation of a roundabout on Olga Road at the location where the proposed new road would intersect may provide a superior and less-costly alternative solution, however, while also creating a central design feature for the development of the hamlet. An enlarged roundabout could provide the turnabout necessary while keeping motorists in closer proximity to commercial activities. There could also be aesthetic benefits from this approach because the new facility could include landscaping around which a central design theme could be developed.

Ensuring non-motorized access within and between commercial designations will be important to ensuring that auto congestion is minimized. Crosswalks across major roadways and other pedestrian facilities should be incorporated where development is located on both sides of the roadway. Consideration should be given to the development of an informal pedestrian trail(s) between proposed commercial designations with signage outside of the roadway.

If the main road is not ultimately planned to be extended in a loop through the western portion of the hamlet, then consideration should be given to reducing the allowed density in that portion of the hamlet to a level that would not require extension of the road or trigger the need for a community sewage system.

Traffic generation and congestion at the end of Olga Road are a concern which may be addressed by incorporating a central hamlet design feature that will also function as a traffic turnabout facility on Olga Road at the cross-street where the new road was proposed under Alternative O4. This could provide an aesthetic and practical means for incoming vehicles to turn around without diverting traffic down a second alternative roadway. The expansion of this intersection and the installation of a landscaped roundabout would provide a central design element at the core of the proposed expanded commercial zone. Additional landscaping and pedestrian amenities along Olga Road and throughout the commercial areas could also help provide a sense of coherency to the commercial designations and to maintain the sense of scale.

Almost all of the shoreline lots are already developed, but at a density significantly less than allowed by the Shoreline Master Program (SMP). The SMP designation for almost all of the hamlet shoreline is Urban. This could allow up to an additional 140 multi-family units or 42 single-family units within the shoreline jurisdiction. However, this is a highly unlikely scenario, given the present development pattern (mostly built out shoreline) and lack of a community sewage treatment and disposal system. Nevertheless the Urban environment SMP designation for the hamlet appears to be inconsistent with the upland CP designation.

The undeveloped upland areas of the hamlet do not exhibit the same degree of constraint as the shoreline parcels, owing mainly to setback from the shoreline and lack of adjacent groundwater wells. Nevertheless, buildout of the

hamlet under the existing density still appears highly unlikely due to dependency on on-site septic systems. Even advanced on-site technology is extremely expensive, and when combined with having to treat stormwater runoff from the adjacent uplands, it appears likely that a community wastewater treatment and disposal system would be necessary to accommodate the maximum buildout scenario. Implementation of a community sewage treatment and disposal system is not presently contemplated in the CP.

A consistent set of upland land use and shoreline designations, consistent with the intent of the *San Juan Comprehensive Plan* and the GMA, should be developed to implement village and hamlet plans. Olga's shoreline is currently designated as an "Urban Environment" by the Shoreline Master Program which is clearly inconsistent with this relatively pristine shoreline, marine habitat, and the human scale of the upland area within the hamlet. Section 3.2.5.2 "Land and Shoreline Use Environmental Impacts Matrix" briefly describes this inconsistency. The Shoreline designation should be revised to provide for less intensive uses, such as "Rural Environment" or even "Conservancy" or "Natural Environment." Development standards should be considered specifically for protection of shoreline resources and marine water quality as well as the ambience of public space at the waterfront. Consideration should also be given to developing OC development/design standards and a local review process that will ensure retention of Olga's unique character and human scale.

Prohibiting or substantially curtailing future shoreline development would minimize earth-related impacts. The prohibition of new moorages and the incorporation of a 50-foot-wide shoreline buffer along the hamlet shoreline would be expected to mitigate potential adverse impacts.

Future development should either be required to: 1) expand in undeveloped areas away from the hamlet core if using on-site sewage disposal; 2) establish a community drainfield; or 3) if higher density housing is sought, adopt a utility district of some form to provide limited public sanitary sewer service to the hamlet.

The areas proposed for commercial uses west of the Olga Road (at Point Lawrence Road) may have to be scaled back to avoid wetland impacts. Curtailing shoreline development would also be expected to reduce potential wildlife impacts.

Buck Bay is a sensitive marine environment. The shallow bay is the site of efforts to restore historic salmon runs into Cascade Creek and is particularly susceptible to water quality impacts from adjacent shoreline development. There is a potential threat to water quality here from proliferation of on-site septic systems. Further intensification of shoreline development using on-site septic systems should be discouraged.

Since the source supply for the hamlet is surface water, a watershed management plan for Cascade Lake should be adopted to ensure adequate protection of the resource and additional supplies for future growth. In addition, the County should work with the Olga Water Users Association to adopt a water system plan consistent with adopted land use patterns which meets state standards for public water systems.

#### **1.4.5 Doe Bay**

Alternative 2 provides the greatest potential for retaining the existing character of the area and for recognizing the existing community use of the school district property as a community center for the far east side of Orcas Island.

AMIRD analysis of the outer boundaries indicates that a large undeveloped parcel north of Horseshoe Highway should be excluded. This area has been given preliminary short plat approval for three lots but is not final and cannot be considered as existing development. This area only contains one home and is otherwise undeveloped, is heavily wooded, is located on a slope (partially in excess of 15%) that drains into the hamlet, contains a portion of sensitive riparian habitat, and is physically separated from the rest of the hamlet by Point Lawrence Road. This portion of the boundary does not appear to be delineated "*predominantly by the built environment*", as required by the GMA.

Based on review of the existing parcel and development pattern a five-acre per unit density may be appropriate for the hamlet area overall, given that most of the shoreline other than the area within the resort property ownership is developed for single-family housing, and that the resort – with large parcels in resort-related uses – is not necessarily developable at higher densities for residential use. An exception may be a limited affordable housing development of four to six units within the proposed Doe Bay Community Center designation if the resort's community drainfield can support it.

The resort property parcel extension would bring that entire parcel within the hamlet and eliminate the current bisection of the property. It currently is heavily wooded and mostly undeveloped, although it does contain some scattered cabins for staff and non-resident use. Inclusion within the hamlet would allow additional resort use or residential expansion. The community drainfield for the resort is located in this area and may require improvement

to service additional wastewater flows from new development. The school district property immediately north of that would comprise the northern most extension of the hamlet. It is a much smaller parcel that already contains the 1990 pre-existing fire hall and school bus barn. Including these parcels within the formal hamlet boundary would help provide important support elements to tie the natural functions of the community ( i.e., eco-tourism resort and a community gathering place) closer together, as encouraged by RCW 36.70A.070(5)(d).

Analysis indicates one forest resource land parcel directly abuts the Activity Center on the southeastern corner of the boundary. The area within the hamlet abutting the resource parcel is presently undeveloped. However, adverse impacts to resource land operation would be mitigated if adequate buffer requirements were placed on activities on each side of the boundary as a part of the development standards for the hamlet.

The desired character of the proposed Community Center remains unclear, largely as a result of the wide range of permitted uses in this area. This should be further articulated as the location-specific plan is further developed. Tailoring of the designations could focus development within this area and reduce potential land use conflicts and promote *Comprehensive Plan* policies. Consideration should be given to providing for a mix of residential densities within the Community Center designation and potential small scale mixed-use areas [e.g. two dwelling units accessory to a commercial use(s)]. Physically separating the Community Center area from the existing resort by retention of natural vegetation, native landscaping, etc. would reduce aesthetic impacts to the existing resort and shoreline. Consideration should be given to incorporating Doe Bay Community Center development/design guidelines to ensure that new development is reasonably consistent with the existing settlement or of a desirable character to the community. Incorporating a community review process at the project-level could also help retain existing character.

Human scale and pedestrian access is important in this hamlet, and efforts should be made to retain it. Pedestrian linkages (e.g., trails, paths, etc.) between the resort and the DBCC zone will be important to retaining this intimate scale while developing the new Community Center designation.

The Doe Bay Plan should curtail future development in areas, which will affect the stream corridor. Areas of recharge soils within the hamlet should be accurately delineated. A sensitive areas overlay(s) zone (ESA Overlay) has been established in these areas. Development in the overlay zone (e.g., septic systems) should be limited to ensure no ground water contamination.

The development of the Community Center area will increase traffic flow on Point Lawrence Road. Additional signage at strategic locations may direct motorists to this area and public parking.

Since the source supply for the hamlet is surface water, a watershed management plan for Mountain Lake should be adopted to ensure adequate protection of the resource.

Measures to identify and correct failing septic systems should be developed as mitigation strategies. This could include an inspection and O & M program for septic tanks and drainfields in areas of poor soil suitability. This is especially important for areas along shorelines and within more compactly developed Activity Centers, where clustered system failures may threaten water quality or public health. The County's Watershed Plan is expected to address this issue and make recommendations in year 2000-2001.

The potential adverse environmental impacts from expanding the hamlet are not considered significant and can be mitigated.

#### **1.4.6 Lopez Village**

AMIRD analysis conducted for Lopez Village indicates that substantial area should be excluded from the boundaries to comply with GMA criteria and that the excluded area should have densities reduced to at least five acres per unit. Internally, the mix and intensity of future uses would appear to be considerably reduced (based on the existing uses and parcel sizes) if Lopez Village is consigned to infill development alone with a rural village designation. Because the village is clearly established as the community and commercial center for Lopez Island, and because the other two AMIRDs located on the island are not suitable for that purpose, an alternative (explored in the draft SEIS) is to apply a form of Urban Growth Area designation.

It appears that the outlying areas of the village are not provided with the level of community water service necessary to promote compact development. This is inconsistent with both the CP (i.e., the inability to provide relatively high densities within the Activity Center) and RCW 36.70A.070(5)(d), due to the probable continuation of a low density sprawl pattern of development from the continued reliance on individual wells (that are exempt from concurrency requirements).

The system is currently operating at close to 90% of its capacity and has remaining capacity to only accommodate approximately 25 additional ERUs. The District has reserved space to add an additional sewage treatment lagoon, but has no plans presently to expand. Most parcels outside the sewer service area (in the former *suburban* area) rely on on-site septic systems.

The area around the marinas includes associated commercial development, a nearby sand and gravel operation, and a short way south are a group of professional service offices, small retail center and a restaurant. This area appears to be within the community sewer system service area. It appears to meet the eligibility criteria for designation as “an area of more intensive rural development”, as defined by RCW 70A.070 (5)(d)(i), owing to its existing mixed use character, availability of community sewer, and presence of small-scale recreational and tourist-oriented non-residential uses.

Analysis indicates that agricultural resource parcels directly abut the Activity Center designation on the far north, northeastern, and southeastern boundaries. The areas within the village abutting the resource parcels are presently undeveloped. Adverse impacts to resource land operation could be mitigated if adequate buffer requirements are placed on activities on each side of the boundary or if the village boundaries were moved inward to create a larger buffer or transition area between the anticipated higher intensity uses within the village and the resource lands.

Continuation of Lopez Village as a rural activity center is not recommended. The Village Growth Area designation concept is discussed further in Section 2.

#### **1.4.7 Islandale**

Islandale presents some difficulties in analysis for AMIRD purposes. Because the actual development pattern based on use is almost exclusively residential and includes amalgamated platted lots developed as larger rural parcels it is difficult to establish what the parcel pattern would suggest for a variety of residential densities. Using the 1999 parcel data (in which many of the now-amalgamated lots do not appear) three patterns emerged: the southern third of the hamlet area retains the ½ acre lot pattern of the Islandale 2 plat; two large unconnected areas are in parcels over 20 acres with one house each; and the remainder has an overall average pattern of parcels just under 2 acres.

Selection of Alternative I5 would provide the most control over the character and scale of development in the Islandale area. The proposed Community Center designation would be limited to the south side of Mud Bay Road and would be less intrusive than alternatives which propose more auto-oriented rural commercial development or development on both sides of the road. Permitted use categories could be tailored to local needs, and design standards could promote an Islandale character, here. Potential uses could also be limited within the proposed Islandale Residential designation. The overall effect could be a more controlled distribution of uses and activities with uses potentially better suited to each zone. Uses that the community considers undesirable would be more likely excluded.

There is a potential maximum of 14 existing connections (including the store/restaurant and residences) served by two different Group B community water systems. The proposed AC designation here is inconsistent with the CP, which states that activity centers should be served by Group A water systems (Policy 7.3.B.2). The Group B systems are very small with little or no expansion potential (see Appendix A-Water Systems in Activity Centers, San Juan County Environmental Health Division). All remaining homes utilize individual private wells subject to the requirements of Chapter 13.06 SJCC.

No changes from the current adopted AC boundary for Islandale appear to be necessitated by RCW 36.70A.070(5)(d). Nor do any of the hamlet alternatives identified in the Activity Centers Draft EIS appear to be inconsistent with RCW 36.70A.070(5)(d). This is a very small hamlet with very limited potential for new development. Future growth potential will be limited by the desire of individual property owners to initiate lot consolidation efforts to create new buildable lots. Sufficient constraints exist (i.e., substandard lots and groundwater limitations) to suggest that very little growth is expected to occur here.

Lands west of MacKaye Harbor Road at Mud Bay Road are identified as possessing aquifer recharge soils. Septic systems within this area may not be appropriate. The development of community wastewater systems which do not contaminate recharge soils within the Community Center designation may provide one option for growth, here. Because Alternative I5 would designate this area as a Community Center, the development of a community system would be more likely. Future development in identified flood prone areas should be curtailed.

The selection of Alternative I5 would be mostly likely to meet the goals and policies of the 1998 *Comprehensive Plan* while providing the most local control over future development. Areas with aquifer recharge potential and areas with flood potential should be identified and designated for specific development standards/prohibitions.

Alternative I5 would be expected to generate the least traffic hamlet-wide. Traffic would be more concentrated at or near the junction of Mud Bay Road at MacKaye Harbor Road, although it is doubtful that significant congestion would occur. The location of crosswalks on MacKaye Harbor Road will be important to facilitating pedestrians walking within the Community Center designation across this road. Consideration should be given to widening roadway shoulders at strategic locations to better facilitate parking and turning.

Wellhead protection and aquifer protection strategies should be enacted as potential mitigation to protect local water supplies. In addition, the County should work with the Islandale Water Users Association to adopt a water system plan consistent with adopted land use patterns, which meet state standards for public water systems. Measures to identify and correct failing septic systems should be developed as mitigation strategies. This could include an inspection and O&M program for septic tanks and drainfields in areas of poor soil suitability. This is especially important for areas along shorelines and within more compactly developed Activity Centers, where system failures may threaten water quality or public health. The County's Watershed Plan is expected to address this issue and make recommendations in year 2000-2001.

[It is acknowledged that those persons commenting on the draft SEIS with regard to Islandale solidly reject the hamlet designation in favor of a Rural Residential land use designation, which is discussed in the draft as Alternative I3.]

## **2.0 Lopez Village and Eastsound Village Growth Area Designations**

### **Village Activity Center (as represented in the existing Comp Plan)**

The Lopez Village activity center boundary is based on the original 1979 SJC Comprehensive Plan designations of *Urban* and *Suburban*. The old *Suburban*-designated area includes the outlying residential, commercial and marina parcels mostly south and east of the village core.

The Lopez Village Activity Center, as currently configured, includes approximately 450 acres. Development is concentrated primarily towards the shoreline, and along Fisherman Bay Road. The more intense development is at the two ends of the area, with a connecting area of commercial, industrial, and residential developments. It also includes a large wetland, and has Agricultural Resource lands adjacent to its northernmost extension and on the southeast corner. Lopez Village activity center has developed a smaller total area and with less intensity than has Eastsound, but generally includes most of the range of activities, uses, and intensities that are found in Eastsound.

Most of the developed parcels outside the village core are located in close proximity to Fisherman Bay Road (*i.e.*, within 400 feet) while the parcels (or portions of parcels) that adjoin the eastern boundary are mostly vacant, developed at a very low density, or in low intensity agricultural or forest use. Much of the suburban district contains lower-density residential uses and undeveloped land, but with some commercial and institutional development and with a small commercial strip in the areas around the marinas (approximately two-thirds of a mile south of the entrance to the village core). In the vicinity of the marinas are associated commercial development, a nearby sand and gravel operation, and a group of professional service offices, small retail center and a restaurant. This area is also within the community sewer system service area.

The Growth Management Hearing Board ruled that the Activity Center boundaries must be evaluated under criteria in RCW 36.70A.070(5)(d) for determining logical outer boundaries. The AMIRD analysis for Lopez Village and Eastsound (*see below*) determined that the activity center boundaries as shown in the existing Comp Plan could not be supported.

In Eastsound, the Village Commercial core (“the Village”) itself is very compact. It is comprised mostly of developed lots one-quarter acre or smaller in size, the majority of which are developed exclusively for commercial retail business. In recent years some retail business has extended to the north into the Village Residential district, which is actually a mixed-use designation. Outside of the village core but within the confines of the Village Residential and Residential-½ land use designations, developed lots average generally between 1.0 and 2.5 acres in size. Several subdivisions within the subarea are more compact, with lot sizes averaging between one-quarter and one acre in size, and a number of multifamily dwellings and condominiums have also been developed. These areas comprise just under 50 percent of the planning area.

Located north and central are several non-residential districts. Non-residential uses in these areas include the Orcas Island Airport, and light industrial and commercial activities, generally located in the Service and Industrial and Service Park districts. Also located at the northern shore is the Marina District, with recreational lodging, moorage facilities, and condominium development. These areas comprise 12 percent of the area.

The remainder of the Eastsound planning area, located adjacent to and generally east of the village and the higher boundary, comprises slightly under 40 percent of the planning area. One large area is acknowledged as rural, with rural-sized parcels and broad connection to the rural areas outside of the planning area, but an area that is adjacent and almost as large is also contained mostly within several large parcels. On the boundaries are several areas of five- and 10-acre parcels. Portions of these parcels are wooded, and several large wetlands and wetland stringers are found here.

Eastsound’s activity center boundaries were drawn coincident with the boundaries of the Subarea Plan’s Planning Area (or area of applicability). These boundaries also did not comply with the criteria in the GMA for drawing logical outer boundaries. As in the case of Lopez Village, the AMIRD analysis determined that the activity center boundaries were too extensive for an AMIRD.

### **Area of More Intensive Rural Development (AMIRD)**

The AMIRD analysis that was conducted by the County to meet the requirements of .070(5)(d) identified an area within the Lopez Village activity center as suitable for an AMIRD. This included the Urban-density core of Lopez Village, plus development to the west of Fisherman Bay Road in the north, and parcels along the road in the south down to the marinas, owing to its existing mixed use character, availability of community sewer, and presence of small-scale recreational and tourist-oriented non-residential uses. *See* Figure LVGA.

AMIRDs are intended to recognize existing intensive rural uses, and to allow infill. However, they are not intended to meet future, expansive needs: as the Hearings Board has stated, they are not “mini-UGAs.” This is precisely the problem with the current activity center concept: it was attempting to function as a mini-UGA. This area, if developed for infill according to existing patterns of development, and to existing kinds and intensities of uses, would allow relatively little future development potential, and that would occur mostly at a suburban level. Its environmental impacts would be less than those of a UGA or even of the existing, current direction. It would not, however, meet local, island-wide, and county needs for future commercial development, urban-density housing, and affordable housing for the island, and not meet some GMA directives of the state as well as not meeting the objectives of the Comprehensive Plan.

Similarly, a GMA-compliant boundary for an Eastsound activity center (AMIRD) were drawn coincident with the boundaries of the Subarea Plan’s Planning Area (or area of applicability). This would allow relatively little future development potential. The policies and direction in the Subarea Plan could not be achieved in such an area. An Eastsound AMIRD would not meet local, island-wide, and county needs for future commercial development, urban-density housing, and affordable housing for the island.

### **Village Growth Area.**

An alternative approach to those above is to meet the local, island, and county needs in an appropriate way, which is to plan for an urban growth area (UGA). Both Lopez Village and Eastsound have a characteristic mix of non-rural and urban densities and land use activities, including commercial and industrial uses, and activities characteristic of developed areas, as well as greenbelts and open space areas. In both areas, development densities, types and intensities of uses have clearly passed beyond that of rural areas. To meet the needs of the major ferry-served islands of Lopez and Orcas, at least one area is needed that can provide the services and densities needed, and that can expand to meet future needs. Planning for an urban growth area on each of these islands would meet the identified need, and planning for Eastsound and Lopez Village would be consistent with community and comprehensive planning for meeting those needs. In order to suit local taste and sensibilities, the UGA is styled as a “Village Growth Area” (VGA) while meeting the UGA planning requirements of the GMA. Lopez Village VGA and Eastsound VGA would be non-municipal UGAs (one with no existing incorporated jurisdiction in its center), which have been developed by a number of other jurisdictions to address circumstances such as ours.

Population. The CP defines the projected future urban share of population (*i.e.*, Friday Harbor’s) to be only about 15 percent of the total county population by the year 2015. At a first glance, the remaining growth was expected to be “rural” in nature. But in fact, the CP assigned additional suburban- and urban-level uses and growth to “activity centers,” assuming that the County’s “mini-UGA” approach to activity centers would be valid (which it turned out not to be). Moreover, the FH UGA does not provide an ability to house 15 percent of new residents over the planning period: nearly all of the territory included in the UGA is not planned for new residential uses (airport use and existing high-density residential use, primarily).

A preliminary estimate for the reallocation of urban growth has been developed. This would assign approximately 12.5 percent of future population growth to Lopez Village and Eastsound as village growth areas. This reflects in the main the existing and future populations in the areas, reassigned to urban, plus additional population due to development of affordable housing. More detailed population estimation will require further work on densities, land availability, and needs that will be completed as part of final VGA planning in the next year.

The current county-wide planning policies (called joint planning policies in the CP) highlight the steps and criteria necessary for the designation of a UGA in SJC. However, the policies currently focus exclusively on the Friday Harbor Future UGA, and are formulated for the purpose of working with the town on service provision and population allocation. If new non-municipal UGAs are to be formed on Orcas and Lopez Islands, the joint planning policies will have to be amended to reflect the unique circumstances regarding those island communities.

Development Trends and Needs; VGA Sizing. Development in Lopez Village is concentrated primarily towards the shoreline, and along Fisherman Bay Road. The more intense development is at the two ends of the area, with a connecting area of commercial, industrial, and residential developments. It also includes a large wetland, and has Agricultural Resource lands to the north and southeast. Eastsound development was initially concentrated in a south-

central core, but residential development now extends to the northern shore and to the west, along the northern shore, and a “leapfrog” area to the southeast.

Preliminary analysis for Eastsound is that some additional area will be needed for retail commercial uses in the next 20 years. Sufficient information is not yet available to estimate the need for additional area for service and light manufacturing uses; this will be evaluated further in the planning for the final area.

For both Orcas Island and Lopez Island, analyses of the housing needs for the county, and of the areas available for higher density housing, clearly indicate that insufficient higher density areas exist in order to meet needs for affordable housing for Very Low- and Low-Income families. Placing all of our affordable housing into Friday Harbor and its UGA is neither desirable nor practical for meeting needs on Orcas and Lopez islands. Development of high-density housing is precluded from most rural areas (except for the AMIRDs—areas of more intense rural development—which include the rural activity centers). Activity centers are anticipated to be areas where some higher density housing can be provided. However, AMIRDs do not present a sufficient land base for the amount of housing needed long-term (or for commercial activity).

Additional land for higher density development will be needed in urban growth area designations in Eastsound and Lopez Village in order to meet the needs of Lopez and Orcas islands, and of the county. Some flexibility is available to counties in sizing the VGAs to meet identified needs. This is especially true in cases where special circumstances or significant issues are at play.

Locales such as Eastsound and Lopez Village are necessary areas for meeting an important portion of affordable housing needs for the county and for the Orcas and Lopez Island communities. However, development of affordable single- and multi-family housing introduces increased social services costs, and the need to properly serve the higher densities. Ensuring that the housing is built is also a difficulty. Development of regulatory requirements and incentives, in association with other mechanisms for encouraging and otherwise ensuring the development of such housing sufficient to meet projected needs, and designing this housing so that it will fit with the character and aesthetics of the rest of the village areas, will be a community- and county-wide challenge.

A final determination of needs, and of the land area necessary to meet them, will require additional analysis of the available land and likely infill, capital facility service needs, and an analysis of the proper market factor for land within the growth areas. If the results of these analyses indicate that the boundaries of the interim growth areas should be changed, this will be done before completing the final VGA plans.

Capital Facilities. Provision of adequate public sewer and water facilities, development of appropriate levels of service for an expanding village, and the upgrading of roads to higher standards to serve the expanding area are key factors in planning for the successful functioning of the area, and in serving the higher densities and greater varieties and intensities of uses. The GMA does allow local governments to plan for urban growth in areas where infrastructure to support urban growth does not currently exist or sufficiently exist, as long as they simultaneously plan for the infrastructure necessary to support such growth. Where capital facilities and services within a VGA are not provided by the County, special implementation mechanisms will be required to assure that they will be provided commensurate with the phasing of development.

Lopez Village has both water and sewer service, but the availability of water service is more limited than in Eastsound. The Fisherman Bay Water Association is a Group A system currently operating at about 65 percent of its state-approved capacity. The system is fully subscribed and cannot expand outside its current service area unless additional capacity is acquired. The water service area currently does not extend to the whole of the activity center: most of the lots that are not served by the community water service area rely on individual groundwater wells and on-site septic systems. Proliferation of such individual (exempt) wells to serve new development may cause eventual conflict in an area planned for relatively intense development. Available information indicates there is a potential risk of salt water intrusion and that this area needs a groundwater vulnerability assessment. For Lopez Village, the water supply and availability issue is the largest obstacle to implementing a UGA at the present time.

Most of the Lopez Village area is served by a community sewer system operated by the Fisherman Bay Sewer District. The system is currently operating at close to 90% of its capacity. The District has reserved space to add an additional sewage treatment lagoon, but has not yet initiated a project to expand. Most parcels that lie outside the sewer service area but within the activity center boundary rely on on-site septic systems.

In Eastsound, all areas in the Subarea Planning Area except for a portion of the rural area are served by a Group A water provider, most of which is at an urban level of service. The central area and several others are served by the sewer utility, which currently is at about half of capacity and has plans in place for expansion to cover most of the area being considered as a VGA. However, the planning and financing of these services are still scaled to a more

rural pace and outlook, and will need to be reviewed for their ability to meet the needs of the expanding community in the future, and revised as appropriate.

Growth and density will need to be carefully planned and phased to fit within the capabilities of the systems in the near term, and more planning will be needed to ensure that the services are sized and funded appropriately to serve the expanding community for the future. Failure to so provide for adequate facilities to support the growth would not meet the requirements of the GMA for urban growth planning.

The capital facilities issues and data gaps that have been identified constitute an important planning concern for both the Eastsound and Lopez Village areas. Were either or both areas not included in UGAs, but instead were placed in rural activity centers with tightly defined boundaries, water and sewer service issues would still be important for the service and support of the development that has occurred to date and for the infill that could occur in the future. The same problems would need to be addressed, especially in the near term, though the lower amount of future development would present less concern in the longer term.

Transportation. In Lopez Village, vehicular access to much of the area is directly from Fisherman Bay Road. The lineal configuration offers little opportunity for mitigation from increased traffic other than through non-vehicular alternatives. People often walk along the road from the marina area to the village core: the lack of separation between cars and people will need to be addressed. In the core area, parking demands will increase as the area develops. The internal street system here is limited; the existing system of walking paths does not directly coincide with the streets but it is informal. In the near future it will be desirable to pursue formalizing the pedestrian paths in a village plan.

In Eastsound, vehicular flow is constrained by topography and by the presence of wetlands. Matters are further complicated by the necessity of vehicles bound from the ferry landing for Moran State Park or Olga or Doe Bay to pass directly through the Eastsound area. Improvements to the transportation system to address these concerns have been controversial. Within the developed core, the attraction of the area for shopping and the growth that the area is experiencing have led to parking problems in the village area.

Not only is vehicular traffic a concern in both Eastsound and Lopez Village, but these communities and the County must seriously plan for the retention and promotion of bicycles and foot traffic if these important components of village character are to be preserved. Providing for all of these needs simultaneously, and for parking needs, will present challenges for the community and the county in the future, whether or not a UGA were designated.

Village Character. For both of these villages, serious consideration must also be given to the potential impacts to existing village character from the increase in population and general “hustle and bustle” in the area (such as traffic and noise), increase in residential densities from 2 units/acre (the predominant density in both areas) to 4 units/acre (ultimately, in most areas; *see* “phasing,” *below*).

Although it is certainly possible to preserve some areas of larger lots and “spread the density out” somewhat by clustering (at even higher density uses) in the villages’ core areas, this would be a delicate venture.

Adoption of development standards and design guidelines can mitigate the potential impact on existing village character from increased densities (*e.g.*, height limitations, building mass and modulation, walking path or sidewalk requirements, building orientation to the street, landscaping, *etc.*). The use of “Neighborhood Commercial” designations, which require new commercial structures to incorporate residential units in the structures, and to retain the residential use as part of the commercial use of the site, can further enhance the retention of residential use of the commercial areas and provide needed housing units. Planning for parks and open spaces, and for the retention of pedestrian and bicycle use throughout the villages, are also important measures to help retain village character.

With all of these approaches in mind, there will nevertheless need to be concerted effort to promote, encourage, and enhance the visual character and values that each community treasures. This would be true even if the area were to be limited to a tightly constrained rural activity center, but it will present more challenges as higher densities become more prevalent.

Shorelines. Both villages front on the marine shoreline, and have relatively enclosed waters for part of that shoreline. Such areas support important and sensitive marine communities, and as the villages develop there will be the potential for adverse impacts to the environment. The impacts of that development must be planned and mitigated so that these marine areas are not unduly harmed. Stormwater runoff and sewage treatment outflows, in particular, must be planned and handled so as not to introduce pollutants and otherwise upset the sensitive areas. Likewise, the boat traffic, docks, moorage and maintenance facilities, and other support features have the potential

for physical and chemical changes to these marine areas, and planning and permitting must seek to minimize and contain the potential for adverse impacts.

Resource Lands. Agricultural Resource lands are located to the north and southeast of Lopez Village. The redrawn boundaries result in only rural lands bordering the Resource Lands. In Eastsound, a Forest Resource area lies directly east. With the exclusion of the Rural-5 district and exclusion of a set of four 5-acre parcels from the VGA, only rural lands will border on the Forest Resource lands. In both cases, a more than adequate buffer would be created for the Resource Lands.

Alternatively, the four 5-acre parcels could be included in the Eastsound VGA. Adverse impacts to resource land operation could be mitigated if adequate buffer requirements were placed on activities on the urban side of the boundary. It is also possible that a re-evaluation of resource land and rural land designation criteria in the future might remove some of the resource lands in question.

Phasing. The GMA promotes compact development for urban areas and UGAs. The intent is to allow a range of urban land use activities and densities. The Growth Management Hearing Boards have generally ruled that “urban” residential densities should be at a level of four residential units per acre at a minimum in most areas. For areas of the villages containing development patterns of one acre or 2.5 acre lots or larger this could be problematic if it had to be imposed immediately.

However, phasing of development within UGAs, is explicitly recognized by the GMA as one means to match urban development commensurate with the availability of capital facilities and services. New, undeveloped areas that are brought into the VGA should be designated for a minimum density of 4 units per acre. Existing areas should be examined for ways to better ensure multi-family development in some areas. Where existing areas have vacant parcels or parcels with infill capabilities, some areas should be considered for upzoning to 4 units per acre. In other areas, the higher density should be phased-in, in part to help maintain the village character and provide a transition from suburban to urban density. The Hearing Boards have ruled that such areas should encourage and not preclude eventual urban-level densities (four units per acre and higher). New development should therefore be required to be planned and situated so as not to preclude future development at the higher density when the upzoning occurs (perhaps not for decades). Development regulations should be prepared to require this site planning, except in areas where environmental and physical constraints, or other constraints (such as open space and parks) would prevent the area from going to the higher densities.

Both Lopez Village and Eastsound have a characteristic mix of densities and land use activities, including greenbelts and open space areas, which would generally meet these criteria. Both have sewage treatment and water supply systems more characteristic of an urbanizing area than one which is still rural, and both have had to respond to the increase of stormwater runoff due to development. The Lopez Village and Eastsound areas represent two of a very limited set of areas where uses of a more urban character may locate.

Even with a VGA designation, the Lopez Village and Eastsound boundaries will not occupy the full extent of the former activity centers. The interim and final VGA boundaries should be drawn to exclude those parcels that are still rural in character and which are not needed for housing or commercial needs for the next 20 years: the interim boundaries have attempted to do this to the extent that those needs have been identified, and the final boundaries will have the benefit of additional information. Those parcels excluded should be redesignated as Rural Farm-Forest with a density of no more than one unit per five acres.

A capital facilities analysis will need to be completed in the two areas, particularly to address the community water system service area deficiencies, in such a manner to be able to support the allowed densities within the villages or to redesign the growth areas to fit with the reasonably available facilities. Interim boundaries provide adequate buffering of resource lands. If these buffers were to be reduced, the land-use districts and regulations would need to be modified to either include measures to adequately buffer those parcels adjacent to the designated agricultural resource lands, or remove the resource land designation from some parcels immediately adjoining the boundary if parcel information warrants this action. Additional planning will be necessary to identify and develop measures to help protect the existing character of the villages given the potential impact from additional development at the allowed densities.

Some of the opportunities made available by VGA designation are the ability to accommodate new and high-density uses: this does not mean that all uses will be allowed, though the countywide need for some uses will require that community preferences will not be the only factors in determining the appropriateness of some uses for these areas. VGA designation would allow the County and locality to plan ahead for higher residential densities, and to size the VGA to meet the needs of the future. Higher densities will allow more efficient development and funding for public facilities and services, but will in turn require higher levels of service by these facilities. More people and more

concentrated households will require increased levels of transportation service. More people will produce more waste products and consume more resources.

Pursuit of village growth areas explicitly recognizes the implied development trend of the Eastsound Subarea Plan. Seventeen percent of the Subarea Planning Area is already zoned at densities at or above 4 units per acre, and additional areas have been subdivided to that density. The purpose of the Subarea Plan states: "Eastsound is the largest unincorporated community in the County. It is the geographic center of Orcas Island is the commercial and cultural center of the island community." (SJCC 16.55.005) The growth area concept also meets the expectations of the 1998 Comprehensive Plan for the Eastsound and Lopez Village areas. Both areas were identified as "Activity Centers," for which an urbanizing trend was assumed and urban levels of development were in fact expected to occur. Urban levels of capital facilities were assumed to be destined to serve the entire activity center areas. In accepting the urbanizing trend and urban levels of development for this area, the Comprehensive Plan recognized that impacts would occur and that some irreversible commitments of land to developed uses were being made. A Village Growth Area carries with it more explicit recognition of these commitments, and more explicit requirements for urban-level residential density, but where the environmental impacts are greater, the impacts are of a greater degree but not of new type or kind from the impacts that would result from continuation of present planning and trends for the Activity Centers.

Designation of a tightly defined rural activity center type of AMIRD would affect a smaller area than would a VGA, but in the near term it would likely have similar impacts to VGA development due to infill at existing non-rural patterns and uses. As the areas reached capacity, the amount of additional development and impact would ostensibly be reduced. But in fact, the County is required by the GMA to meet its projected growth needs: if Eastsound and Lopez Village were constrained by the limitations of an AMIRD, development to meet future needs could not occur there once infill capacity were developed.

The only available alternatives would be to locate any future development in the Friday Harbor area, or by developing new fully contained communities. Both of these approaches would simply displace development and its impacts to some other locations, not actually reduce it. Displacing development to a new location would also greatly increase the impact if the area were previously undeveloped. Delaying recognition of the needs of the county and of the islands and communities by pursuing an AMIRD approach would only allow the infill of development at current suburban levels in much of the Eastsound and Lopez Village areas without allowance for future upzoning. Inappropriate, dispersed patterns would be further reinforced, making any future change in direction (once development reaches capacity) much more difficult. The effects of deciding at a later date, such as 20 years from now, to pursue a growth area after all would be magnified for land and natural environment, transportation, and capital facilities due to decisions and facilities being made and constructed based on an insufficient assessment of long-term need.

### **3.0 Response to Comments on the Draft SEIS**

#### **3.1 Introduction**

This section of the final SEIS provides responses to the written comments received during the thirty-day comment period provided for the draft SEIS. No agency comments were received. Comment letters were submitted by fourteen individuals. Responses are organized by the issues covered in the letters.

#### **3.2 General Comments on Village and Hamlet Activity Centers – Bahrych, Campbell and Klein**

Fred Klein and John Campbell expressed concerns that the tightly drawn activity center boundaries do not encourage growth in these areas and therefore do encourage growth pressure on the remaining rural areas. Klein suggests that as much as 92% of projected population growth will occur in rural areas outside of activity centers.

Currently projected allocations indicate that about 88% of population growth will occur in rural areas regardless of the degree of downzoning for rural and resource lands that occurs and regardless of how the proposed Eastsound, Lopez Village and Friday Harbor growth areas are sized. The fact that 55% of existing parcels county-wide are undeveloped plays a large role that cannot be readily altered with expanding and intensifying development potential in the activity centers beyond what is allowable under the “(5)(d)” rules.

Lynn Bahrych noted that neither Eastsound nor Rosario were addressed in the county’s preliminary report on activity centers (the source document for the draft SEIS) and that that report did not address density changes called for by the decision and order of the growth management hearing board, issued after the report was completed. Her letter also noted that the costs of infrastructure development required to support higher densities in activity centers are matters of potentially significant environmental impacts.

For the Rosario AMIRD, proposed densities are lower in most cases than the existing potential densities, and in no case are they higher. Requirements for planned unit development also would ensure a greater level of planning for the area. As such, the proposal represents a reduction of potential impact from the existing situation.

For Eastsound, densities within the village as well as the planning area will vary to some degree from the currently allowed densities. In both cases, actual development potential will depend on future availability of water and sewage treatment and disposal facilities. Continued planning efforts are necessary to establish capital facility needs and financing.

#### **3.3 Deer Harbor – Stansbury**

Michael Stansbury addressed a number of specific comments to the Deer Harbor section of the draft SEIS. The following responds to the comments in a summary manner.

The work of the Deer Harbor Planning Review Committee, including Mr. Stansbury, is acknowledged and appreciated by the Planning Department.

Deer Harbor was originally designated as a hamlet to recognize the comparatively high density assigned by the 1979 Comprehensive Plan and the mixed residential and commercial development that currently exists in the area. While the draft SEIS included discussion of various alternatives that derived from a series of community meetings held in Deer Harbor by county staff in the fall of 1998, the Deer Harbor plan created by area residents in 1999 was carefully considered as well. The only aspects in which the preferred alternative selected and reported in this final SEIS differs significantly from the Deer Harbor plan are the boundary and density changes indicated by the AMIRD analysis and the location of the proposed Deer Harbor Community Center designation.

At this time, the boundaries and density issues are foremost as the deadline for the county’s response to the GMHB order looms. Decisions as to the location, types and nature of land uses within the final boundaries will be made following additional community meetings and public hearings yet to be scheduled. That the situation we are currently in has curtailed productive community involvement in preparing a final Deer Harbor hamlet plan is at the least regrettable, and the department has every intention of resuming that involvement at the earliest possible time.

#### **3.4 Doe Bay – Cowan and Jones (for Cowan)**

Errol Cowan, and Gary Jones on behalf of Mr. Cowan, submitted comments regarding the draft SEIS discussion of the Doe Bay hamlet. Mr. Cowan asked that the area slated for exclusion from the hamlet should remain since it is actually four parcels he plans to develop. He also requested that retail and office uses be allowed in the proposed Doe Bay Community Center designation. He expressed concern that the effect of not providing for affordable housing development in the area would have adverse environmental consequences and that constraints indicated for housing at the resort itself would prevent continuation of the resort. Mr. Cowan also expressed a concern for the lack of community involvement opportunity since the GMHB order was issued.

Mr. Jones commented further that the GMA does allow tourist-related uses in rural areas and that concentrating such uses and other commercial activities in activity centers will avoid rural sprawl, and also that potential for future housing development within the resort property is an important component to the resort's financial life.

The four parcels noted are preliminarily approved as the Lakshmi short plat but have not received final approval and cannot be considered as existing development for purposes of the AMIRD analysis.

Limited retail and other uses are proposed to be allowed within the Doe Bay Community Center designation. It is possible that some limited affordable housing development could be allowed within this area if the resort facilities can support it. This issue will be further considered in the community planning process for the internal hamlet land uses.

### **3.5 Islandale – Holmgren, Ludwig, Moore, Von Bahr and Wentz**

The five letters submitted regarding Islandale are unanimous in opposing any hamlet designation regardless of how it may be configured. Although the analysis does show that a hamlet designation could provide environmental and neighborhood benefits, the Rural Residential designation requested in these letters does not present *new* significant adverse environmental impacts.

### **3.6 Eastsound – Hough and Moser**

David Hough and Thomas Moser, on behalf of the Orcas Archipelago Alliance and Dorothy Austin Mudd, submitted letters objecting to proposed designation of Eastsound, and to some extent Lopez Village, as growth areas rather than rural activity centers. The two letters requested inventories of land needed for commercial, industrial and residential development during the planning period and asserted that consideration of growth area boundaries and densities at this time is premature without such analysis as well as a concomitant plan for capital facility financing.

Growth area boundaries and densities within them are proposed for both Eastsound and Lopez Village on an interim basis. Planning in this manner – establishing first for an interim area, then completing more detailed planning and making such adjustments for the final area as are indicated by the planning, is the accepted and standard approach for urban growth planning. Further, time constraints for county action to respond to the GMHB order by the submittal deadline are such that all of the work required to establish formal plans for these locations cannot be accomplished. For the interim, the boundaries and densities (based on existing development patterns and allocations for population growth and affordable housing components of that growth) are fully supportable, while rural activity centers (under the AMIRD criteria in RCW 36.70A070(5)(d)) cannot perform the diverse functions required of these two unincorporated island community centers and cannot meet the county's needs as identified in the Comprehensive Plan.

A second planning phase will follow the interim stage in order to complete the needed analysis of infrastructure capacity and financing needs to implement specific aspects of internal growth area plans, and to complete evaluations of housing and commercial, industrial, institutional and open space needs. Rural village activity center designations would also require this second phase.

**See Appendix 1 for full text of comment letters.**