



# BARN OWL BAKERY

Midnight's Farm :: Lopez Island WA

all organic: local  
wild leavened  
wood fired: handmade  
whole grains

June 14<sup>th</sup>, 2018

RE: Lopez Village Planning and Review Committee – Kingfisher Ln Commercial Zoning Decision

Barn Owl Bakery has been baking breads and pastries on Lopez Island for seven years. We've gone from selling a few loaves out of our pickup truck in the parking lot of the old grocery store to distributing our breads throughout the San Juan Islands. We've revived a local grain economy, we buy all of our produce from Lopez farmers, and we currently employ six Lopezians. The business is growing and we're actively looking for a place that can be home to our business and our family, grow fruits, berries, and vegetables for the bakery, and welcome folks from our community into a beautiful and nourishing space.

In April of 2018 we signed an offer for two lots along Kingfisher Ln just north of Grace Church in the Lopez Village. The land was zoned commercial and had a location perfect for attracting folks from the village but also keeping the bakery a bit tucked away. We worked hard through the winter and spring to line up the capital and resources it would take to pull off such an ambitious project. While we knew the overall cost of the project was pushing the limits of what our business could take on, we were confident that the land had the right mix of zoning and location to grow our business into a long term sustainable, agriculturally grounded family owned bakery that could continue to add value to island grown grain and produce and in doing so keep our island's landscape healthy and productive.

We had a 60 day feasibility contingency on the Kingfisher lots and we set out to turn over every stone, add up every cost, and look at every scenario to make sure we weren't going to find ourselves in over our heads in a few years. We knew that we would be putting everything we had into the project and if there were unforeseen costs or county regulations we risked failure. We talked with the neighbors who were excited to see our bakery there. We invited key community stakeholders to walk the property with us and shared our vision with them. We talked to water, sewer, electrical, we looked up old well logs, and had meeting after meetings with investors, contractors, and designers to make sure what we wanted to do was possible and beautiful.

The biggest unknown as we did our feasibility analysis was the zoning of the property. The Lopez Village Planning and Review Committee (LVPRC) had recently unveiled proposed changes to the village zoning that reduced the amount of commercially zoned property in the Urban Growth Area from 204 acres to 31 acres. These proposed changes included taking away the commercial zoning for the Kingfisher lots we were looking at for our bakery.

So we endeavored to make it clear to the committee via public comments what our intentions for the property were and requested for the lots to stay in commercial. The current landowners and the neighboring landowners all wrote letters asking for their properties to remain in Commercial zoning. People who did not write letters expressed their support to us in conversation. We heard no one express concerns. There were, to our knowledge, no public comments in opposition of our plans to build a bakery or in opposition to keeping the properties Village Commercial.

On May 11<sup>th</sup> the LVPRC took up the question of four areas that they had proposed removing Commercial designation from that the landowners had in turn specifically asked to keep the current Commercial zoning. The committee quickly and with little discussion agreed to keep two of the four properties Commercially zoned. These are large parcels that have the potential to radically reshape the

village. When the parcels around Kingfisher and Milagra came up, the committee was unable to make a decision and postponed it to their next meeting.

On May 25<sup>th</sup> the LVPRC again took up the Kingfisher zoning issue and voted to remove the commercial zoning from that area, despite repeated and strong public comments from neighbors and landowners requesting that the properties remain commercial. The committee offered very little justification for their decision. Given how quickly the committee made the decision to keep the Village Commercial zoning on the other two large parcels during the May 11<sup>th</sup> meeting, it was difficult to see the justification for their decision with the Kingfisher lots.

The loss of commercial zoning combined on top of other factors we had encountered in our feasibility analysis made our vision of a bakery, farm, and home on Kingfisher finally too risky for us to take on. While we may have been able to submit our permitting to the county before the proposed changes took effect, it would have been a race against the clock with very high stakes. We would also not be allowed to add additional commercial uses to the property as our business grew and we looked for more income generating activities. If we had to stop the bakery business for some reason we'd lose our grandfathered status after a year of inactivity. Then, if we ever wanted to sell or lease the property, the new tenant would only be allowed to continue the grandfathered uses, all new commercial activity would be subject to the new planning regulations. As commercial construction and development is significantly more expensive than residential, we would be less likely to recoup the cost of our investment. We may have been able to utilize the proposed "neighborhood enterprise" the LVPRC had proposed as a bandaid solution to stripping Commercial zoning from 85% of the Urban Growth Area, but it exposed us to the risk of having permission to operate our business be contingent on the ongoing goodwill of the neighbors and the county. Given that we knew we would be pushing ourselves and our business to its maximum to pull off our vision, having that increased layer of vulnerability was simply untenable. We needed the outright security and flexibility the Village Commercial zoning allowed us and by choosing to remove that from the Kingfisher properties, the LVPRC effectively stopped our bakery project.

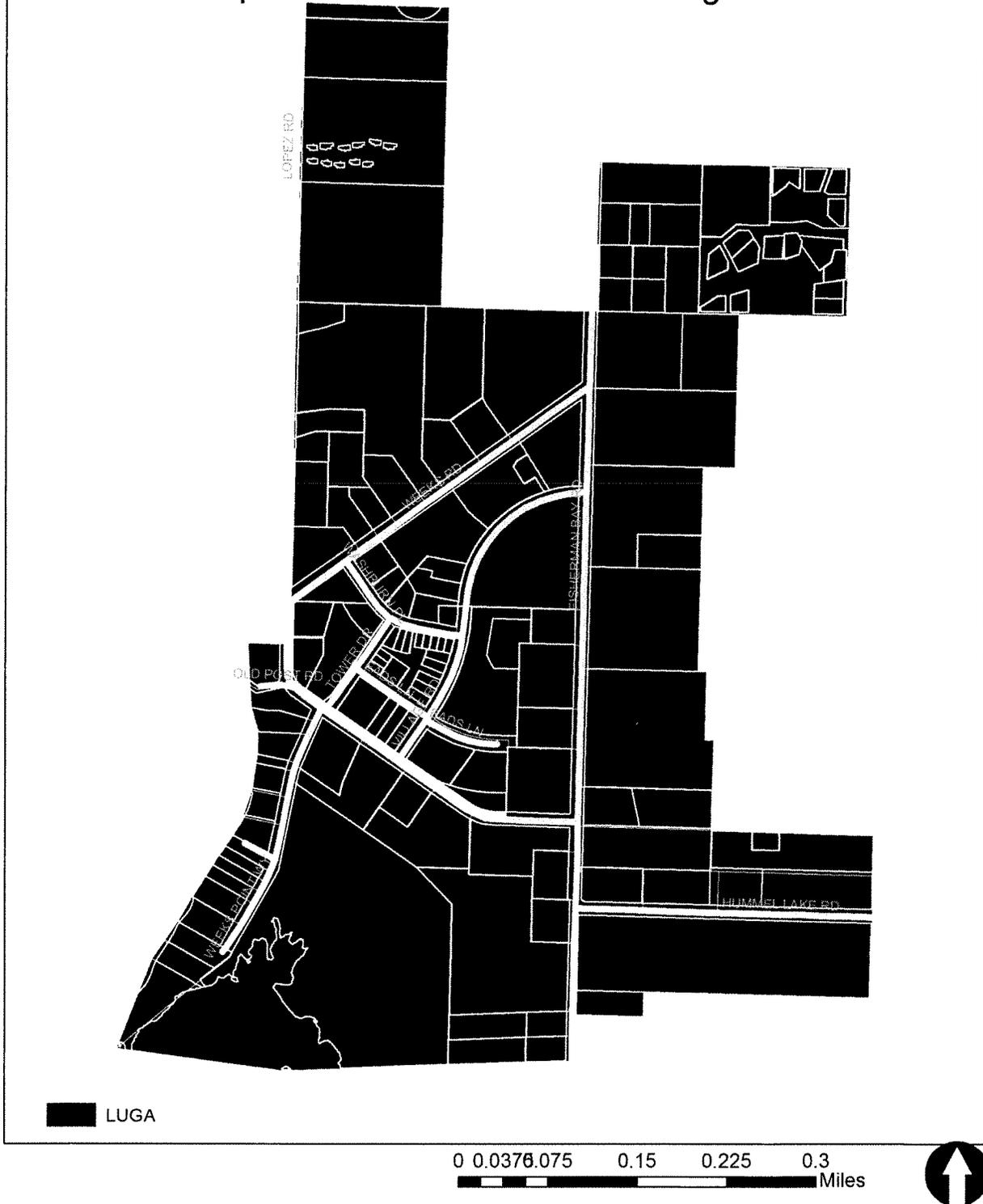
We understand that the committee's intentions are to guide the village through its next phase of growth and as such they need to be considering both the short and long term implications of their proposed changes. It is a volunteer committee and they have put in endless hours working hard to keep our island village the beating heart of this community and we appreciate their efforts. We do, however, have serious reservations about the long-term implications of the proposed reduction in commercial property and what that means for small businesses in the village to afford the increased rents and property values that are the inevitable outcome of a sharp decrease in available commercial properties.

We've attached several maps that seek to illustrate the very real changes the LVPRC is proposing to make to the village and show in pictures the decision making process.

Barn Owl is a growing business, and we will find the right path forward that gives us more space and potential to see our vision of island grown grain and produce turned into breads and pastries that are unique to this island and feed our community. Unfortunately, the decisions of the LVPRC have closed the door on our plans for Kingfisher Lane.

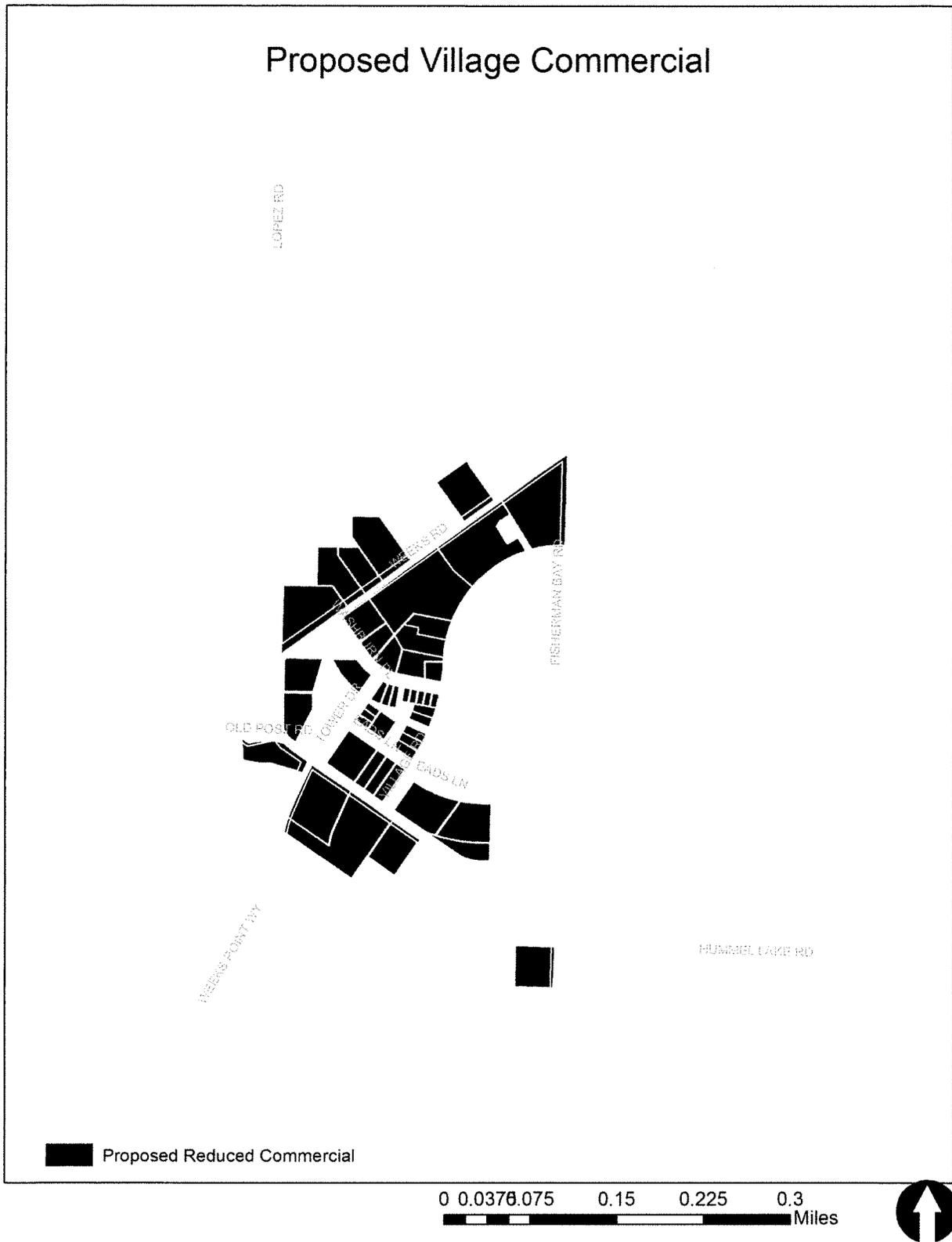
Sage Dilts and Nathan Hodges  
Barn Owl Bakery

# Current Lopez Urban Growth Area - Village Commercial



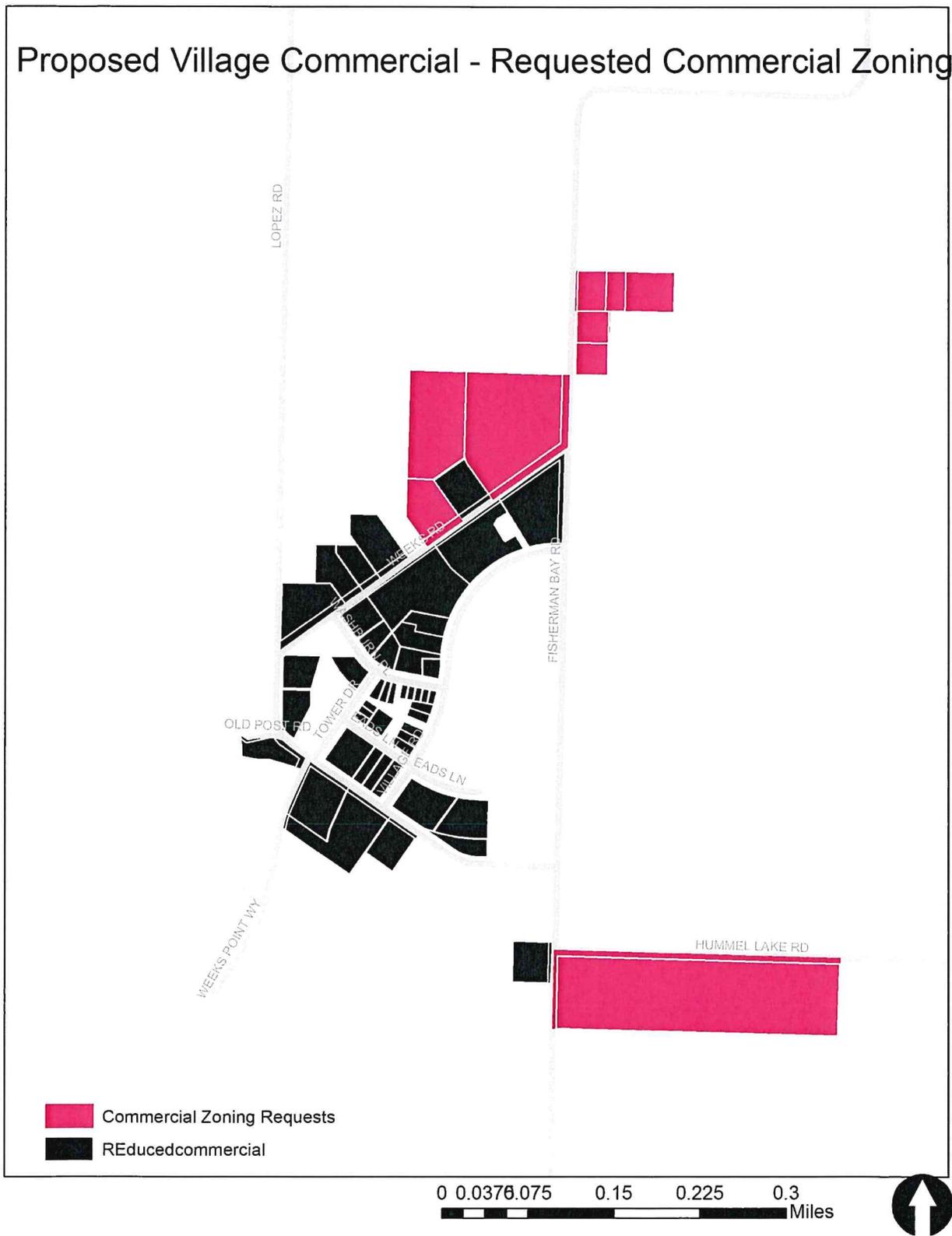
This map is the current zoning of the Lopez Urban Growth Area. It's all Village Commercial and is about 204 acres.

# Proposed Village Commercial



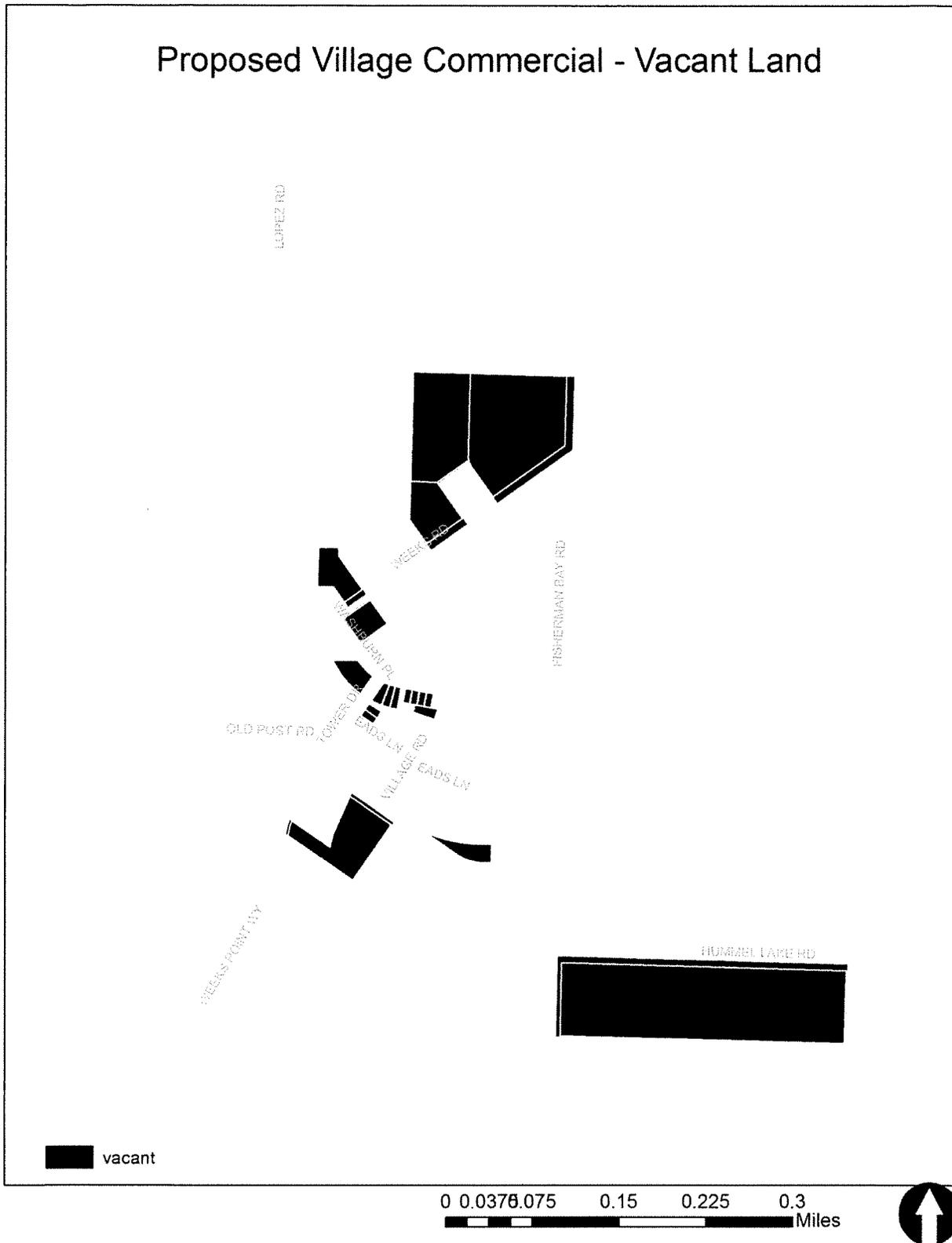
These are the lots that the LVPRC are proposing to keep their Village Commercial status. It's roughly 31 acres

# Proposed Village Commercial - Requested Commercial Zoning



At the May 11<sup>th</sup> meeting the LVPRC voted unanimously to keep the two large parcels in Village Commercial but removed Village Commercial zoning from the Kingfisher and Milagra area at the northern edge of the village.

# Proposed Village Commercial - Vacant Land



This map includes the two large parcels that the LVPRC decided to keep in Village Commercial and the other vacant properties that would have Commercial zoning under the proposed changes.