

**PLANNING COMMISSION
REGULAR MEETING
CITY HALL – COUNCIL CHAMBERS
August 27, 2013**

ROLL CALL: Present: Keith Fakkema, Greg Wasinger, David Fikse, Bruce Freeman, Sandi Peterson and Ana Schlecht
Absent: Kristi Jensen
Staff Present: Development Services Director, Steve Powers; Senior Planners, Cac Kamak and Ethan Spoo

Chairman Fakkema called the meeting to order at 7:30 p.m.

MINUTES: MS. PETERSON MOVED, MR. WASINGER SECONDED, MOTION CARRIED TO APPROVE THE JULY 23, 2013 MINUTES AS PRESENTED.

PUBLIC COMMENT:

None

DIGITAL SIGNS CODE UPDATE – Public Hearing

In order to give staff more time to address public and Planning Commission input from the previous meeting, Mr. Powers asked Planning Commission to continue this item to the Planning Commission's regular business meeting on September 24, 2013.

ACTION: MR. FREEMAN MOVED, MR. FIKSE SECONDED A MOTION TO CONTINUE THE PUBLIC HEARING FOR THE DIGITAL SIGNS CODE UPDATE TO SEPTEMBER 24, 2013. MOTION CARRIED.

BINDING SITE PLAN CODE AMENDMENT – Public Meeting

Mr. Powers displayed a Power Point presentation (Attachment 1) briefing the Planning Commission on the status of the pending Binding Site Plan (BSP) code amendment. Mr. Powers explained that procedurally, the Planning Commission has made a recommendation to the City Council which is pending before the City Council. The Council can send it back to the Planning Commission if they decide to do so or the Council could take up the issues themselves if they feel that there is anything else to be addressed in the code amendment.

Mr. Powers explained what Binding Site Plans are and displayed RCW 58.17.035 which authorizes cities, towns, or counties to adopt by ordinance procedures for the divisions of land by use of a binding site plan as an alternative to the procedures required by this chapter. Mr. Powers noted that this chapter also states that those procedures shall provide for the alteration or vacation of the binding site plan. A review of the existing code language found that it did not specifically or adequately address a process for the alteration or vacation of previously approved BSPs. This review resulted from work on the Pier Point applications. Mr. Power said that the proposed amendment would fix deficiency and applies to all BSP's.

Mr. Powers also reviewed the BSP amendment project history as well as the Pier Point application history.

Mr. Powers detailed the key issues regarding the proposed code language. The proposed language is as follows:

OHMC 21.80.180(2)(c) - Authority to submit alteration or vacation application. The alteration or vacation application shall contain the signatures of all those owners of lots who are directly affected by the proposed alteration or vacation.

The Planning Commission allowed public comment.

Sue Karahalios (1085 SE Regatta Drive) spoke with concern about the impact of the propose code on the owners of the Pier Point Condominium. She also noted that since the 2011 recommendation from the Planning Commission to the City Council there have been other decisions and only two members of the current Planning Commission voted in 2011.

Bob Severns (1085 SE Regatta Drive) disclosed that he is a member of the City Council and talked about the questions that were addressed in Superior Court regarding the Pier Point Condominiums. He believed that if the BSP amendment goes forward and is challenged in Superior Court again, the judge will ask why Pier Point was not excluded from the proposed BSP amendment. Mr. Severns asked that the Pier Point Condominiums be excluded from the proposed BSP amendment.

Discussion

Planning Commissioner's discussed whether the current Planning Commission would be able to consider the proposed BSP amendment again since the Planning Commission's recommendation has already been forwarded to the City Council. Mr. Powers said that an agenda bill will be prepared for Council action and that the agenda bill could indicate that that the Planning Commission would like to consider the code amendment again if that is what the Planning Commission wants to do. City Council could also decide that they will take up the issues themselves. Ms. Peterson wanted it on record that her strong desire was that the City Council is very aware of the issues.

BED AND BREAKFAST CODE – Public Meeting

Mr. Spoo displayed a Power Point presentation (Attachment 2) which presented changes since last month, a brief discussion of compliance and staff's recommendation.

Mr. Spoo reported one of the changes made resulted from a request from the Navy that Bed and Breakfast establishments be prohibited in Noise Subdistrict C. The second change is that Bed and Breakfast lighting be directed downward so as not to impact adjacent uses. The last change was to move sign language that was previously in Section 19.20 Zoning to Section 19.36 Sign Code.

Mr. Spoo reviewed how the propose code complies with the Oak Harbor Comprehensive Plan and recommended that the Planning Commission recommend approval of the bed and breakfast draft code to the City Council.

Discussion

Planning Commissioners discussed sign size allowance, lighting for bed and breakfast establishments and whether two B&B under the same ownership would have to have a resident domiciled at each site. Mr. Power indicated that two B&B's on the same property you could reasonable conclude that is a single entity and a resident manager in one or the other would suffice. In the case where there are two separate pieces of property in the R1 the conditional use permit and the Hearing Examiner could approve conditions which apply to both pieces of property.

The public hearing was opened at 8:30 p.m.

Billie Cook (651 SE Bayshore Drive) expressed that persons living in the R3 and R4 districts should be afforded the same protection as those in the R1 and R2 district by requiring B&B establishments get a conditional use permit for the R3 and R4 districts.

Mr. Spoo explained that there would be a site plan review process required for new B&B establishments and the review process requires public notice to the adjacent property owners. Adjacent property owners would have input during the public hearing. If there is a home that is converted in a residential neighborhood in the R3 and R4, a site plan review might not be required. Mr. Spoo indicated that mitigations could be placed in the code. Efforts have been made to allow B&B where staff believes is appropriate as well as including mitigations for some of the impacts they would have on neighborhoods.

Discussion

Planning Commissioners discussed the character of B&B's and the desire to be business friendly.

ACTION: MS. PETERSON MOVED, MR. FREEMAN SECONDED A MOTION TO RECOMMEND THAT CITY COUNCIL APPROVE THE BED AND BREAKFAST CODE AS PRESENTED. MOTION CARRIED.

ECONOMIC DEVELOPMENT STRATEGY – Public Meeting

Mr. Spoo displayed a Power Point presentation (Attachment 3) which presented a reminded of key trends and an overview of the economic development strategy.

Discussion

Planning Commissioner Fakkema commented that he remembers hearing that the City always spends money planning but never did anything e.g. the amphitheater and the municipal pier. A couple of the action items require hiring someone to do additional studies. He thought the City look carefully at that. Mr. Spoo indicated that the Planning Commission could make a motion to remove items or revise the language in the strategy in order to give staff direction.

Planning Commissioner Freeman was also concerned about the feasibility of a dock and that the sound from an amphitheater will carry to the surrounding residential development. Mr. Freeman also noted that tourism only brings minimum wage jobs and we won't get to the \$50,000 to \$70,000 jobs with would be nice for the City. Mr. Freeman also questioned the some of the data in the Economic Profile and Needs Assessment.

Mr. Spoo indicated that the Planning Commission will have this agenda item again next month.

Nancy Hakala (painting the mural on Pioneer Way) commented on how unique and patriotic Oak Harbor is compared to the other cities on the Island and that it is a little piece of Americana. She suggested that the City should capitalize on that.

2016 COMPREHENSIVE PLAN AMENDMENT – Public Meeting

Mr. Kamak reported that there was no update yet and staff is still assessing the scope. Staff is continuing meeting with the County and discussing the county-wide planning policies and the Comprehensive Plan update.

ADJOURN: 9:15 p.m.

**Binding Site Plan Code
Amendment**

Oak Harbor Planning Commission
August 27, 2013

Purpose

- Brief the Planning Commission on the status of this pending code amendment.
- This item is for information only. In keeping with this purpose, the item was advertised as a public meeting, not a public hearing
- No action is required by the Planning Commission.

Presentation Overview

- Binding Site Plans
- Project History
- Pier Point Condominium BSP
- Proposed Code
- Conclusion
- Recommendation
- Questions

Binding Site Plans

Binding Site Plans



- What are BSPs?
 - Alternative type of land division
(as opposed to subdivision plats or short plats)
 - Primarily used for commercial/industrial properties
 - May also be used for residential condos
 - Governed by RCW 58.17.035
 - OHMC 21.80, Binding Site Plans
 - Approved BSP are recorded with the County

Binding Site Plans (cont.)



- **RCW 58.17.035** - A city, town, or county may adopt by ordinance procedures for the divisions of land by use of a binding site plan as an alternative to the procedures required by this chapter. The ordinance shall be limited and only apply to one or more of the following: (1) The use of a binding site plan to divisions for sale or lease of commercially or industrially zoned property as provided in RCW 58.17.040(4) [industrial or commercial]; (2) divisions of property for lease as provided for in RCW 58.17.040(5) [mobile homes]; and (3) divisions of property as provided for in RCW 58.17.040(7) [condominiums]. Such ordinance may apply the same or different requirements and procedures to each of the three types of divisions and shall provide for the alteration or vacation of the binding site plan, and may provide for the administrative approval of the binding site plan.

Binding Site Plans (cont.)

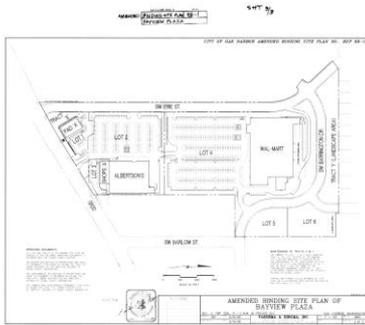


- BSPs within Oak Harbor:
 - 13 total
 - 10 commercial/industrial
 - 3 residential condominiums
 - Only 1 of 13 with construction schedule

Binding Site Plans (cont.)



Examples – Bayview Plaza



Examples – Oak Tree Village



Pier Point



Pier Point



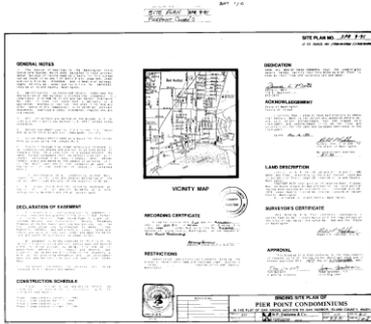
- BSP approved in 1991
- Approval included a construction schedule
- All phases were to have been constructed by 1996
- Schedule was not met; un-built phases remain
- Alpine Village, Inc. applied in 2005 and in 2010 to amend expired schedule

Pier Point (cont.)



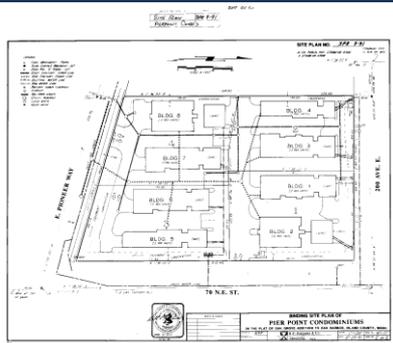
- Central question: Can an expired schedule be amended?
 - (This raised the question as to who must sign applications.)
- Staff, Hearing Examiner & Island County Superior Court decisions say no
- It appears that development rights do exist for the vacant land

Pier Point (cont.)

The image shows a detailed site plan for the Pier Point Condominiums. It includes a central security map, a declaration of assessment, recording certificates, restrictions, and a construction schedule. The plan is titled 'SITE PLAN NO. 772 777' and is dated '2017 1/24'.

Pier Point (cont.)

This is a detailed site plan for the Pier Point Condominiums. It shows the layout of the buildings, including 'BLDG. 1' through 'BLDG. 8', and the surrounding streets: 'E POWER WAY' to the west, '100 AVE. E.' to the east, and '70 N.E. ST.' to the south. The plan includes a north arrow and a title block at the bottom.

Project History



Project History



- A review of the existing code language found that it did not specifically or adequately address a process for the alteration or vacation of previously approved BSPs.
- This review resulted from work on the Pier Point applications.

Project History (cont.)



- Staff worked with the Planning Commission in late-2010 and early-2011 to identify necessary revisions to the existing code.
- The Planning Commission conducted the required public hearing over three meeting dates and accepted testimony from the public (representing different interests) and from staff.
- On February 22, 2011 the Commission forwarded a recommendation of approval of the draft code to the City Council.

Project History (cont.)



- Work on the project was suspended shortly after that time pending the resolution of LUPA appeal on Pier Point.
- Final action on the appeal occurred by the Hearing Examiner in June 2012.
- After that, the recommended draft was reviewed for consistency with final action – it was determined no changes required.

Project History (cont.)



- City Council was briefed on this project at their May 29, 2013 workshop.
- As a follow-up to the Council briefing, the Mayor requested staff brief the Planning Commission on the status of the project for following reasons:
 - To keep you informed
 - Due to length of time since heard by PC
 - New PC members


Proposed Code

Proposed Code (cont.) 

- Key Points
 - The City must have an alteration or vacation process
 - The code amendment addresses all BSPs; it is not intended to apply only to one specific BSP
 - What information should be included on binding site plans?

Proposed Code 

- Key Issue
 - Who must sign an application seeking to amend or vacate a previously approved binding site plan?
 - May a single property owner sign; or
 - Must all owners sign; or
 - Should it depend on the request?

Proposed Code (cont.) 

- Proposed code language
 - City accepts applications pertaining to public interest/land division
 - Limit what is recorded on BSPs
 - Protects public interest
 - Keeps City out of private property disputes
 - Applications for alteration/vacation may be submitted by property owners directly affected by proposed change
 - o In some cases = single signature
 - o In other cases = more than one signature

Proposed Code (cont.)



- Proposed code language:
OHMC 21.80.180(2)(c) - Authority to submit alteration or vacation application. The alteration or vacation application shall contain the signatures of all those owners of lots who are directly affected by the proposed alteration or vacation.

Conclusion



- BSPs authorized under State law
- State grants authority to City to determine process
- If BSPs used, City must have an alteration and vacation process
- Existing code lacks these processes
- Proposed amendment would fix deficiency
- Proposed amendment applies to all BSPs, as appropriate

Recommendation



- No action is required. The Planning Commission has already made a recommendation to the City Council on this matter.

- Questions?



BED & BREAKFAST CODE

Draft Regulations for Planning Commission
Consideration: August 27, 2013

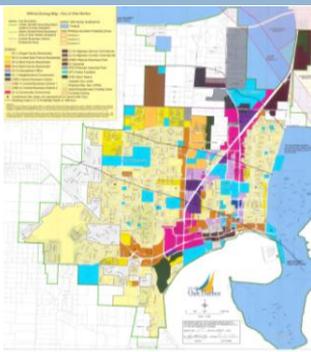
Purpose

- Discuss changes since last month
- Brief discussion of compliance
- Recommendation

Changes since last month

- Navy: prohibit B&Bs in Noise Subdistrict C (see zoning map)
- Lighting: downward directed
- Signs: 19.36 is appropriate location

Noise Subdistricts



The map displays various noise subdistricts across a city area, color-coded according to a legend. The legend includes categories such as 'Noise Subdistrict C', 'Noise Subdistrict D', and 'Noise Subdistrict E'. The map shows a grid of streets and colored zones, with a prominent pink line running through the center. A scale bar and north arrow are also present at the bottom of the map.

Compliance

- OHMC 19.80 – Criteria for approval of text amendments:
 - Consistency with comprehensive plan
 - Substantially promote the public health, safety, and welfare

Compliance cont.

- Land Use Goal 1: To respect the “small town” heritage of Oak Harbor while enhancing the unique character of its neighborhoods and districts with development that is fitting with the City’s future as a regional center.
- Land Use Goal 5: To protect existing land uses as new development occurs.

Compliance cont.

- Land Use Goal 7: To encourage land use opportunities for diversified economic development.
- Land Use Goal 8: To ensure that the location, situation, configuration, and relationship of the varied land uses within the UGA are consistent and compatible.
- Economic Development Goal 5: Implement long-range diversification projects to provide job opportunities and reduce economic reliance on Naval Air Station Whidbey Island.

Recommendation

- Staff recommends that Planning Commission recommend approval of the bed and breakfast code to the City Council.

PC Questions?

Proposed Code

	Inns	Residential	Commercial
Max # Rooms	10	4	4
Room Capacity	4	4	4
Commercial Meals	No	No	No
Other Business	No	No	No
Resident/Manager	Full-time Mgr domiciled onsite	Resident in primary dwelling	Mgr onsite
Parking	Onsite/2+ 1 per room. Meet dimensions.	Onsite/2+ 1 per room. No dimensions.	Onsite/2+ 1 per room. No dimensions.
Signs	Per OHMC 19.36	4 SF monument/building	4 SF monument/building

Conditional Use Permit Process

Type of B&B	R1	R2	R3	R4	R0	C1	CBD
Inns	X	X	P	P	P	P	P
Residential	C	C	P	P	P	P	P
Commercial	X	X	X	X	X	P	P

Note: P = permitted, C = conditional use permit required, X = prohibited

DRAFT ECONOMIC DEVELOPMENT STRATEGY & ACTION PLAN

Planning Commission: August 27, 2013

Purpose

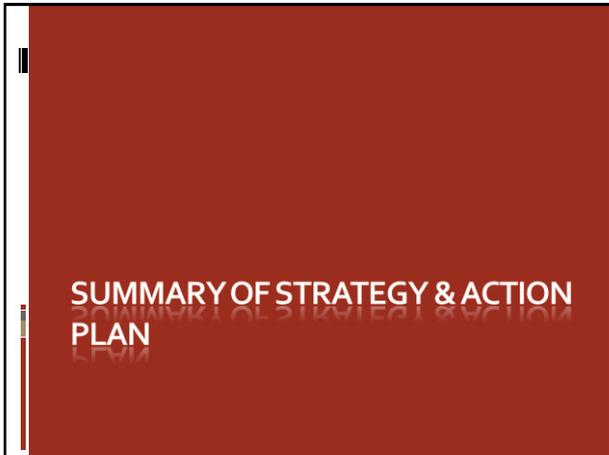
- Reminder of key trends
- Overview of the strategy
- Questions



KEY TRENDS

Key Trends

- Slowing population growth: what does the future hold?
- Young demographic: lots of people
- Housing affordability: prices don't correspond to incomes
- High unemployment: persistently higher than other communities
- Low incomes
- High sales: OH is reg center, Navy allowances & disposable income
- Defense: Pivot to Asia Pacific
- Has implications for businesses and the workforce
- Doesn't include Navy allowances
- Structural problems in economy: those leaving military service have difficulty finding jobs.
- Private sector economy concentrated in services
- Implications for attracting new businesses



Overview

1. Focus on actions and implementation – hence “action plan”
2. What can we accomplish with staff, time, funding?
3. Approachable document

- List of projects rather than policies
- Stay on task
- Short, organized

Goals

1. Retain and Grow Existing Business
2. Foster a Business-Friendly Culture at the City
3. Redevelop to Catalyze Job Growth
4. Welcome Tourists to Oak Harbor

Actions

1. 31 in total, 19 with existing funding, 12 which will require more funding
2. Themes:
 - Communicate
 - Build capacity of businesses & owners
 - Incentivize
 - Streamline
 - Market/Attract

Theme	Action
Communicate	1, 6, 7, 8, 9, 11, 13, 16, 17, 18, 21
Build capacity	3, 4
Incentivize	5, 10, 22, 23
Streamline	14, 15, 19, 20, 25
Market/Attract	12, 26, 27, 28, 29, 30, 31

Actions - Highlights

- 13. Make a stronger link between CIP and the budget with realistic reflections of cost and time to complete projects to reduce guesswork and risk for developers.
- 14. Revise the list of permitted/conditional uses for its CBD code to streamline permitting and align uses with community policies.
- 16. Complete a buildable lands analysis to ensure that there is an adequate supply of residential, commercial, and industrial land in the City and incorporate the finding from this study into the Comprehensive Plan.
- 19. Consider developing a streamlined development review process and implementing it, including a "fast response" review team for the review of new business and job-generating uses.

Actions - Highlights

- 20. Complete a cultural resources management plan to more accurately quantify risk of encountering resources and to inform developers/builders about their responsibilities.
- 22. Gauge parking supply and demand in downtown for now and the future. Explore feasibility of a public garage downtown which will help facilitate redevelopment of this area. Adequate parking is a precursor to investment in new retail and office space in downtown.
- 23. Explore selling land to a developer to create a catalyst development in downtown or elsewhere. The developer would need to meet City objectives for development of the land. The catalyst development might include a new City library.
- 29. Commission a study to explore ways that it can create a more tourist-oriented atmosphere in the City including an arch/gateway for downtown and updated design regulations for downtown.

Actions - Highlights

- 30. Study the feasibility of constructing an amphitheater near the waterfront as envisioned by the Waterfront Redevelopment, Branding, and Marketing Program as well as other improvements envisioned by that plan such as vendors. The Windmill is a potential location for a vendor.

Recommendation

- What will PC recommendation be?
 - To include projects/actions with additional funding?
 - Only those projects which don't require additional funding
- Keeping in mind resources, do goals and actions need to be altered any?

|| Questions/Comments?

