

0022 Mayor Barbara Larsen called the City Council Workshop meeting to order at 7:03 p.m., with the following councilmembers present: Mike Mask, Jack Reilly and Earl Queen.

Staff present: Barbara Roller, Ryana Covington, T.J. Keiran (Planning Advisor) and Joanne Purvis. Planning Commission members present: Nancy Murphy and Gordon Snyder.

Public attending: Barbara LaBoe (Daily News), Roy Henson, Robert Opsahl, and Larry Bullock.

Purpose of the workshop meeting is to review and discuss the materials and recommendations transmitted by the Castle Rock Planning Commission relating to updating the comprehensive plan map, the zoning code and the zoning code map for the purpose of achieving compliance between the city's comprehensive plan and development regulations as required by R.C.W. 35A.63.105.

0035 Planning Advisor T.J. Keiran stated he will present an outline of the work completed by the Planning Commission over the past six months. Future Public Hearings will be held to take testimony on specific areas of the codes and mapping.

A staff report, dated August 13, 2008 was distributed along with map exhibits showing areas of existing land use, existing comprehensive plan designations and proposed changes. State law requires constituency between the Comprehensive Plan and development regulations. Staff has identified one hundred twenty properties throughout the city where the zoning district is not consistent with the future land use designation.

Keiran explained that the Planning Commission and the Site Plan Review Committee began by reviewing the non-compliance issues for each property and recommended to the City Council that planning efforts focus on those properties where achieving compliance would likely not be detrimental to the property owner. In response, the city council directed staff and the Planning Commission to focus attention on vacant and underutilized properties or those properties where updating the use would bring the zoning more in line with the existing use. This was the basis for the work currently completed by the Planning Commission.

The city has also received application from private parties for two separate requests to rezone properties. These requests have been absorbed within the city's current process because the city strives to do rezones and comprehensive plan amendments only once per year. This allows the city to review the cumulative effect of the applications.

Keiran stated that all of the material provided at this meeting is also available on

the city's website to allow for more accessibility for the public.

Keiran emphasized that the amendments being proposed by the Planning Commission at this time will not create any negative impact on property owners, however it will not address all current non-compliant properties. If the city council directs, the next phase would be to work with property owners of remaining non-compliant areas and evaluate if the vision of the comprehensive plan is valid.

Exhibits A through K shows properties in eleven areas that have been identified for amendments. Each of the exhibits shows the existing land use, existing comprehensive plan designation, the existing zoning and the proposed zoning change. Each exhibit also includes a 'locator map' to identify the location within the city limits. Keiran stated that none of the property owner initiated zone requests will be discussed at this workshop because the proponents are not present at the meeting and it would be more appropriate to discuss the issue within the Public Hearing process.

Keiran also stated that Exhibit 'L' lists all of the property owners identified for the rezone and/or comprehensive plan amendment. This list is also available on the city's website.

Keiran reviewed each exhibit, identified the non-compliant properties, discussed the Planning Commission's recommended action and explained the reason for that recommendation.

- 1440 Keiran discussed properties along Larsen Lane. Under the existing code, any residential property within a commercial district is nonconforming. The city code encourages the maintenance of non-conforming properties and allows for continued maintenance of up to 40% of the assessed valuation. However these properties could not expand the footprint of existing structures.

Keiran noted that the original one-hundred twenty properties found in non-compliance have been reduced, based on council direction to focus compliance issues on vacant and underutilized properties or those properties where updating the use would bring the zoning more in line with the existing use and not create undue issues for the existing property owner.

Councilmember Mask noted that he would not like to see the city council 'strong-arm' anybody into compliance with the comprehensive plan. Keiran stated this is why the compliance project is being phased.

Keiran also stated the Planning Commission had requested council approve deferral to develop text for a Neighborhood Commercial District because at eight months ago this was not a priority. Now, the city has received interest from a developer for such a use and the Planning Commission will be asking council-

members to prioritize this project for them.

Keiran stated that he frequently is asked by financial institutions to write compliance letters verifying that the properties comply with the city's zoning and comprehensive plans. For this reason, it would also be beneficial to property owners to have the city resolve any non-compliance issues that may exist.

- 1893 Mr. Opsahl asked how often the city continues to rezone property. Keiran answered that the city could have completed this process at the same time that the Comprehensive Plan was updated in 2006. However, the Comprehensive Plan is intended to be a twenty-year vision and it is not always easy to foresee where development interest will be. Keiran stated he feels that mandating zones to comply with comprehensive plans is a flaw in State law requirements because the Comprehensive Plan is intended to be a long-range planning document.
- 1944 Ms Purvis questioned if there are any penalties assessed against the city if the zoning is not compliant with the city's comprehensive plan. Keiran stated those counties under Growth Management can be penalized. Cowlitz County is not required to comply with most Growth Management policies, however the city could be penalized when applying for development grants. Keiran noted that if the city is not trying to achieve conformance, than a development is going to occur that may be detrimental to the city's vision.
- 2001 Keiran stated that the properties owners he has spoken with, either like what the city is doing, or the recommendation favors the property owner's position. He is not aware of any property owners who are opposed to the Planning Commission's recommendations.
- 2057 Keiran stated that members of the Women's Club and Sunnyside Grange attended a Planning Commission meeting and questioned if the proposed zone change would effect their tax assessment. The Planning Commission invited the county assessor to a meeting to describe how the county assesses taxation on parcels. Keiran stated that the county assessor advised that the rezone would not trigger a change in assessed value. The rezoning would be one piece of information considered amongst many pieces of information. The assessor will look at the use as it exists. For example, if a property is located within a residential district, but is used for commercial enterprises, the assessor is already taxing it as a commercial property. Keiran also stated that if a property has potential for development as commercial, the assessor is already partially taxing it as commercial property. Mrs. Murphy concurred that the assessor will be looking at the existing use, rather than a potential future use when deciding on what tax rate to assess.

Councilmember Mask asked if the Woman's Club and Sunnyside Grange even pay property taxes, since they are non-profit entities. Keiran stated he did not have any specific information on their property tax assessments. Keiran offered

to arrange for an individual meeting with the county assessor for those two organizations, and neither one has contacted him to request his assistance.

Mr. Snyder stated that if either of those groups would cease to operate at those locations, then future uses would need to be commercial. Keiran stated that if non-conforming properties cease to be used in the manner in which they are being used, they would lose their non-conforming status after a certain period of time. However if the Grange and Woman's Club are changed to a commercial designation, they could continue to be used for a fraternal organization, even if the use ceases for a period of time. Fraternal organizations are permitted uses in the downtown commercial districts.

- 2446 Mr. Henson asked Keiran if he could comment on if there would be any change of tax status for the property owned by Mr. Hornstra. Henson stated this is a 100-acre parcel, with a comprehensive plan of commercial. The property is currently zoned industrial and perspective developers have requested the city zone the property industrial and commercial.

Side - B

Henson stated that commercial use is taxed at \$10 per square foot, as opposed to industrial which is taxed at \$3 per square foot. Keiran stated he has tried unsuccessfully to obtain comparisons between industrial and commercial properties from Cowlitz Economic Develop Council and Washington State Community Trade and Economic Development. There are text books available, however these refer to converting farmland to industrial designations, which does not apply to this piece of property. Henson asked if changing the Comprehensive Plan designation for this property would reduce the tax revenues to the city. Councilmember Mask agreed that he would like to know this information. Mayor Larsen stated that she would send a letter to the county assessor asking him to attend the September 22nd city council meeting and comment on these taxing issues.

Councilmember Mask would also like to know how much the city is getting in tax revenue for each zoning designation, based on a square foot amount. Mask is interested in finding out if the city would be gaining or losing revenue by implementing the Planning Commission's recommendations.

- 2943 Mr. Opsahl asked what zone designation that assisted living quarters are allowed in. Keiran stated they are allowed as a permitted use in the High Density Residential, under 'group home'.
- 2993 Keiran referred to his staff report pertaining to how zone text amendments were derived. The Planning Commission used the described goals and policies and vision within the Comprehensive Plan as a basis for determining what use will be allowed in each zoning district. As an example, Keiran described why mini-

- storage units are not proposed to be a permitted use in the Industrial area. Because they do not generate jobs or tax revenue, they would only be consuming industrial land and would not be consistent with the stated goals of the city's Comprehensive Plan. Therefore the Planning Commission is recommending that such uses be approved only on a conditional basis and they must be secondary to a manufacturing use.
- 3281 Mr. Henson asked if the Planning Commission defined any percentage of use for storage units. Keiran stated the storage units must be secondary and incidental to a manufacturing use. He stated his most lenient interpretation would be 51% manufacturing and 49% storage, however this is only an interpretation and a percentage is not specified in the code. Keiran stated he does not recommend quantifying a threshold to be identified because that would have the potential to create adverse impacts. Keiran offered a scenario to support his concern for an adverse effect to the city. He stated the city's plan considers both job creation and revenue sources. A developer would have the right to appeal staff's interpretive decision to the city council. In answer to Henson's question, Keiran stated that it would be more difficult for a private citizen to appeal a decision because the city does not do public noticing for building permits. The only exception is if an environmental review is required by city or state thresholds.
- 3765 Keiran noted that in the R-1 and R-2 zoning districts, text has been added to apply stronger standards designed to protect the residential areas.
- 3796 Keiran stated current code allows for reduction of the rear yard setback from twenty feet to four feet, if off-street parking is provided. Planning Commission members recommends adding a condition that the subject property's rear yard abut an alley.
- 3922 Keiran also stated there were discrepancies between setback requirements for detached garages and attached garages. The Planning Commission worked with property owners who are in the process of building such structures to develop language that would allow staff to make a determination as to setback requirements. This would change the process from a quasi-judicial process to an administrative process. Keiran stated these proposed changes are ultimately up to the city council to decide if adoption is warranted.

Councilmember Mask stated his garage was built only four feet from the rear property line and he asked what criteria would the city use if he had to rebuild the structure due to a fire loss. Keiran stated that the property owner would need to document that the structure is a legal non-conforming (built before any zoning code was established) and the property owner would have up to one year to rebuilt within the existing building footprint.

In answer to Councilmember Mask's question, Keiran stated that the property owner might be exempt from zoning codes, but they would not be exempt from

- current building codes.
- 4294 Keiran advised that the city has many non-conforming lots. The minimum lot size is currently 6,000 square feet and the city council may choose to review this issue at a later date.
- 4347 Keiran stated that every person who is currently going through permit applications with the city has received written notice that the city is proceeding with proposed changes to the zoning and comprehensive plans.
- 4360 By consensus, councilmembers that it would be more efficient to review the remaining zone changes identified in the staff report, on their own time. Keiran stated there will be another notice to the public for the September 22nd city council meeting.
- 4442 Councilmember Mask asked how a church was allowed at the south end of Huntington Avenue, next to property that is zoned industrial. Keiran stated this is a good example of what happens when the zoning code does not reflect the vision in the Comprehensive Plan.
- 4550 Mr. Opsahl asked if the city utility plants are capable of supporting industrial development. Councilmember Queen noted that he has toured both of the plants and they are capable of supporting both industrial and growth.
- 4589 Keiran summarized that the intent for most of the proposed changes generally are to clean up areas of non-compliance.
- 4684 Councilmember Mask asked what zone designation the Hornstra has. Keiran stated the majority is zoned industrial, with a smaller amount residential. The Comprehensive Plan recommends light-manufacturing and commercial development. The prospective developer has requested the property be zoned industrial and light manufacturing. Keiran stated that council will need to assess each scenario as one would generate jobs and the other scenario would generate tax revenue. In addition, there are no utilities available to the property. City Councilmembers will need to assess which scenario will have a greater potential for requiring extension of the utilities to the south end of the city. The city's development standards will help to provide buffer areas for existing residential properties.
- 4815 Mr. Henson asked if it is typical to have a main thoroughfare going directly to an industrial area. Keiran stated it would depend on the topography. Keiran stated that the industrial areas proposed for the south end of the city, are located in a gateway area for our community, so develop standards are necessary to lessen any negative impacts. He also added that retail development would generate more traffic impacts than industrial development.

0042 Mayor Larsen adjourned the workshop meeting at 8:40 p.m.

Mayor Barbara Larsen

Clerk-Treasurer