COMMUNITY DEVELOPMENT COMMITTEE
AND
PLANNING COMMISSION
SPECIAL JOINT MEETING AGENDA

September 19, 2022– 5:00 PM

Stanwood Fire Station (8117 267th Pl NW)

1. Call to Order

2. Roll Call

3. Public Requests and Comments

4. New Business
    - Stanwood Economic Analysis of Land Use Options
    - Stanwood Municipal Code Titles Memorandum

5. Adjourn

Zoom Meeting Information

Please click the link below to join the webinar:
https://us02web.zoom.us/w/86151217361

Telephone: 253-215-8782
Webinar ID: 861 5121 7361

CITY OF STANWOOD
2024 COMPREHENSIVE PLAN &
MUNICIPAL CODE UPDATE PROJECT

MEETING DATES:	September 19, 2022 - Joint Planning Commission & Community Development Committee Meeting
SUBJECT:	2024 Comprehensive Plan and Municipal Code Update
CONTACT PERSON:	Patricia Love, Community Development Director
ATTACHMENTS:	Exhibit A – Stanwood Economic Analysis of Land Use Options Exhibit B – Stanwood Municipal Code Titles Memorandum Exhibit C – Draft Mini-Warehouse/Storage Facility Emergency Ordinance

BACKGROUND

The Comprehensive Plan and Municipal Code are integrally linked and are required to be consistent with each other. As such, the City initiated the update to both the Comprehensive Plan and Municipal Code earlier this year. The initial work of the Comprehensive Plan starts with visioning and land use. All the other chapters are based on the adopted land use strategies including transportation, utilities and capital facilities. Work on the Municipal Code will begin with the fundamental formation of the city's governmental structure. A new unified development code, addressing zoning and land use regulations, will be developed once the Comprehensive Plan Land Use Element is drafted.

This month's work will focus on the following topics:

- Comprehensive Plan: Land Use Alternatives
- Municipal Code Update: Stanwood Governmental Structure
  - Title 1 – General Provisions
  - Title 2 –Personnel
  - New Title 4 – Administration
  - Mini-Warehouse/Storage Facility Ordinance

LAND USE ALTERNATIVES

One of the first tasks needed to update a Comprehensive Plan is to consider how the existing land use structure meets or falls short of the state mandated population and employment growth targets for the next 20-year planning horizon. Using feedback from the community visioning exercises, three land use alternatives have been prepared showing how the city can meet its 2044 population and employment targets. The attached land use alternative memorandum by FCS GROUP summaries the city's existing conditions, analyses three land use alternatives to meet population and employment targets and evaluates the potential financial impact of the proposed alternatives on the city's general fund.

In summary, the analysis found that the city's existing land use designations / zoning has sufficient capacity to meet the 2044 population growth targets but falls short (by 251 jobs) of the employment growth targets. As a result of these findings, the land use alternatives focus on options to promote jobs and support the downtown revitalization efforts.

City Demographic Profile:
The following demographics provide a snapshot of the city's general population. Stanwood has a growing population with younger households with an income slightly below the state average but with a higher-than-average household size.

Population	
Population:	8,405
Poverty Level:	7.5% of Residents Live Below the Poverty Level
Age Spread:	40% is Below the Age of 24 27% is 25 - 44 Years Old 17% is 45 - 59 Years Old 9% is 60 - 74 Years Old 7% is 75+ Years Old
Race:	Predominately White at 93.5%; 6.5% is Two or More Races, Asian, American Indian or Black
Education:	High School Diploma: 94.4% Bachelor's Degree: 22.2% Graduate or Professional Degree: 7.7%

Income and Employment	
Average Income:	$75,767
Job Categories:	Service Industry: 73% Industrial: 14% Retail: 10% Government: 3%

Housing:	
Owner / Renter:	Owner Occupied Housing: 70.4% Renter Occupied Housing: 29.6%
Average Household Size:	2.72 Persons Per Household
Access to Internet:	85% of Households

Land Use Option 1: Combine LI and GI into a Planned Industrial (PI) Zone

Create a new Planned Industrial zone that replaces the Light Industrial and General Industrial zone in the downtown area, with the exception of Twin City Foods and the City Wastewater Treatment Plant. Planned Industrial zones allow greater flexibility for businesses and increases job opportunities as it allows for service and retail businesses.

Light Industrial / General Industrial Uses	Planned Industrial Uses
100% Manufacturing, Distribution, Wholesale, Construction or Utilities	80% Industrial Uses
	20% Service and/or Retail Uses

Land Use Option 1 changes 41 acres of LI and GI zoning to Planned Industrial zoning which changes the job capacity for those properties from 38 to 573 over the next 20 years as follows:

Location / Zone	Job Capacity
Twin City Foods	150 Jobs
Light Industrial to Planned Industrial	277 Jobs
General Industrial to Planned Industrial	86 Jobs

Planned Industrial zoning creates areas for light industrial and associated operations having high standards of performance. Operations are conducted primarily in enclosed buildings, with outdoor storage completely screened. This single change will address the employment capacity deficit.

Land Use Option 2: New Downtown Mixed-Use Zone

Continuing with the Downtown Revitalization and Twin City Mile project, this alternative looks at creating mixed-use zoning along 270th and 271st Street to put an emphasis on storefronts and pedestrian facilities. Housing would be allowed behind the main street to create a population base to support walkability to businesses and restaurants.

Mixed Use Zoning along the Twin City Mile could accommodate a mix of two- and three-story buildings with ground floor commercial and upper-level office and / or apartments. Live -Work units could be a land use option as well.

Growth Target	Capacity
Housing	Increase housing projection in the area from 53 exiting units to 291 units. Buildable lands analysis assumed 254 units in the same area.
Employment	Mixed-Use zoning would be expected to produce 287 jobs; 37 fewer jobs than the buildable lands analysis assumed for the same area.

This alternative supports the Twin City Mile and the City's economic development goals of preserving and promoting downtown businesses. The short fall of 37 jobs could be within the margin of error for analysis or could easily be accounted for with changes to home occupation business standards of by combining with Option1 – implementing a planned industrial zone.

Land Use Option 3: New General Commercial Zone for Neighborhood Center

Option 3 envisions converting four acres of Traditional Neighborhood (TN) zoning to General Commercial to create a small neighborhood retail center in uptown Stanwood. Neighborhood commercial centers require an increase of 1,600 household to be sustainable which could take between 15-20 years.

Staff does not recommend this alternative at this time as Options 1 and 2 meet the city's employment targets and long-term economic development goals. Comprehensive Plans are updated every 10 years; if needed, Option 3 could be considered in a future plan update.

Financial Evaluation:

All three options have a positive impact on real market value of real estate. Options 1 and 2 will yield higher values than Option 3 which may take up to 20 years to produce.

Land Use Alternative	Annual Net Fiscal Impact on General Fund
Alt 1: New PI Zone	$746,554 / Year
Alt 2: Downtown Mixed-Use Zone	$999,504 / Year
Alt 3: Uptown General Commercial in TN	$1,312,877 / Year

Urban Growth Area Amendments:

The existing pre-zoning for the eastern Urban Growth Boundary area is inconsistent with County plans and the desires of the property owners. The eastern urban growth boundary is currently shown as a mix of Traditional Neighborhood (TN) and Light Industrial (LI). Staff is proposing to change the city's pre-zoning on these properties to commercial mixed use along SR 532 to create gateway zoning at the city's entrance with supportive housing behind the commercial. This would require updating the TN zoning to allow more flexibility in the commercial to housing mix allowed. Flexibility on the types of residential uses allowed on smaller lots or on lots with a high percentage of critical areas should also be considered. The fair grounds would remain Light Industrial. Targeted outreach to these property owners is needed prior to a final recommendation on the eastern Urban Growth Area zoning is provided.

Next Steps:

Staff is requesting feedback on the Land Use Options presented. Using guidance from the discussion, a formal outreach effort will be prepared seeking public input on the preferred option(s). The preferred option(s) will also be used form the basis for the future transportation and utility elements of the Comprehensive Plan.

MUNICIPAL CODE UPDATE – TITLES 1, 2 AND NEW TITLE 4

Amendments to the Stanwood Municipal Code will begin with the general governmental structure of the city: Title 1 - General Provisions, Title 2 - Personnel, and a new proposed Title 4 – Administration. Ryan Walters Law, PLLC, has prepared a summary memo (Exhibit B) with proposed amendments to each title that identifies code gaps, inconsistencies and a proposed recommended approach to the update.

Title 1: General Provisions

- Minor structural changes to Title 1 including numbering and code update methodology
- Updating definitions and adding a section describing applicability to the entire code
- Move public noticing and public works contracts chapters out of Title 1 and create a new administrative procedures title (Title 4)
- Add a new initiative and referendum chapter

Title 2: Personnel

- Rename Title 2 – Administration and Personnel to Personnel; Administrative sections will be moved to new Title 4
- Chapters will be organized to follow the general governmental hierarchy: Council, Mayor, City Administrator, City Officers, Boards and Commissions, Departments and Contract Services
- Update or repeal sections based on current duties and responsibilities
- Move all fees to Title 3 – Revenue and Finance

New Title 4: Administration

- Create a new Title 4 – Administration to logically segregate material about government administration into its own Title for clarity: governmental operations, contracts, and donations
- Adopt the following new chapters:
    - Council Delegation Authority
    - Defense and Indemnification of City Officers, Employees, and Volunteers
    - Ethics Rules and Guidelines

Mini-Warehouse/Storage Facility Emergency Ordinance

The City of Stanwood is approximately 2.8 square miles, has a population of 8,405, and is served by five existing or planned mini-warehouse/storage facilities. These facilities have sufficient storage units for an average of one in three residents of the city. Mini-warehouse/storage facilities are a use that generates minimal revenue and employment, and as we work on updating our comprehensive plan we want to encourage uses that generate more significant employment in industrial zones. As such, we recommend passing an emergency ordinance to prohibit any new mini-warehouse/self-storage facilities being developed within the City of Stanwood. Permanent regulations prohibiting mini-warehouse/storage facilities will be adopted with the unified development standards as part of the Municipal Code update project. Existing mini-warehouse/storage facilities shall be allowed to continue as a legal use.

- Remove Mini-Warehouse/Storage Facility as an allowed use in the LI and GI zoning districts
- Remove development regulations for Mini-Warehouse/Storage Facility
- Add Mini-Warehouse/Storage Facility to prohibited use list

Using Committee / Board feedback on the proposed changes, the consultant will begin drafting the first set of amendments.

To: Patricia Love and Tansy Schroeder, City of Stanwood
From: Todd Chase, AICP, LEED, and Timothy Wood, FCS GROUP
Date: September 8, 2022
CC: Caitlin Hepworth, Blueline; Clay White, Matt Covert, Samantha Adams, LDC
RE Stanwood Economic Analysis of Land Use Options

I. INTRODUCTION

This Memorandum identifies market trends that are shaping future development opportunities within the City of Stanwood municipal boundary (City). The findings are intended to inform the 2024 update of the Stanwood Comprehensive Plan by conducting an Economic Analysis of Land Use Options. Key subtasks include.

- Existing Conditions Analysis
- Demographic Profile
- Economic Analysis of Land Use Alternatives

An important element of this work is to identify and evaluate potential land use/zoning options that the City should consider as it prepares a new Comprehensive Plan and development code. Potential changes to the official zoning map and land use designations may be required to fulfill state and regional requirements per WAC 365-196-325 and RCW 36.70A.115 for "providing sufficient land capacity suitable for development" which is provided in **Appendix A**.

As part of this effort, the FCS/Blueline/LDC consultant team conducted the following activities:

1. Reviewed background planning documents and current City zoning/development code regulations.
2. Summarized current community demographic and socio-economic conditions using the most recent available Census data.
3. Analyzed buildable lands and current major developments that are now in the planning "pipeline" as part of a periodic review of the City's ability to meet land capacity requirements for housing and jobs.
4. Identified land use and zoning alternatives that could enhance the consistency between land capacity and growth allocations.
5. Evaluated three land use/zoning alternatives in terms of housing/employment capacity, impacts on the City's general fund, and the potential value of new private investment.

Memorandum Contents

The land use/zoning alternatives presented in this Memorandum will also be evaluated with respect to their transportation and infrastructure capacity impacts in separate studies.

Assumptions contained in this analysis are for long-range planning purposes only. Findings take into account input received from City of Stanwood planning staff, and community feedback obtained during recent land use discussions with the Stanwood Community Development Committee, Planning Commission, and community surveys.

II. PLANNING BACKGROUND

The City of Stanwood is a unique community with a rich and colorful history. Originally platted in 1898 and incorporated in 1903 the Town of Stanwood established itself as a trading hub on the banks of the Stillaguamish River in northwest Snohomish County. In 1906 East Stanwood was platted and later incorporated around the railroad depot. These two communities consolidated operations as one City in 1960. The City now serves as the commercial center for local residents as well as Camano Island in Island County to the west and those of the river valley east of Interstate 5 and north of the Tulalip Reservation.

Stanwood has been proactively managing its growth and development for decades as its population and job base expands. Selected background planning initiatives include:

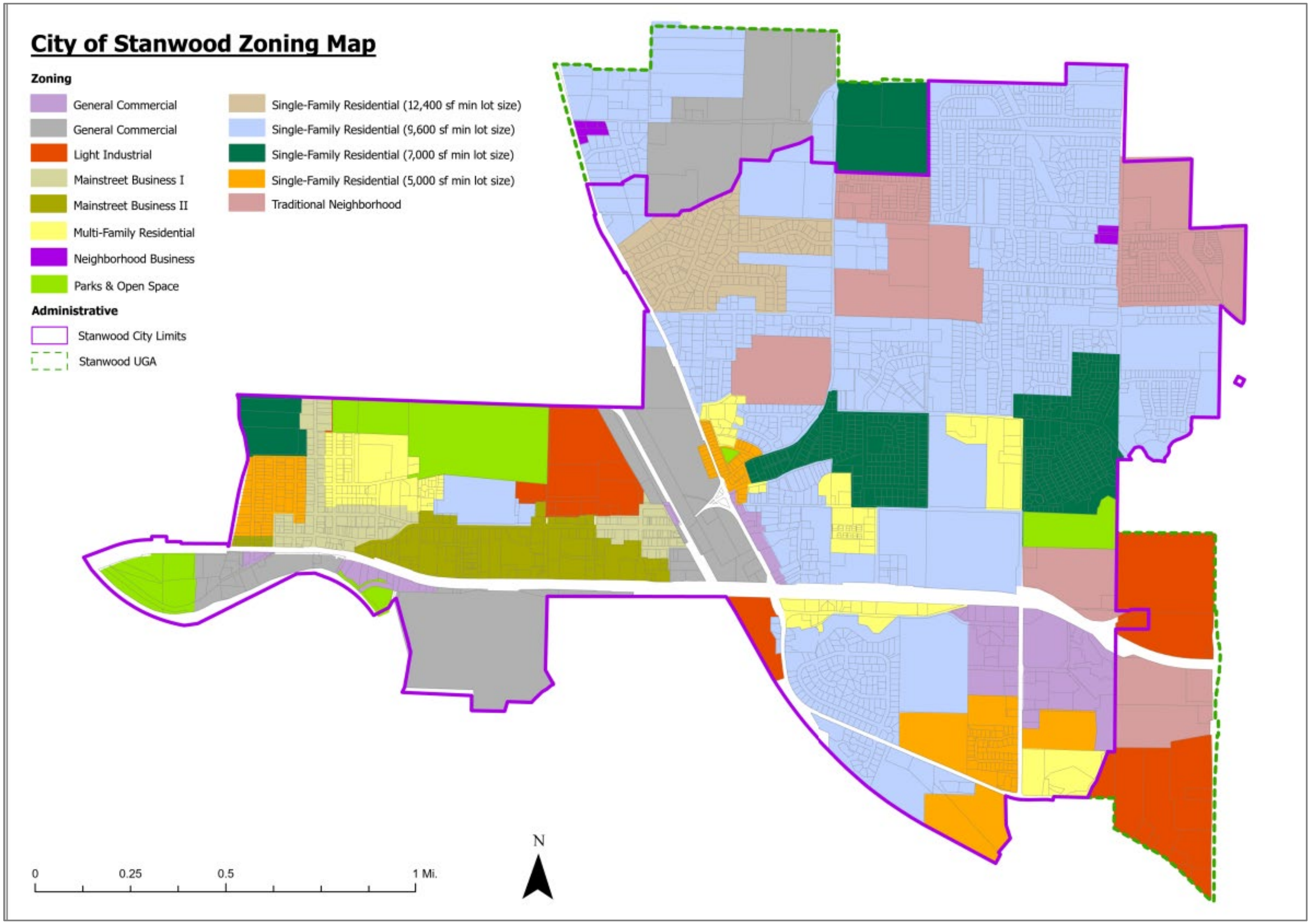
- 2003 Design Stanwood
- 2010 Economic Development Action Plan
- 2012 SDAT: Density by Design
- 2015 Downtown Plan
- 2015 Comprehensive Plan
- 2019 Planning Café Open House
- 2020 City Beautification Action Plan
- 2022 Stanwood Housing Needs Assessment
- 2022-ongoing Twin City Mile Project. Includes a new Vision and Project Goals for Downtown which will set the stage for redevelopment (**Exhibit 1**).

Exhibit 1: Downtown Revitalization Vison & Goals

Source: City of Stanwood, Community Development Committee Staff Report, July 7, 2022.

These local plans and initiatives help to shape land use patterns in the City. The current Zoning Map of the City is illustrated in **Exhibit 2**.

Exhibit 2: Stanwood Zoning Map



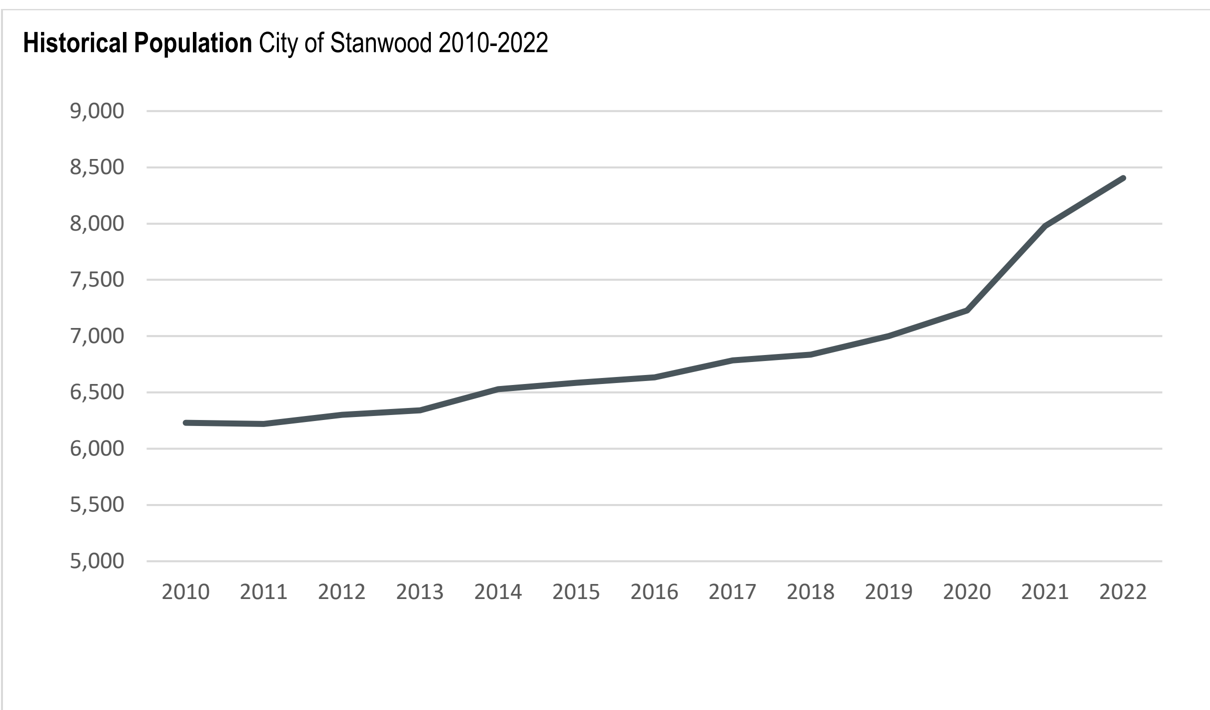
III COMMUNITY OVERVIEW

As part of this economic and land use analysis, current demographic and socio-economic data trends were compiled (see **Appendix C**). Key findings are summarized below.

Population and Income

- Stanwood has an area of approximately 2.8 square miles
- The current population of Stanwood (8,405) is it's peak population
- The population of Stanwood has grown 135% over past 12 years: 2010-2022 (**Exhibit 3**).
- According to current Census statistics, 12.7% of the residents of Stanwood are 65 or older. As shown in **Exhibit 4,** the City has a relatively large share of residents under age 24.
- The racial demographics of Stanwood are 93.5% White, 4.3% Two or more races, 1.6% Asian, 0.4% American Indian and 0.2% Black. Additionally, 4.4% of the population identifies as Hispanic.
- The median household income in Stanwood is $75,767.
- In Stanwood, 7.5% of residents have an income below the poverty line, and the child poverty rate is 8.0%. On a per-household basis, 5.6% of families are below the poverty line in Stanwood.

Exhibit 3: Population Trends



Source: Washington Office of Financial Management and U.S. Census estimates.

Exhibit 4: Population by Generation, 2020

Generation	Age range	Washington	Seattle MSA	Snohomish County	Stanwood
Gen Z	under 24	31%	30%	30%	40%
Millennials	25 to 44	29%	32%	29%	27%
Gen X	45 to 59	19%	19%	20%	17%
Baby Boomers	60 to 74	16%	14%	15%	9%
Golden Seniors	75+	6%	5%	5%	7%
Total		100%	100%	100%	100%

Source: US Census Bureau 2016-2020 ACS Table DP05

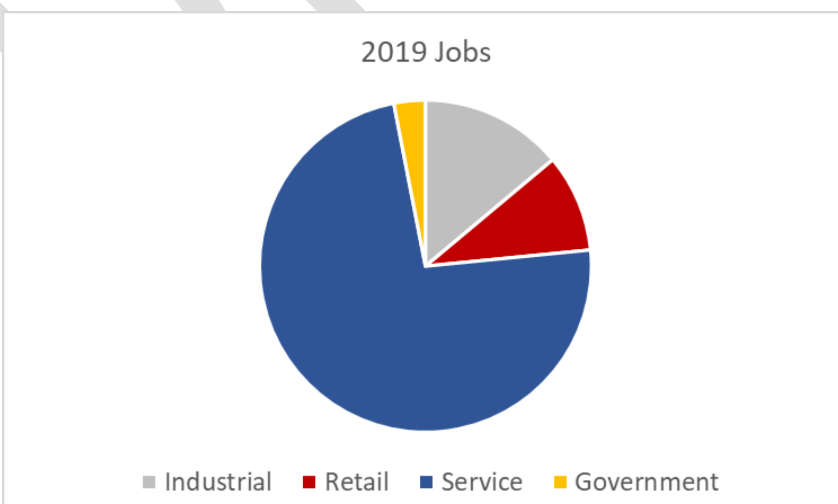
Employment

- The unemployment rate in Stanwood is 2.1%, which is calculated among residents aged 16 or older who are in the labor force.
- Within the City, 73% of the jobs are in the service sector, 14% are in the industrial sector, 10% retail sector and 3% in the government sector. Virtually all net new job growth over the past 10 years has occurred in the service and government sectors (**Exhibit 5**).

Exhibit 5: At Place of Work Employment, City of Stanwood, 2009-2019

Sector	2009 Jobs	2019 Jobs	Change	2009-2019 AGR
Industrial	554	477	(77)	-1.5%
Retail	352	326	(26)	-0.8%
Service	2,211	2,518	307	1.3%
Government	46	105	59	8.6%
Total	**3,163**	**3,426**	**263**	**0.8%**

Source: U.S. Census On the Map Data. AGR = average annual growth rate.

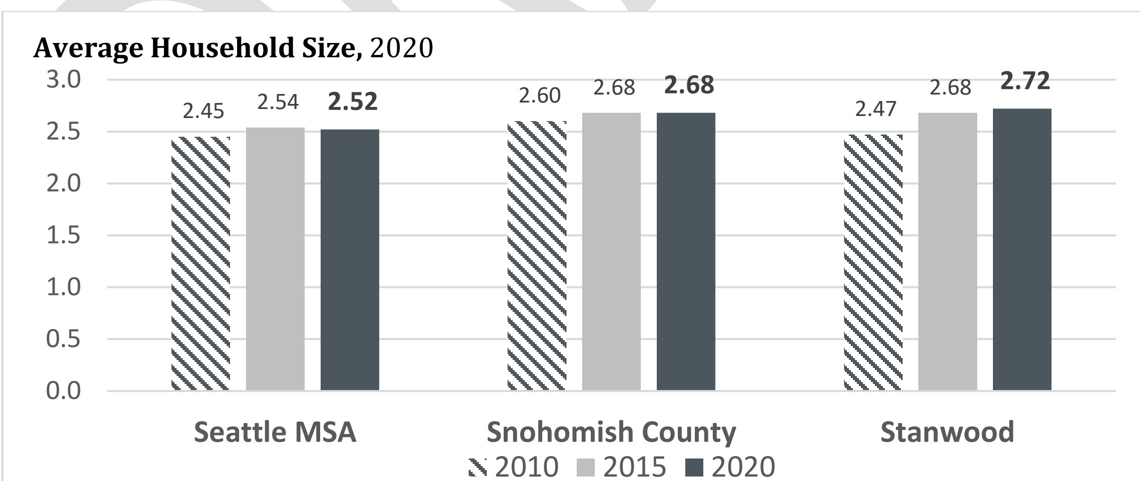


- It is estimated that approximately 10 percent of City's working residents work from home at least part of the week. The share of home-based workers increased significantly during the peak of the Covid-19 global pandemic (2020) but has since decreased.
- Among the adult population 25 years old and over, 95.4% of Stanwood residents have at least a high school degree or equivalent, 22.2% have a bachelor's degree and 7.7% have a graduate or professional degree.
- In Stanwood, it is estimated just over 85% of households have an active broadband internet connection, which is on par with the national averages.

Housing

- In Stanwood, 70.4% of housing units are occupied by their owners. Renters occupy 29.6% of housing units.
- An influx of relatively younger households with children is starting to drive up the average household size. Average household size has been increasing in Stanwood but decreasing or flat in Snohomish County and the greater Seattle Metropolitan Area (**Exhibit 6**).
- Of all the housing units in Stanwood, 7.6% of them were built before 1940. Over 41% of the total housing units were built after the year 2000.
- The *2022 Stanwood Housing Needs Assessment* forecasts a need for 1,522 net new dwelling units by 2044. This forecast is comprised of 1,017 single family dwellings and 505 multifamily dwelling units.
- Several additional projects are in the predevelopment pipeline (see **Appendix D**). While construction of these projects will likely take many years to complete, they are estimated to support 1,124 new dwelling units (544 single family and 580 multifamily units) and 177 jobs within the current City limits.

Exhibit 6: Average Household Size, City of Stanwood, 2010-2020



Source: American Community Survey and U.S. Census data.

Development Overview

Stanwood is a stable community with an upward growth trajectory. The community continues to experience strong demand with households moving into the area well as small business seeking to expand operations.

Housing Market Overview

- New housing construction has been robust. The City added 649 new dwelling units between 2017 and 2020; plus there are now over 1,120 housing units in the development pipeline. Prior to 2020, nearly 2/3 of the new construction permits were issued for single family homes and 1/3 were for multifamily. In more recent years, the share of multifamily permitting activity has exceeded the single family share (please refer to discussion of pipeline projects below).
- Median home sales prices in Stanwood increased 24.6% (year to date) to $573,000 in July 2022. There were only 42 homes with active listings in July 2022 compared to 45 12 months prior. Ten days is the average sales time for new listings and 60% of the homes were sold for more than their asking prices. (Source: RMLS)
- Rental market activity has been brisk and vacancy rates are very low with only 17 vacant units listed on Apartmentfinder.com (as of July 2022). Recent developments such as Cambridge Place/Madison Place Apartments, Creekside Apartments, and Stanwood-Camano Village apartments have established a high level of design for market-rate rentals with average monthly rents ranging from $2.30 to $2.45 per SF.

Commercial and Industrial Overview

Overall retail vacancy rates in Snohomish County were 2.6% (2nd Q 2022) and have been decreasing year over year as rents have increased 5% or more.

The office market is rebounding more slowly than the retail and industrial market since the pandemic. In Snohomish County office vacancy rates remained in the low to mid 7% range and are down slightly from the prior year. Average rents range from $28-29 per SF (annual) which compare favorably with other parts of the Region.

Industrial market growth in the Region has been mostly concentrated in transportation and warehousing. Manufacturing activity has been relatively stable with moderate job growth overall. According to Kidder Matthews Market Report industrial vacancy rates have declined in the Snohomish County submarket to just 3.1%; and there is now currently over 4.1 million square feet in 23 industrial developments in the predevelopment pipeline.

The 189,000 LSF former Twin City Foods food processing/packaging/warehouse building is currently being marketed as a for-lease opportunity in the City of Stanwood. Given the very low industrial building vacancy rates in the region, this underutilized building offers an excellent opportunity for significant job growth for uses such as food and beverage processing and distribution. A new industrial operation at this location is expected to add 140 to 180 jobs on site.

Since overall local industrial job growth declined between 1999 and 2019 (as shown earlier in **Exhibit 5**), it is recommended that the City of Stanwood consider changes to its Zoning Map and development code to provide added flexibility in the types of uses that can occur on industrial-zoned properties. Potential changes to local zoning are discussed in the next section of this Memorandum.

Pipeline Projects and Related Buildable Land Capacity Update

As noted in the Introduction, this Memorandum includes findings regarding the City's current ability to provide sufficient land capacity suitable for development per *WAC 365196-325 and RCW 36.70A 115.*

The associated land capacity analysis and documentation aim to depict the relationship between land capacity and targeted housing and job creation within the City and the Stanwood Urban Growth Area (UGA).

The method used to accomplish the land capacity analysis is described in **Appendix D** and included the following steps:

1. **Review and document most recent adopted land capacity findings** that are contained in the *Snohomish County* Ordinance No. 22-003 adopted February 23, 2022, and the *Snohomish County Buildable Land Report 2021*. Please refer to **Appendix B** for maps depicting the BLR findings for housing and employment land capacity within the Stanwood UGA as of February 2022.

   As shown in **Exhibit 7**, those documents indicated that based on current zoning and an assessment of gross buildable land area within the City of Stanwood (current municipal boundary), there was a projected capacity surplus of population by year 2044 of 701 persons. In other words, the City had the zoned land use capacity to increase its population from 7,705 in 2020 to 11,664 residents by 2044; thereby exceeding the 2044 target population forecast of 10,963.

The February 23, 2022 adopted Buildable Lands Report (BLR) also indicated that the City of Stanwood is expected to have a zoned-land use capacity shortfall of 251 jobs. However, the adjacent unincorporated area within the Stanwood UGA was found to have a capacity surplus of 756 jobs. **While the combined City/UGA area was found to have a capacity surplus of 505 jobs, this Memorandum identifies land use policy alternatives designed to fully address any employment capacity shortfall within the current City municipal boundary.**

Exhibit 7: City of Stanwood and Stanwood UGA Capacity Fundings as of February 2022

Population	2020 Actual	Capacity per 2021 Buildable Land Report*	2044 Target**	2035-2044 Capacity Surplus/ (Shortfall)	AGR
City of Stanwood	7,705	11,664	10,963	701	1.5%
Stanwood, Unincorp.	142	870	432	438	4.7%
Total	**7,847**	**12,534**	**11,395**	**1,139**	1.6%
Jobs	**2019 Actual**	**Capacity per 2021 Buildable Land Report***	**2044 Target****	**2035-2044 Capacity Surplus/ (Shortfall)**	**AGR**
City of Stanwood	3,865	4,822	5,073	**(251)**	1.1%
Stanwood, Unincorp.	192	1,482	726	756	5.5%
Total	**4,057**	**6,304**	**5,799**	**505**	1.4%

Source notes:
** capacity estimates based on Final 2021 Buildable Land Report.*
*** 2044 targets are from Snohomish County Ord. No. 22-003, adopted growth forecast, Feb. 23, 2022.*
AGR = average annual growth rate.

2. **Review and assess current land use projects in the predevelopment pipeline** to reconcile the findings noted above in **Exhibit 7** with current expected land capacity assumptions within the City. The intent is to identify how new development has impacted the anticipated employment and housing growth, projected by the BLR. The methodology and results of this process are described in **Appendix D**.

   The analysis of pipeline developments is summarized in **Exhibits 8A and 8B** and illustrated in the map provided in **Exhibit 9**. The findings indicate that the current projects in the development pipeline are expected to *overachieve* their housing capacity forecast by 165 dwelling units. In other words, the parcels identified in the BLR for housing growth are currently planned to be developed at a higher density than was assumed by the February 2022 BLR. Conversely, this pipeline project analysis indicates that the pipeline projects are expected to *underachieve* their employment capacity by 22 jobs.

   The current development pipeline in the Downtown area (see prior **Exhibit 8A**) includes seven significant private developments that will add housing, office/warehousing and mini-storage developments. These projects are expected to create 106 townhomes and nearly

106,000 SF of improved non-residential building floor area that would likely support 77 jobs on site.

Outside of the Downtown area, there are 14 projects in the planning pipeline (**see prior Exhibit 8B**), three of which include an employment component. These three developments combined are expected to support a total of 100 jobs on site.

Exhibit 8A: Downtown Stanwood Pipeline Projects

Map #	Project Name	Use	Description	Status	Housing Units Expected	Approx. Net rentable SF Expected	Approx. Jobs
1	Viking Village	Townhomes	90-unit townhome	pre-application	90	-	-
3	McDay Holdings	Industrial	potential mini storage	pre-application	-	69,600	5.0
4	Liberty Properties	Townhomes	6-unit townhome	pending construction	6	-	-
5	Wolfkill	Industrial	office and warehousing	pending construction	-	21,968	30.2
13	Inland Steel	Industrial	office and warehousing	in land use review	-	14,401	41.4
14	Brunner	Townhomes	3 or 4 unit townhome	pre-application	3	-	-
15	Sequim Land	Townhomes	7-unit townhome	in land use review	7	-	-
					106	**105,969**	**76.6**

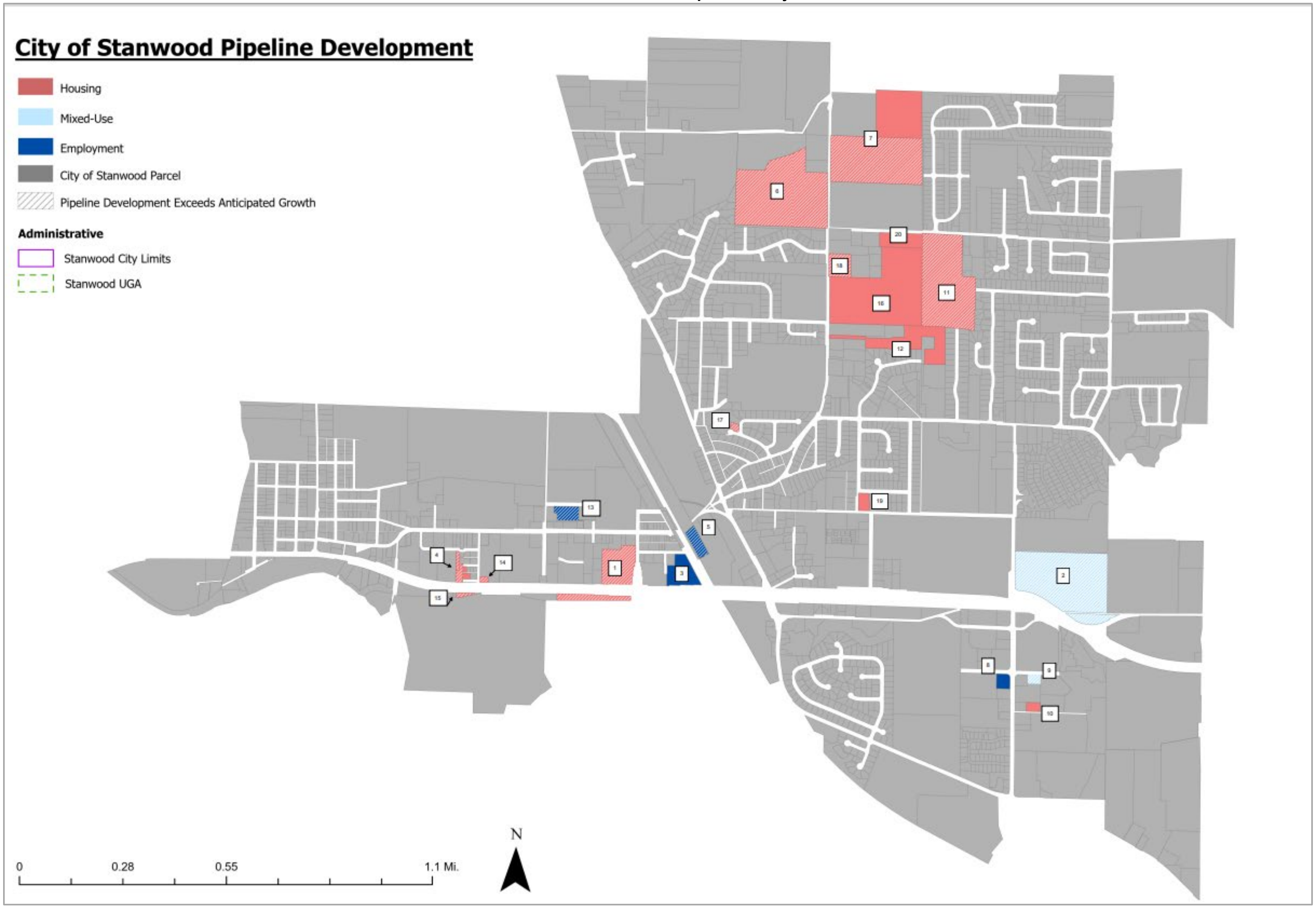
Source: City of Stanwood and project consultant team employment estimates.

Exhibit 8B: Other Pipeline Projects Outside Downtown Stanwood

Map #	Project Name	Use	Description	Status	Housing Units Expected	Approx. Net rentable SF Expected	Approx. Jobs
2	Creekside/Vine St	Mixed Use	400+ unit mixed use/multi family	pre-application	400	26,800	67
4	Liberty Properties	Townhomes	6-unit townhome	pending construction	6	-	-
6	Chandler's Reserve	Subdivision	91-lot subdivision	pending final plat	91	-	-
7	Kottsick	Subdivision	127-lot subdivision	pending annexation	127	-	-
8	Affordable Pet Care	Commercial	vet clinic	pending construction	0	5,771	17
9	Grandview Lot 2	Mixed Use	36-unit mixed use multi family	pending construction	36	6,612	17
10	Grandview Lot 16	Multi-Family	34-unit multi family	pending construction	34	-	-
11	Bakerview	Subdivision	114-unit subdivision	pending preliminary pl	114	-	-
12	Summerset Division II	Subdivision	22-lot subdivision	pending preliminary pl	22	-	-
16	Schonberg	Subdisivion	TN zoned subdivision	pre-application	163	-	-
17	Buddy Shelters	Townhomes	4-unit townhome	pending construction	4	-	-
18	Hammond	Shortplat	6-unit shortplat	pending final plat	6	-	-
19	Brandt	Shortplat	4-unit shortplat	pending final plat	4	-	-
20	Faulkner	Subdivision	17-lot subdivision	pre-application	17	-	-
					1,024	**39,183**	**100**

Source: City of Stanwood and project consultant team employment estimates.

Exhibit 9: Location of Pipeline Projects



3. **Update employment capacity assumptions** within the current Stanwood municipal boundary. The combination of capacity findings from the prior BLR and the current analysis of pipeline projects indicates that the City is likely to have a capacity surplus for meeting its 2044 targets for population and housing, but a shortfall in job capacity based on current zoning. As indicated in **Exhibit 10**, the combination of the projected shortfall in employment growth determined by the BLR (251 jobs) along with the employment shortfall created from the current pipeline projects (22 jobs) indicates that **there would likely be an overall 2033 employment capacity shortfall of 273 jobs based on current zoning and development assumptions**.

Exhibit 10: City of Stanwood 2044 Employment Capacity as of August 2022 (jobs)*

Citywide Employment Capacity Shortfall (Feb. 2022 BLR findings)**	(251)
Pipeline Project Impact (as of Aug. 2022)***	(22)
Proj. 2044 Job Capacity Shortfall	**(273)**

** Reflects land capacity inside existing city limits based on current zoning. See prior exhibits*

*** Snohomish County Ord. No. 22-003, adopted growth forecast, Feb. 23, 2022.*

**** Derived from analysis in Appendix D.*

Maps depicting remaining employment and housing capacity are provided in **Exhibits 11 and 12.**

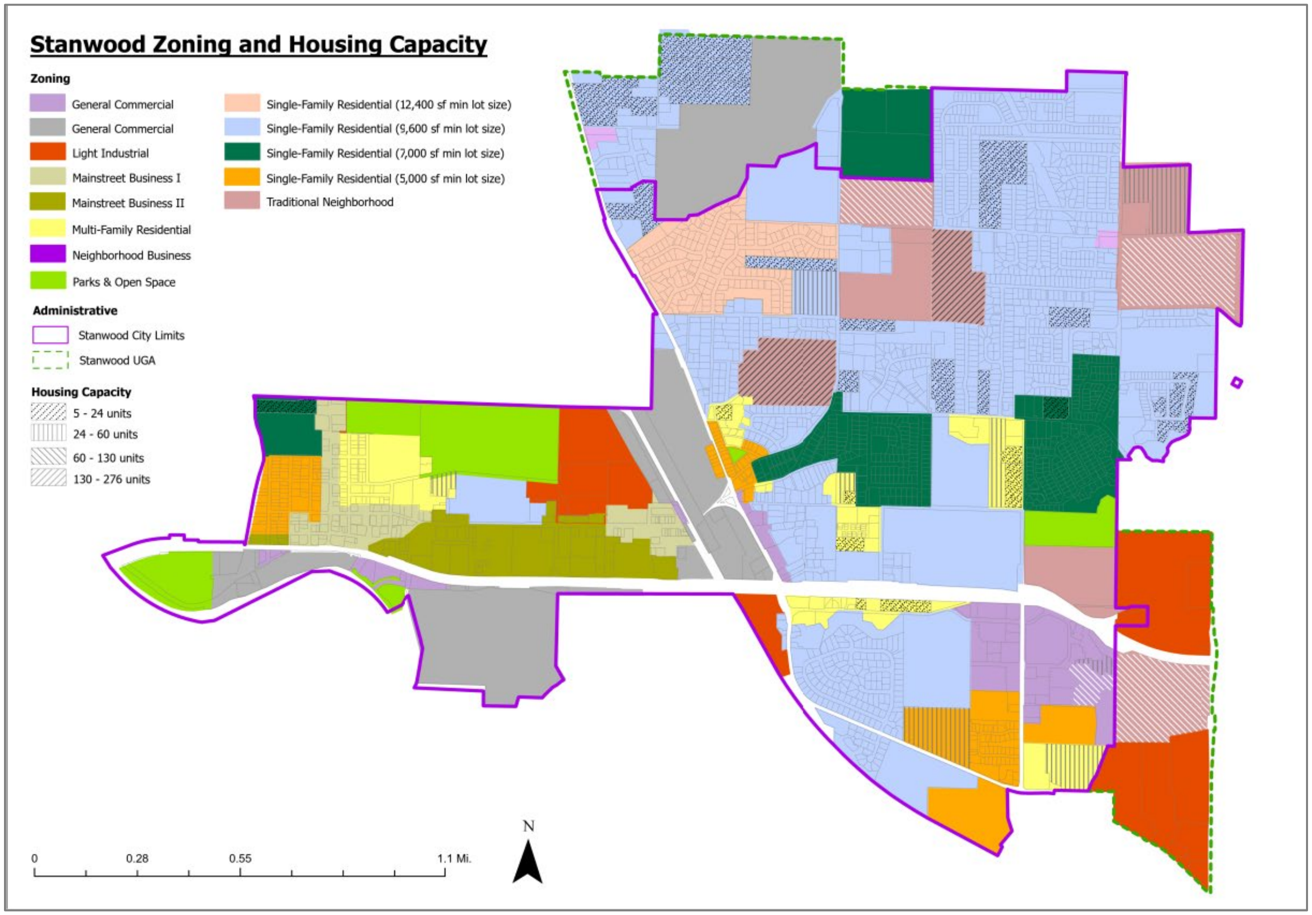
4. **Identify new land use and zoning alternatives for providing sufficient land capacity that's suitable for development**. As part of this step the consultant team (from FCS, LDC and Blueline) worked with City staff to prepare and evaluate three land use alternatives designed to enhance growth potential within City limits by at least another 273 jobs.

   This analysis also takes into account the direction obtained from local planning initiatives within the City as well as the vision set forth in the *Puget Sound Regional Council Policy VISION 2050*, which includes King, Pierce, Snohomish and Kitsap counties, and more than 80 cities and towns, state agencies, transit agencies, ports, and Tribal governments.

   VISION 2050 charts the course for the region's growth over the next 30 years. The plan seeks to enhance communities and equity for the region's residents, support a strong economy, expand housing choices, clean up Puget Sound, and provide a comprehensive regional transportation system. VISION 2050 supports continued growth in urban areas and preservation of rural areas and open space. The plan focuses a significant share of job and population growth near transit.

   Land Use alternatives that would help comply with state and regional requirements are identified and evaluated in the following sections.

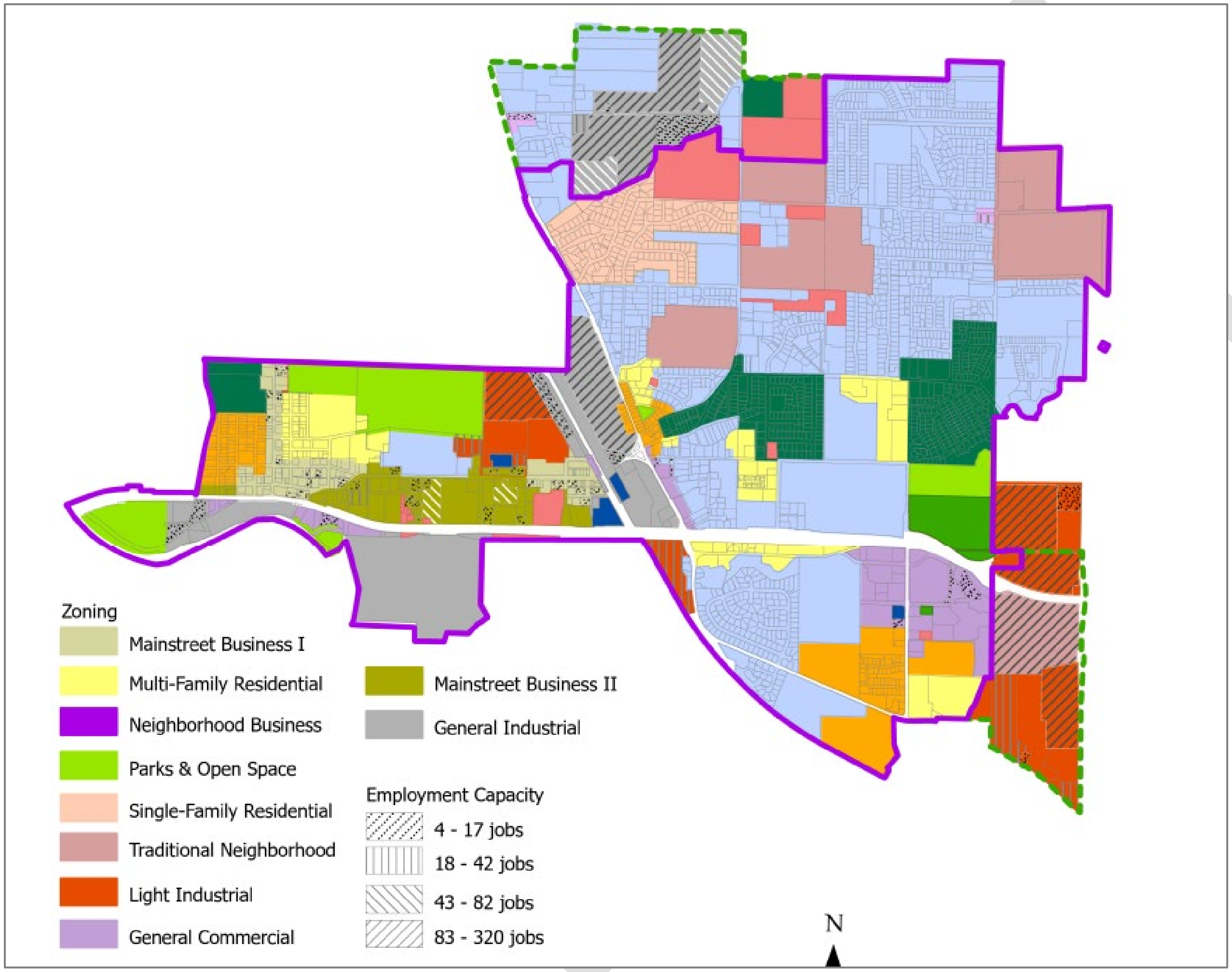
Exhibit 11: Housing Capacity



Based on current zoning and recent development activity, Stanwood is on track to exceed its 2044 capacity targets for population and housing.

The Twin City Mile Vision focuses on ped friendly connections between two key areas: Downtown and the East End with well-designed housing and mixed-use centers.

Exhibit 12: Employment Capacity



Based on findings by Snohomish County and the consultant team, under current zoning Stanwood is not likely to meet its 2044 capacity targets for employment. Most of the new job growth is expected to occur in the services & commercial retail/office sectors.

The Stanwood Comprehensive Plan, Downtown Master Plan, Economic Development Action Plan and Twin City Mile Project support revitalization of underutilized buildings/sites, preservation of legacy structures, and public investment and design incentives that result in community-generated spending and related business growth.

IV. LAND USE ALTERNATIVES ANALYSIS

The land use alternatives identified below are intended to enable the City of Stanwood to provide sufficient land capacity for new development over the next 20+ years (by year 2044). The recommended growth targets for Stanwood provide a context for complying with the PSRC VISION 2050 and the Snohomish County Tomorrow Regional Growth Strategy. The growth targets indicate the amount of growth each jurisdiction is expected to plan for in its comprehensive plan. The process for complying with these growth targets provides flexibility for jurisdictions in interpreting the regional growth strategies and must consider local input on the community vision, market conditions, and infrastructure investments.

As described in the prior section, based on current zoning and buildable lands analysis by Snohomish County and the consultant team, the City is likely to exceed its housing/population forecasts but fall short of the its employment forecasts. Hence, this section focuses on strategies designed to foster opportunities for business investment and related job creation. While there is potential to annex some of the unincorporated areas located within the Stanwood UGA, that approach is not being evaluated as a means to satisfy the expected employment growth target shortfall within the City.

While the number of home-based workers is not reflected in the long range employment targets, it is apparent that the number of people working from home (full or part time) is increasing. In the aftermath of the Covid-19 global pandemic we have observed an increase in the home-based workers with the advent of "Zoom Towns" that have a combination of reliable fast internet, attainable housing prices/rents, recreational amenities, good schools/parks and "small town feel." During the peak of the pandemic, the Seattle Metro Region emerged as one of the top four locations in the USA for telecommuting. As the northern gateway to the Region, the City of Stanwood can establish itself as a "Zoom Town" community with a mix of home based and local-serving businesses, supply chain providers to larger regional operations, and more attainably priced housing options.

The draft vision and goals of the Stanwood Economic Strategy, Twin City Mile Project and other local planning initiatives focus on community revitalization and planned multimodal facilities and park improvements will strengthen the attractiveness of Stanwood as a location for new families, retirees, commuters, and businesses.

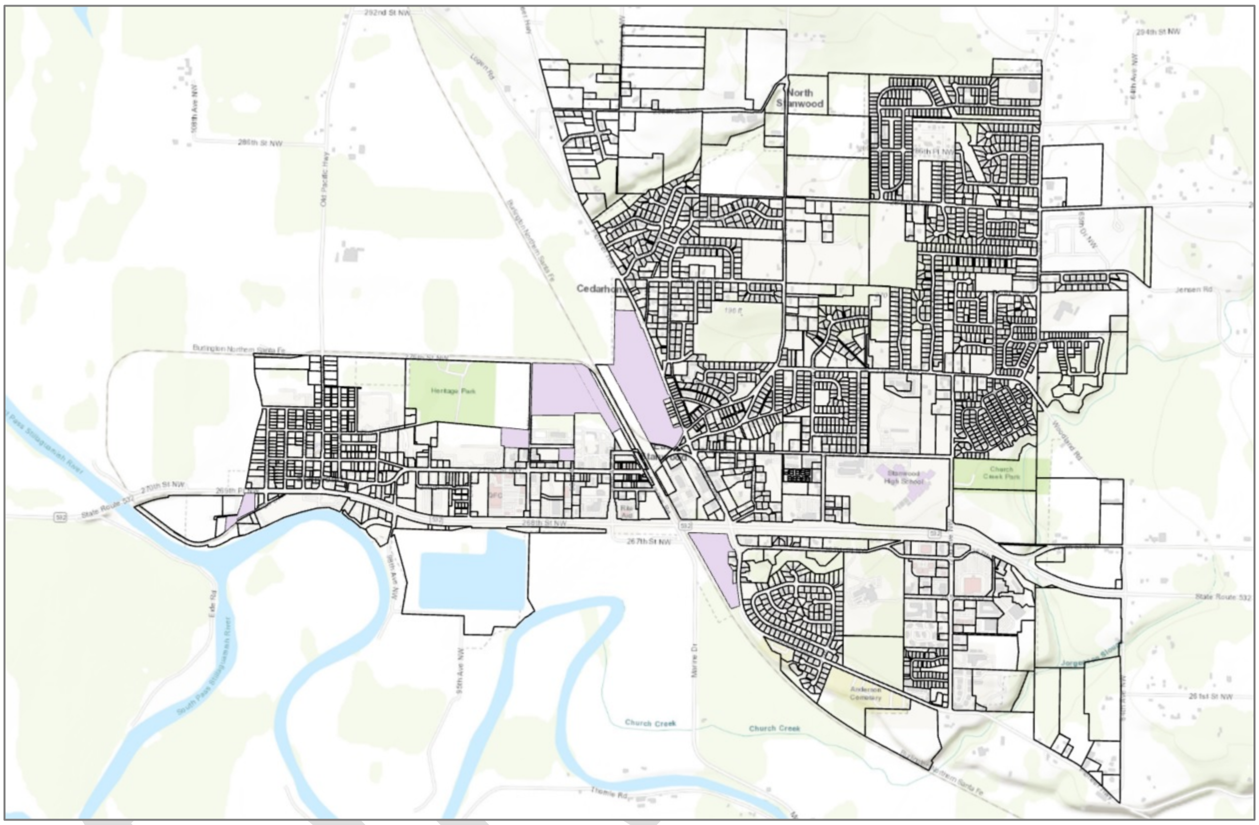
Alt. 1 Combine LI and GI Zones into a Planned Industrial (PI) Zone

As noted in the prior sections, the amount of industrial job activity in the City has been flat or declining over the past several years. This land use alternative is intended to protect existing industrial operations while encouraging redevelopment of underutilized industrial buildings/sites. The PI zone would replace the LI and GI zones in most locations with a single PI (Planned Industrial Zone) category that permits most industrial activities to occur as well as commercial (retail and office) uses. The PI zone would remove the current 2,000 SF maximum for ancillary retail and allow industrial operations to include retail/wholesale showrooms and uses such as commercial kitchens, brewpubs, meetings/event space, offices, and entertainment/recreation.

An analysis was conducted of selected remaining GI and LI tax lots in the City that have a projected baseline job capacity of 10 or more net new jobs (see **Exhibit 13**). The capacity analysis excluded the pipeline projects (discussed in prior section) and identified nine (9) areas with a total of 41 acres of gross buildable land area. The BLR assumes that these parcels/sites will increase in job capacity from 38 currently to 573 over the next 20 years.

With a change to PI, the capacity analysis assumes that the potential job density will increase with an average mix of employment going from nearly 100% industrial (manufacturing, distribution, wholesale trade, construction, utilities) to a new job mix of 80% industrial and 20% service/retail jobs.

Exhibit 13: Major GI and LI Tax Lots with Remaining Employment Capacity



The capacity analysis indicates that the overall amount of job capacity increase supported by a new user within the Town City Foods site and changes in LI/GI to PI would result in an increase in the overall employment capacity by 513 jobs. As shown in **Exhibit 14** the net new job capacity would primarily result from a new user within the Twin City Foods site (+150 jobs), a change in the LI zones to PI (+277 jobs), followed by a change in selected GI zones to PI (+86 jobs).

These estimates exclude the jobs expected within the identified pipeline projects on GI/LI zones, which are expected to support 76 jobs (see **Appendix D** for pipeline project assumptions).

Exhibit 14: Employment Capacity Analysis with PI Zone (Alt. 1)

Employment Capacity Analysis: LI to PI Zone Change

	Jobs per GBA	Assumed Job Mix with PI	Assumed Job Density per GBA	Existing Jobs	Potential Jobs	Net New Job Capacity	Increase from BLR
Warehousing/Storage	2.6	0.0%				0	
Makers	22	60.0%				0	
Service/Office	54	20.0%				0	
Retail	60	20.0%				0	
Total		100.0%	**36.0**	**24**	**630**	**606**	**277**

Employment Capacity Analysis: GI to PI Zone Change (excl. Twin City Foods Site)

	Jobs per GBA	Assumed Job Mix with PI	Assumed Job Density per GBA	Existing Jobs	Potential Jobs	Net New Job Capacity witih PI	Increase from BLR
Warehousing/Storage	2.6	0.0%				0	
Makers	3	60.0%				0	
Service/Office	22	20.0%				0	
Retail	54	20.0%				0	
Total		100.0%	**16.8**	**4**	**334**	**330**	**86**

Alternative 1 Summary

Land Use Alternative	Jobs Added	Dwellings Added	Net Change in Job Capacity from BLR	Net Change in Dwelling Capacity from BLR
Alt. 1A: Twin City Foods Site (new user)	150		150	
Alt. 1B: LI to PI	278		277	
Alt. 1C: GI to PI (in designated areas)	86		86	
Subtotal	**514**	**0**	**513**	**0**

* analysis of annual impact at buildout (year 20) excluding pipeline projects.

Alt. 2 New Downtown Mixed-Use Zone

Downtown Stanwood is the heart and soul of the community with roots that go back to the earliest days of settlement by Native American tribes and pioneers. The City is aiming to revitalize its downtown through visual and physical improvements to storefront buildings with stronger pedestrian linkages to surrounding neighborhoods. The Twin City Mile Project focuses on creating well-designed storefronts and pedestrian facilities.

An evaluation was conducted by the project consultant team of all remaining tax lots in the Downtown Area that have a BLR land use designation of either "vacant, part-vacant or redevelopable" to ascertain their existing and projected employment capacity.

Currently, there are approximately 59 tax lots with underutilized buildings and redevelopment potential within the Downtown area with a mix of MB1, MB2, and MR zone designations **(Exhibits 15 and 16).** According to the Snohomish County BLR, the remaining buildable lands in the Downtown areas (excluding the pipeline projects identified in the prior section) have the capacity to accommodate another 37 households and 324 jobs. However, recent Downtown development activity in the pipeline is likely to displace businesses with new townhome construction and not result in any net new job growth.

A new Downtown Mixed Use Zone designation can be created to allow and encourage a mix of housing and employment as buildings are rehabilitated and sites are redeveloped. The new zone would retain the historic overlay designation for significant buildings and encourage façade and building revitalization with bonus density allowances allowing some additional building height for mixed-use developments. Potential redevelopment of underutilized sites near the train depot can also provide additional employment and housing capacity in Downtown.

Exhibit 15: Downtown Redevelopment Analysis Area

With the Mixed Use Zone designation and the related development incentives, the Downtown area would accommodate a mix of 2-3 story structures with ground floor commercial, upper-level offices and apartments and live/work buildings in mixed-use developments.

Exhibit 16: Downtown Capacity Under Current Zoning

Zone	Parcel Status	Parcels	Gross Buildable Acres	Existing Employment	Net New Employment Projected	Existing Housing Units	Net New Housing Units Projected
MB1	Partially-Used	8	2.0	10	2	11	0
	Redevelopable	21	4.7	49	91	12	0
	Vacant	3	0.5	0	9	0	0
	Total	**32**	**7.1**	**59**	**102**	**23**	**0**
MB2	Partially-Used	3	1.0	22	0	0	0
	Redevelopable	8	7.6	12	159	13	0
	Vacant	4	2.9	0	64	0	0
	Total	**15**	**11.5**	**34**	**223**	**13**	**0**
MR	Partially-Used	1	0.3	0	0	2	0
	Redevelopable	10	1.4	0	0	13	10
	Vacant	1	1.9	0	0	0	27
	Total	**12**	**3.6**	**0**	**0**	**15**	**37**
Grand Total		**59**	**22.2**	**93**	**324**	**51**	**37**

Source: Snohomish County BLR, 2021 adjusted to exclude pipeline projects.

The overall impact on development capacity attributed to the new Mixed Use zoning is expected to result in a net increase in housing from 53 existing dwellings to 291 dwellings, which is above the BLR assumptions by 254 dwellings.

The new Mixed-Use zone designation is expected to result in an increase of 287 net new jobs in Downtown, which is 37 fewer jobs than what the February 2022 BLR capacity had assumed for the remaining vacant, part vacant and redevelopment tax lots in Downtown (**Exhibit 17**).

Exhibit 17: Downtown Capacity Under Mixed-Use Zoning (Alt. 2)

Downtown Employment and Housing Density Assumptions with Mixed Use Zoning

Downtown Sites	Jobs or Dwellings per GBA	Assumed Mix with MXD	Assumed Job Density per GBA	Existing Jobs	Potential Jobs	Net New Job Capacity	Job Increase or Decrease from BLR	Net New Housing Capacity	Dwelling increase from BLR
Multifamily	**22**	70.0%	**0**					291	**254**
Service/Office	54	15.0%	8.1			97			
Retail	60	15.0%	9.0			108			
Total		100.0%	**17.1**	**93**	**380**	**287**	**(37)**		

Land Use Alternative	Jobs Added	Dwellings Added	Net Change in Job Capacity from BLR	Net Change in Dwelling Capacity from BLR
Alt. 2: Downtown Mixed Use Zone	287	291	(37)	254

* analysis of annual impact at buildout (year 20) excluding pipeline projects.

Alt. 3 New GC Zone for Neighborhood Center

This alternative would address the current projected employment shortfall through a specific land use action to redesignate approximately 4 acres of buildable land within a TN zone to a GC zone designation within the City. As the City and surrounding areas such as Camano Island add residents, aggregate disposable income will increase. This additional consumer buying power would increase potential sales for existing and future retail and service businesses.

An analysis of retail sales and supportable commercial development was conducted to ascertain the amount of growth necessary to support a small neighborhood center with a small grocery store (such as a Trader Joes or Whole Foods 365), coffee shop, day care center and 1-2 restaurants. The results indicate that if 1,600 households are added to the City and surrounding communities over the next 20-25 years (Stanwood Housing Needs Assessment assumes 1,522 dwellings added to the City by 2044), it would create approximately $136.9 million in net new annual income and support $70.6 million in net new annual in-store retail sales. That level of demand would likely generate demand for approximately 148,600 SF of new development or redevelopment.

If the City could "capture" 60%-100% of this net new retail demand it would require between 3.4 and 6.2 acres of land area for the neighborhood center and support 202 to 372 jobs (**Exhibit 18**). While the market support for a new neighborhood shopping center would not occur for 15+ years, it will likely occur within the 15-20 year time frame based on the pace of housing development underway. Other factors such as transportation access, visibility and walkability are important considerations in the location of any commercial development.

Exhibit 18

Projected Stanwood/Camano Area: Net New In-Store Retail Demand

2022 to 2044 forecast:	
Proj. Net New Households by year 2044	1,600
Median Income (2022 est.)	$85,567
Proj. Net New Aggregated Income by 2044	$136,907,520
Proj. Net New Retail In-Store Retail Sales	$70,607,198

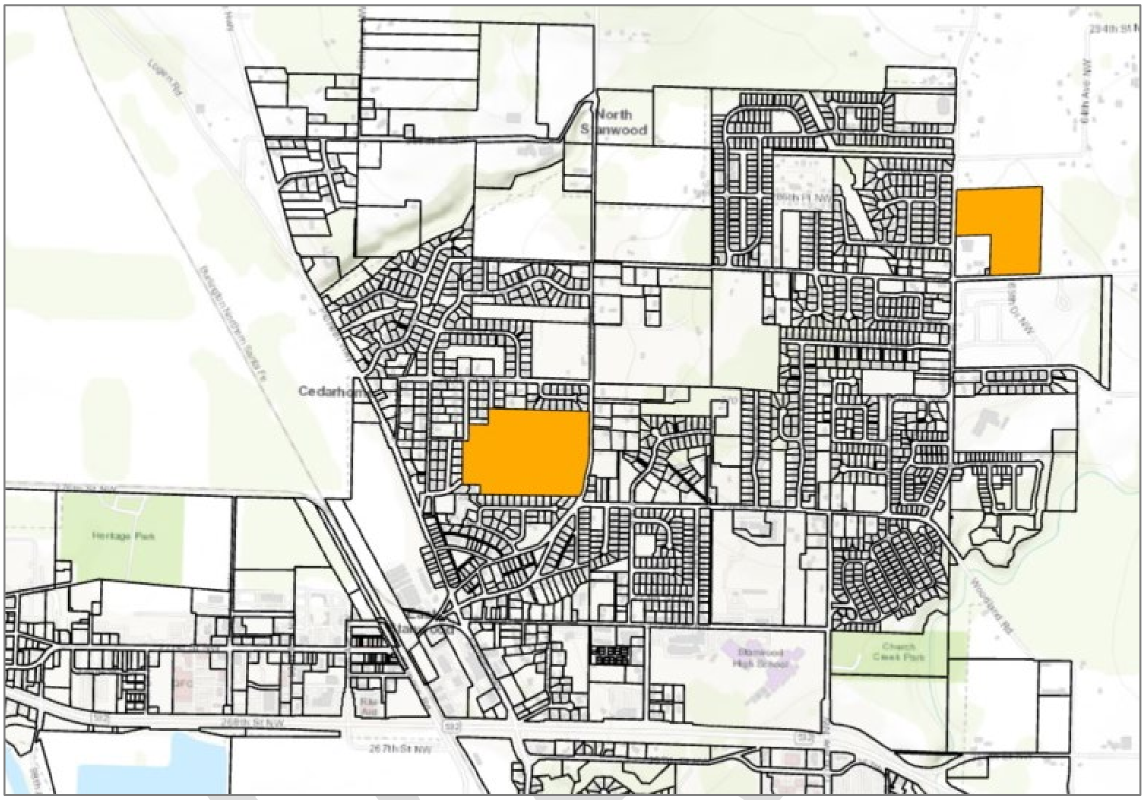
	Proj. Annual Retail Spending per Household	Proj. Additional Retail Demand	Supportable SF (@$475/SF)*	Supportable Jobs**	Land Need (gross buildable acres)**
Gasoline Stations/Automotive	$4,215	$6,744,052	14,198		
Food/Grocery	$6,603	$10,564,239	22,241		
General Merchandise	$28,078	$44,924,156	94,577		
Restaurants & Entertainment	$5,234	$8,374,751	17,631		
Total	**$44,129**	**$70,607,198**	**148,600**	**372**	**6.2**
Total, excluding gas stations/automotive	**$39,914**	**$63,863,146**	**134,449**	**336**	**5.6**
Projected Stanwood Capture Rate (@60%)			**80,669**	**202**	**3.4**

Source: Stanwood Housing Needs Assessment, 2022; ESRI Business Analyst (income and spending assumptions); excludes auto vehicle sales and non-store purchases (which are assumed to increase from 3% current to 10% of retail sales over time frame).
** Estimated gross annual average retail sales per establishment; source: IMPLAN model.*
*** Assumes 400 SF per job and 60 jobs per acre based on capacity analysis assumptions.*

For analysis purposes, the project consultant team identified a central location for the new neighborhood center. The capacity analysis identified two remaining large vacant TN-zoned sites the City that are not currently in the development pipeline. As shown in **Exhibit 19**, these two sites include 32.8 buildable acres with current capacity of 323 dwelling units per BLR assumptions. The

GC designation on 4 acres of land is expected to result in a net decrease in housing capacity by 22 units and a corresponding increase in employment capacity by 202 jobs.

Exhibit 19: Existing Large Vacant TN Parcels



Neighborhood Center Analysis (includes TN zones only)

Site Name	Status	Gross Buildable Acres	Existing Jobs	Proj. Net New Jobs	Proj. Net New Dus
Knudsen Site	Redevelopable	27.8	**0**	**0**	276
Josephine Sunset Homes	Redevelopable	5.0	**0**	**0**	47
Total		32.8	0	0	**323**

Source: Snohomish County BLR, 2021 (excludes pipeline developments).

Employment and Housing Capacity with GC Zone for Neighborhood Center

	Jobs or Dus per GBA	Assumed Mix with MXD	Job Increase from BLR	GBA Coverted from Res to Emp	DU Decrease from BLR	Updated Proj. Net New Dus
Singe-family	6	80.0%		**4.0**	(24)	**299**
Retail	60	20.0%	**202**			
Total		100.0%				

Land Use Alternative	Jobs Added	Dwellings Added	Net Change in Job Capacity from BLR	Net Change in Dwelling Capacity from BLR
Alt. 3: Planned GC site in TD*	202	0	**202**	(22)

* analysis of annual impact at buildout (year 20) excluding pipeline projects.

V. EVALUATION OF THE ALTERNATIVES

The expected impact on future housing and employment capacity that would be attributed to the land use alternatives is shown in **Exhibit 20**. The City may opt to phase-in or combine these alternatives to achieve the recommended growth capacity targets.

Exhibit 20: Summary of Land Use Impacts

Land Use Alternative	Jobs Added	Dwellings Added	Net Change in Job Capacity from BLR	Net Change in Dwelling Capacity from BLR
Alt. 1A: Twin City Foods Site (new user)	150		150	
Alt. 1B: LI to PI	278		277	
Alt. 1C: GI to PI (in designated areas)	86		86	
Subtotal	**515**	**0**	**513**	**0**
Alt. 2: Downtown Mixed Use Zone	**287**	**291**	**(37)**	**254**
Alt. 3: Planned GC site in TD*	**202**	**0**	**202**	(22)
Grand Total	**1,004**	**291**	**678**	**232**

* analysis of annual impact at buildout (year 20) excluding pipeline projects.

The process for selecting one or more of these alternatives will need to consider local input on the community vision, market conditions, and level of infrastructure investments needed and desired. In this regard, the project consultant team evaluated the potential fiscal and economic impacts of these land use alternatives.

A fiscal impact analysis was also conduced of each alternative to help quantify the relative changes in general fund contributions (revenues less expenditures) in comparison to the current long range BLR forecast using the remaining land capacity after the pipeline projects are removed from the buildable land inventory.

The fiscal impact analysis assumed buildout of the planned development capacity and evaluated potential changes to City's general fund after considering potential changes in property tax revenues, retail sales and use tax revenues, affordable housing sales and use tax revenues, and state pass through tax revenues (incudes gas tax, multimodal distributions, liquor profits/excise taxes, criminal justice programs, etc.).

Assumptions were also made regarding the net impact on the general fund that is generated by households (dwellings) vs. employment (**see Appendix E**).

Next, the project consultant team identified various evaluation criteria to help compare the relative impacts of the land use alternatives.

These criteria included :

- Jobs Added
- Housing Added
- Net Annual Fiscal Impact on General Fund
- Near-term Market Acceptance
- Citizen Support (based on feedback received so far)
- Housing Cost Impacts (production of a variety of housing)

The overall results depicted in **Exhibit 21 and Appendix E** indicate that there would likely be a significant increase in overall Real Market Value of real estate investment within the City for each of three land use alternatives. Positive impacts on the City's general fund are also expected with annual revenues expected to exceed expenditures in all of the scenarios evaluated.

Exhibit 21: Summary of Land Use and Fiscal Impacts

	Change over Existing Conditions*			
Land Use Alternative	Jobs Added	Dwellings Added	Annual Net Local Fiscal Impact on Gen. Fund*	Potential Net Increase in RMV
Alt 1: LI and GI to PI	514	**0**	$ 746,554	$ 69,904,000
Alt. 2: Downtown Mixed Use Zone	287	291	$ 999,504	$ 96,505,000
Alt. 3: Planned GC site in TD	202	299	$ 1,312,877	$ 20,580,000
Grand Total	**1,003**	**590**	**$ 3,058,934**	**$ 186,989,000**

* analysis of annual impact at buildout (year 20) excluding pipeline projects.

	Net Change compared with BLR Findings			
Land Use Alternative	Net Change in Job Capacity from BLR	Net Change in Dwelling Capacity from BLR	Annual Net Local Fiscal Impact on Gen. Fund*	Potential Net Increase in RMV
Alt. 1A: Twin City Foods Site (new user)	150		$ 30,375	$ 22,500,000
Alt. 1B: LI to PI	277		$ 402,326	$ 37,672,000
Alt. 1C: GI to PI (in designated areas)	86		$ 124,910	$ 11,696,000
Subtotal	**513**	**0**	**$ 557,611**	**$ 71,868,000**
Alt. 2: Downtown Mixed Use Zone	**(37)**	**254**	**$ (78,557)**	**$ 59,245,000**
Alt. 3: Planned GC site in TD*	**202**	(22)	**$ 1,312,877**	**$ 20,580,000**
Grand Total	**678**	**232**	**$ 1,791,930**	**$ 151,693,000**

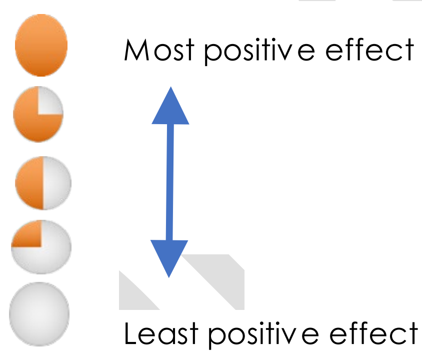
* analysis of annual impact at buildout (year 20) excluding pipeline projects.

The overall evaluation of the alternatives included assigning a value ranging from least positive to highest positive impact for each criterion. The results shown in **Exhibit 22** indicate that Alternatives 1 and 2 would yield the highest overall score relative to Alternative 3.

Exhibit 22: Evaluation of Land Use Alternatives

	Evaluation Criteria						
	Jobs Added	Housing Added	Net Fiscal Impact	Near Term Market Acceptance	Citizen Support	Housing Cost Impact	Total Relative SCORE
Alt. 1	●	○	◕	◕	●	◔	◕
Alt. 2	◑	●	◑	●	●	●	◕
Alt. 3	◑	○	●	◔	◔	○	◔

Legend



VI. OTHER CONSIDERATIONS AND NEXT STEPS

These draft findings and associated official Zone Map amendments (**Exhibit F**) will be discussed and may be refined based on input received during meetings with City staff, community stakeholders, and public officials (Planning Commission members and City Council members).

As the City considers changes to the official Zoning Map this is also an appropriate time to consider amendments to land use designations within areas outside the current city limits but inside the Stanwood UGA. Current land use zones and Comprehensive Plan designations should be updated to enhance consistency between City and County plan designations, particularly within the "eastern gateway" in locations likely to be considered for annexation. Recommended Zoning Map amendments would entail redesignating areas within the eastern gateway of the UGA in proximity to SR 532 from LI to TN to encourage a mix of housing and employment development in that location.

APPENDIX A: WAC 365-196-325

WAC 365-196-325

Providing sufficient land capacity suitable for development.

(1) Requirements.

(a) RCW **36.70A.115** requires counties and cities to ensure that, taken collectively, comprehensive plans and development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical, governmental, educational, institutional, commercial, and industrial facilities related to such growth, as adopted in the applicable county-wide planning policies and consistent with the twenty-year population forecast from the office of financial management. To demonstrate this requirement is met, counties and cities must conduct an evaluation of land capacity sufficiency that is commonly referred to as a "land capacity analysis."

(b) Counties and cities must complete a land capacity analysis that demonstrates sufficient land for development or redevelopment to meet their adopted growth allocation targets during the review of urban growth areas required by RCW **36.70A.130** (3)(a). See WAC **365-196-310** for guidance in estimating and providing sufficient land capacity.

(c) Counties and cities subject to RCW **36.70A.215** must determine land capacity sufficiency as part of the buildable lands reporting required no later than one year prior to the deadline for periodic review of comprehensive plans and development regulations required by RCW **36.70A.130**, and adopt and implement measures that are reasonably likely to increase the consistency between land capacity and growth allocations. See WAC **365-196-315** for guidance.

(d) A complete land capacity analysis is not required to be undertaken for every amendment to a comprehensive plan or development regulation outside of the act's required periodic reviews. However, when considering amendments to the comprehensive plan or development regulations which increase or decrease allowed densities, counties and cities should estimate the degree of increase or decrease in development capacity on lands subject to the amendments, and estimate if the capacity change may affect its ability to provide sufficient capacity of land suitable for development. If so, the county or city should complete a land capacity analysis.

(2) Recommendations for meeting requirement.

(a) Determining land capacity sufficiency. The land capacity analysis is a comparison between the collective effects of all development regulations operating on development and the assumed densities established in the land use element. In order to achieve sufficiency, the development regulations must allow at least the low end of the range of assumed densities established in the land use element. This assures a city or county can meet its obligation to accommodate the growth allocated through the county-wide population allocation process.

(b) Appropriate area for analysis. The focus of the analysis is on the county or city's ability to meet its obligation to accommodate the growth allocated through the county-wide population or employment allocation process. Providing sufficient land capacity for development does not require a county or city to achieve or evaluate sufficiency for every parcel of a future land use designation provided the area as a whole ensures sufficient land capacity for development.

(c) The land capacity analysis should evaluate what the development regulations allow, rather than what development has actually occurred. Many factors beyond the control of counties and cities will control the amount and pace of actual development, what density it is built at and what types and densities of development are financially viable for any set of economic conditions. Counties and cities need not ensure that particular types of development are financially feasible in the context of short term market conditions. Counties and cities should, however, consider available information on trends in local markets to inform its evaluation of sufficient land capacity for the twenty-year planning period.

(d) Development phasing. RCW **36.70A.115** does not create an obligation to ensure that all land in the urban growth area is available for development at the same time. When counties or cities establish mechanisms for development phasing, zoned densities in the short term may be established that are substantially lower than called for in the future land use designations. In these cases, a county or city ensures a sufficient land capacity suitable for development by implementing its development phasing policies to allow development to occur within the twenty-year planning period. Development phasing is described in greater detail in WAC **365-196-330**.

(e) The department recommends the following means of implementing the requirements of RCW **36.70A.115**.

(i) Periodic evaluation. Counties and cities ensure sufficient land capacity for development by comparing the achieved density of development that has been permitted in each zoning category to the assumed densities established in the land use element using existing permitting data. If existing permitting data shows that the densities approved are lower than assumed densities established in the land use element, counties and cities should review their development regulations to determine if regulatory barriers are preventing development at the densities as envisioned. This evaluation must occur as part of the urban growth area review required in RCW **36.70A.130** (3)(a) and as part of the buildable lands review and evaluation program conducted under RCW **36.70A.215**.

(ii) Flexible development standards. Counties and cities could ensure sufficient land capacity for development by establishing development regulations to allow development proposals that transfer development capacity from unbuildable portions of a development parcel to other portions of the development parcel so the underlying zoned density is still allowed. This may provide for flexibility in some dimensional standards provided development is consistent with state law and all impacts are mitigated.

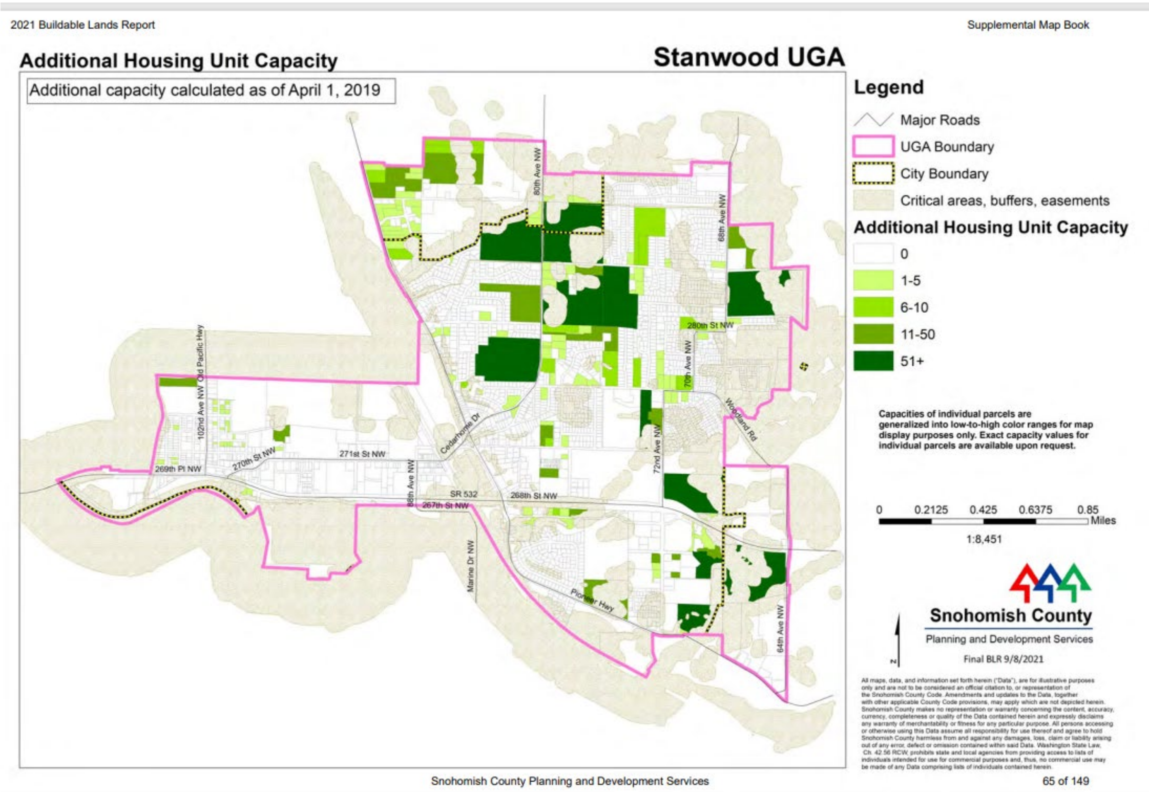
(iii) Evaluation of development capacity impacts of proposed development regulation amendments. Counties and cities may also consider evaluation of whether proposed amendments to development regulations will have a significant impact on the ability of a county or city to provide sufficient capacity of land for development.

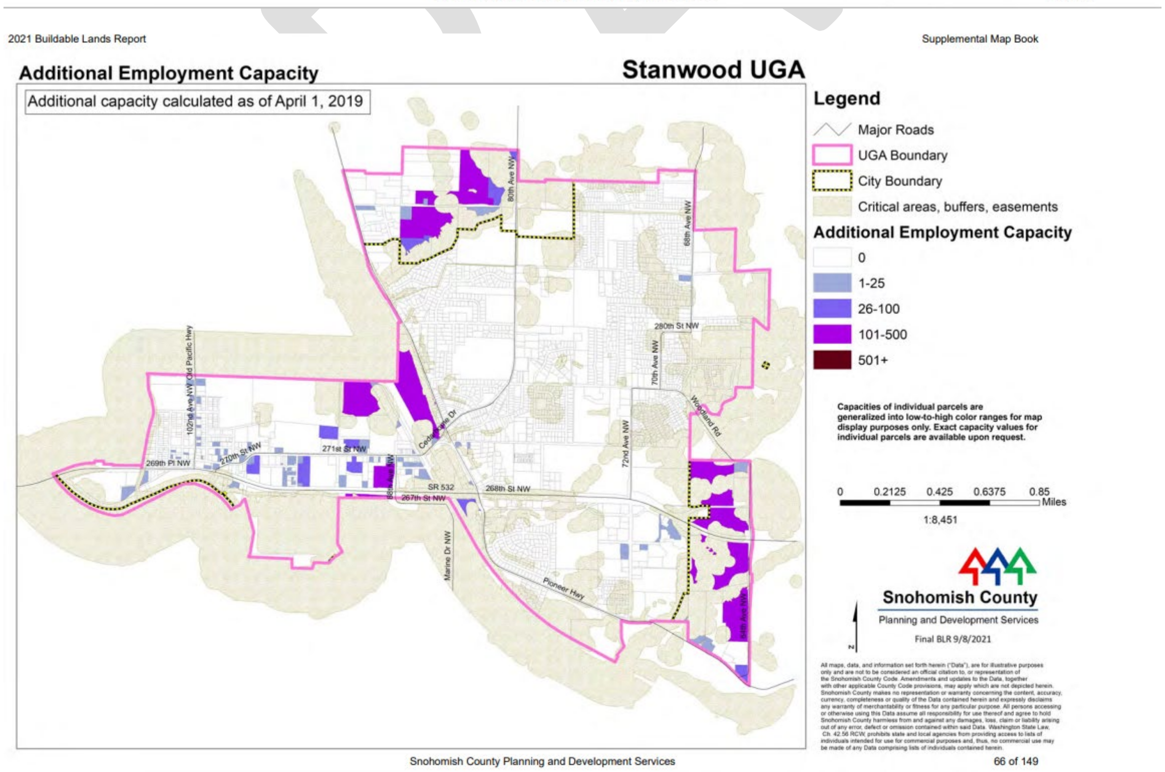
[Statutory Authority: RCW **36.70A.050** and **36.70A.190**. WSR 15-04-039, § 365-196-325, filed 1/27/15, effective 2/27/15; WSR 10-22-103, § 365-196-325, filed 11/2/10, effective 12/3/10; WSR 10-03-085, § 365-196-325, filed 1/19/10, effective 2/19/10.]

APPENDIX B: SNOHOMISH COUNTY BLR MAPS FOR STANWOOD

Snohomish County Buildable Lands Report, 2021

Stanwood Maps

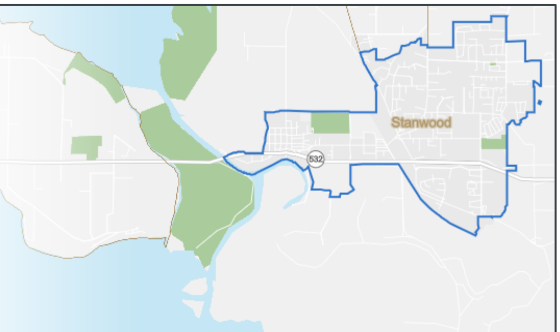




APPENDIX C: COMMUNITY PROFILE

Stanwood city, Washington

Stanwood city, Washington is a city, town, place equivalent, and township located in Washington.



// United States / Washington / Stanwood city, Washington

Populations and People
Total Population
7,705
P1 | 2020 Decennial Census

Income and Poverty
Median Household Income
$71,306
S1901 | 2020 American Community Survey 5-Year Estimates

Education
Bachelor's Degree or Higher
20.8%
S1501 | 2020 American Community Survey 5-Year Estimates

Employment
Employment Rate
63.4%
DP03 | 2020 American Community Survey 5-Year Estimates

Housing
Total Housing Units
2,979
H1 | 2020 Decennial Census

Health
Without Health Care Coverage
0.8%
S2701 | 2020 American Community Survey 5-Year Estimates

Families and Living Arrangements
Total Households
2,609
DP02 | 2020 American Community Survey 5-Year Estimates

Race and Ethnicity
Hispanic or Latino (of any race)
674
P2 | 2020 Decennial Census

Populations and People

Age and Sex

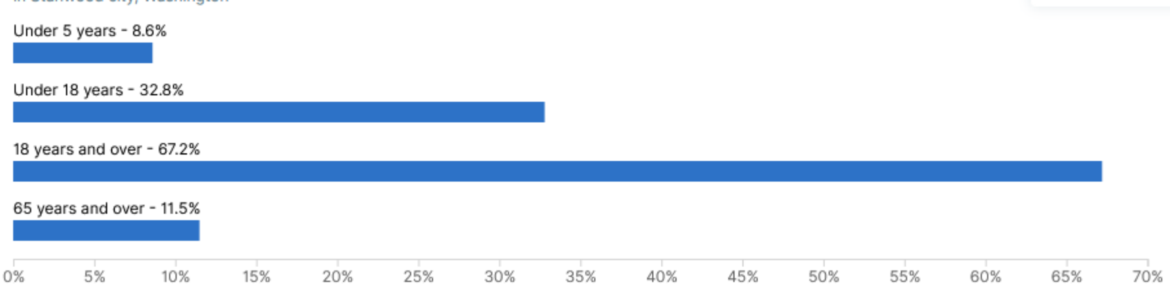
32.0 +/- 3.0
Median Age in Stanwood city, Washington

37.8 +/- 0.2
Median Age in Washington

S0101 | 2020 American Community Survey 5-Year Estimates

Population by Age Range
in Stanwood city, Washington

View Options



Show Table

DP05 | 2020 ACS 5-Year Estimates Data Profiles

Ancestry

in Stanwood city, Washington

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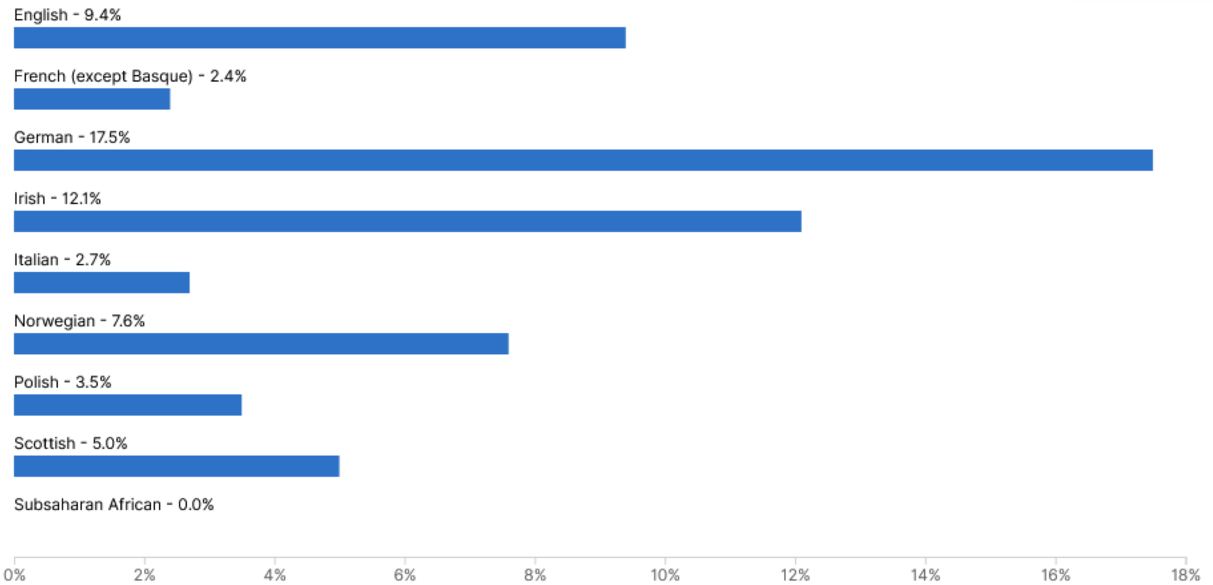

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DP02 | 2020 ACS 5-Year Estimates Data Profiles

Income and Poverty

Income and Earnings

$71,306 +/- $16,199

Median Household Income in Stanwood city, Washington

$77,006 +/- $296

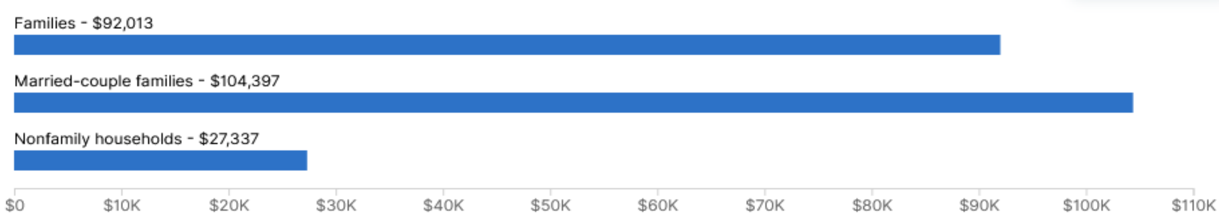
Median Household Income in Washington

S1901 | 2020 American Community Survey 5-Year Estimates

Median Income by Types of Families

in Stanwood city, Washington

View Options



Show Table

S1901 | 2020 ACS 5-Year Estimates Subject Tables

Poverty

7.9% +/- 4.0%

Poverty, All people in Stanwood city, Washington

10.2% +/- 0.2%

Poverty, All people in Washington

S1701 | 2020 American Community Survey 5-Year Estimates

Education

Educational Attainment

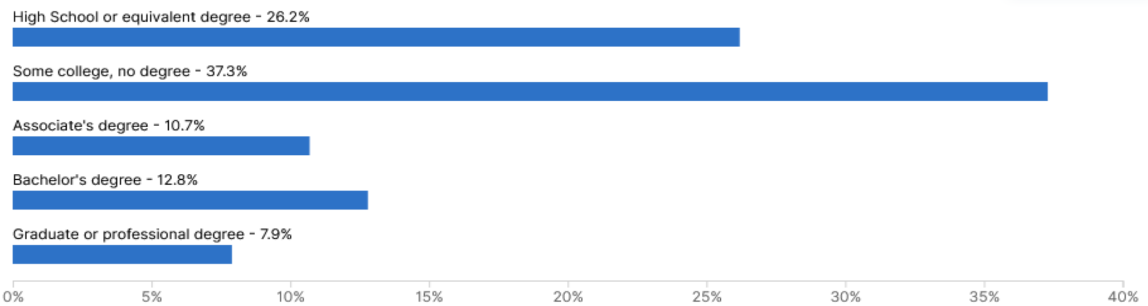
20.8% +/- 5.8%
Bachelor's Degree or Higher in Stanwood city, Washington

36.7% +/- 0.2%
Bachelor's Degree or Higher in Washington

S1501 | 2020 American Community Survey 5-Year Estimates

Education Attainment (Population 25 Years and Older)
in Stanwood city, Washington

View Options



Show Table

DP02 | 2020 ACS 5-Year Estimates Data Profiles

Employment

Class of Worker

16.7% +/- 6.4%
Local, State, & Federal Government Workers in Stanwood city, Washington

15.6% +/- 0.2%
Local, State, & Federal Government Workers in Washington

S2406 | 2020 American Community Survey 5-Year Estimates

Class of Worker
in Stanwood city, Washington

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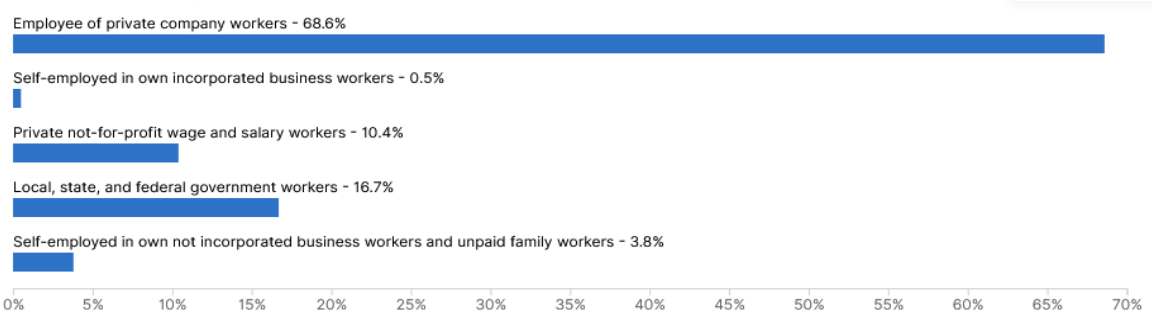


Show Table

S2406 | 2020 ACS 5-Year Estimates Subject Tables

Employment and Labor Force Status

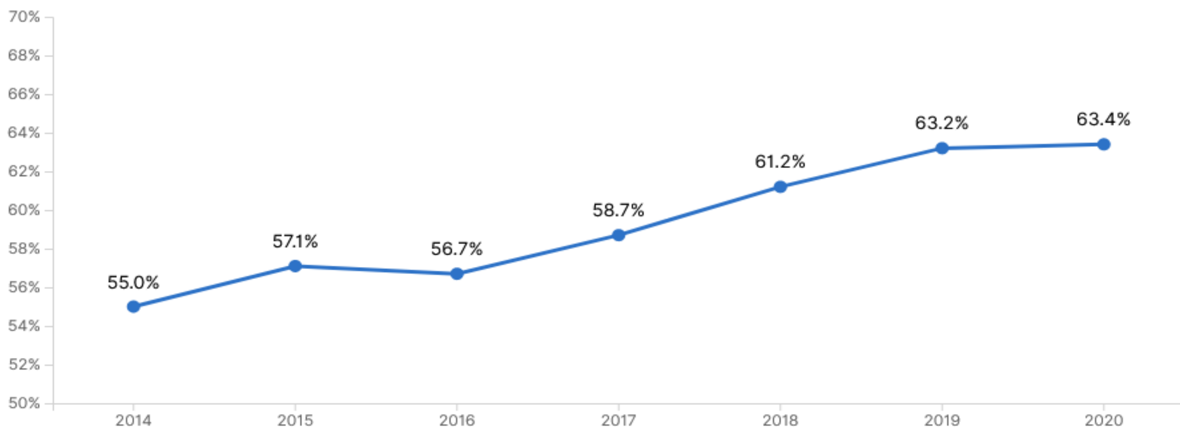
63.4% +/- 4.1%
Employment Rate in Stanwood city, Washington

60.6% +/- 0.1%
Employment Rate in Washington

DP03 | 2020 American Community Survey 5-Year Estimates

Employment Rate
in Stanwood city, Washington

View Options



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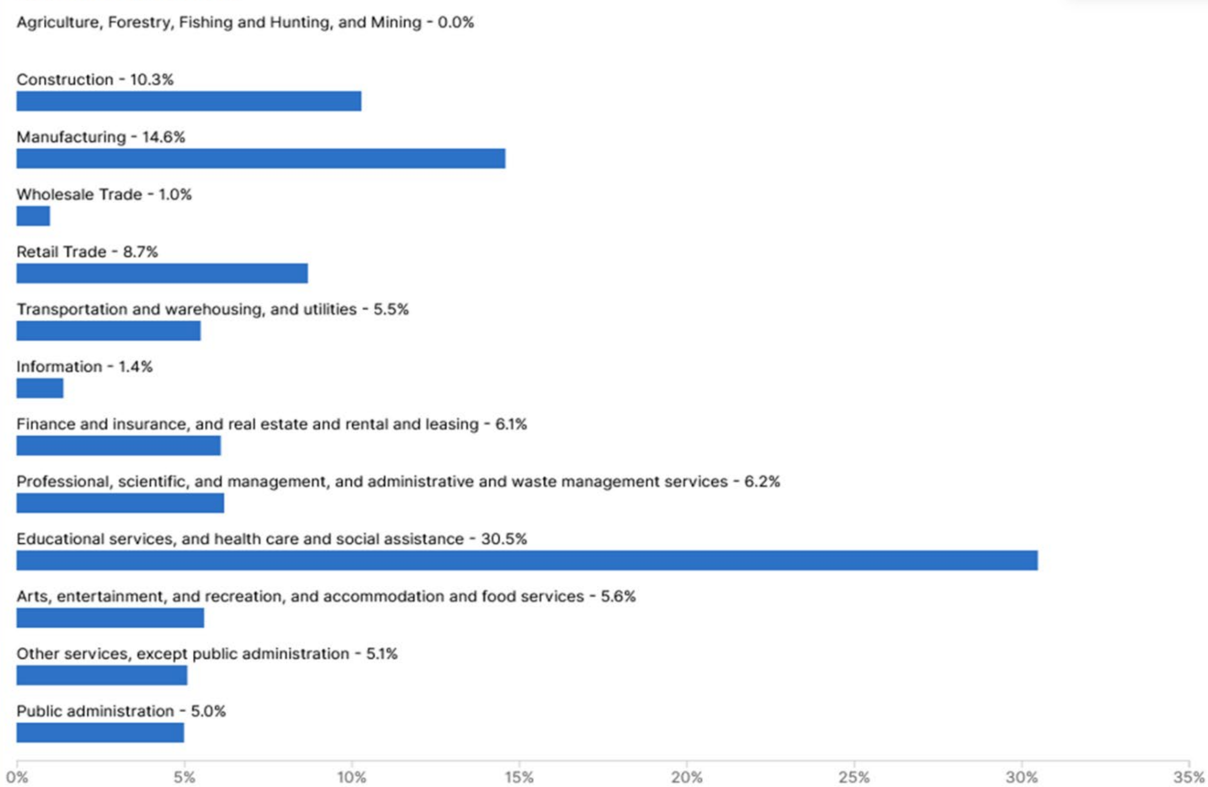
DP03 | 2020 ACS 5-Year Estimates Data Profiles

Industry for the Civilian Employed Population 16 Years and Over
in Stanwood city, Washington

View Options



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DP03 | 2020 ACS 5-Year Estimates Data Profiles

Housing

Financial Characteristics

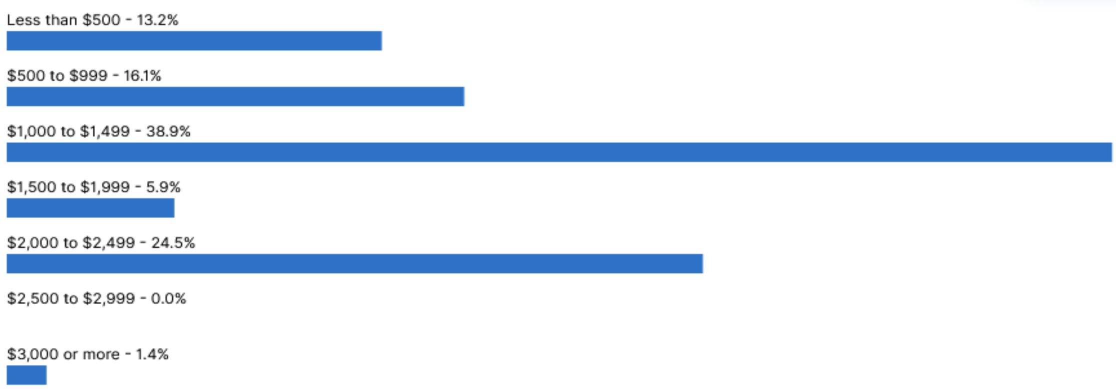
$1,170 +/- $123
Median Gross Rent in Stanwood city, Washington

$1,337 +/- $6
Median Gross Rent in Washington

DP04 | 2020 American Community Survey 5-Year Estimates

Occupied Units Paying Rent
in Stanwood city, Washington

View Opti



Homeownership Rate

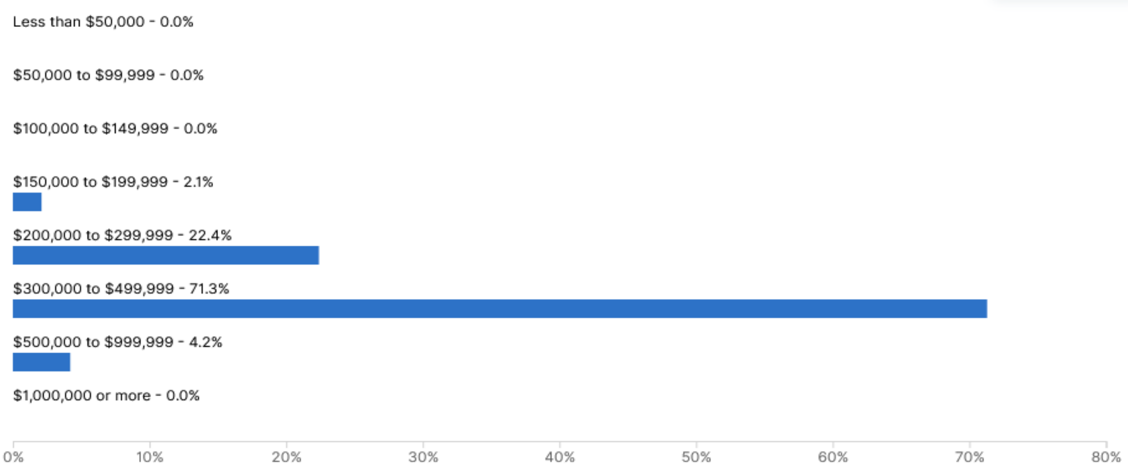
69.0% +/- 6.4%
Homeownership Rate in Stanwood city, Washington

63.3% +/- 0.2%
Homeownership Rate in Washington

DP04 | 2020 American Community Survey 5-Year Estimates

Housing Value
in Stanwood city, Washington

View Options



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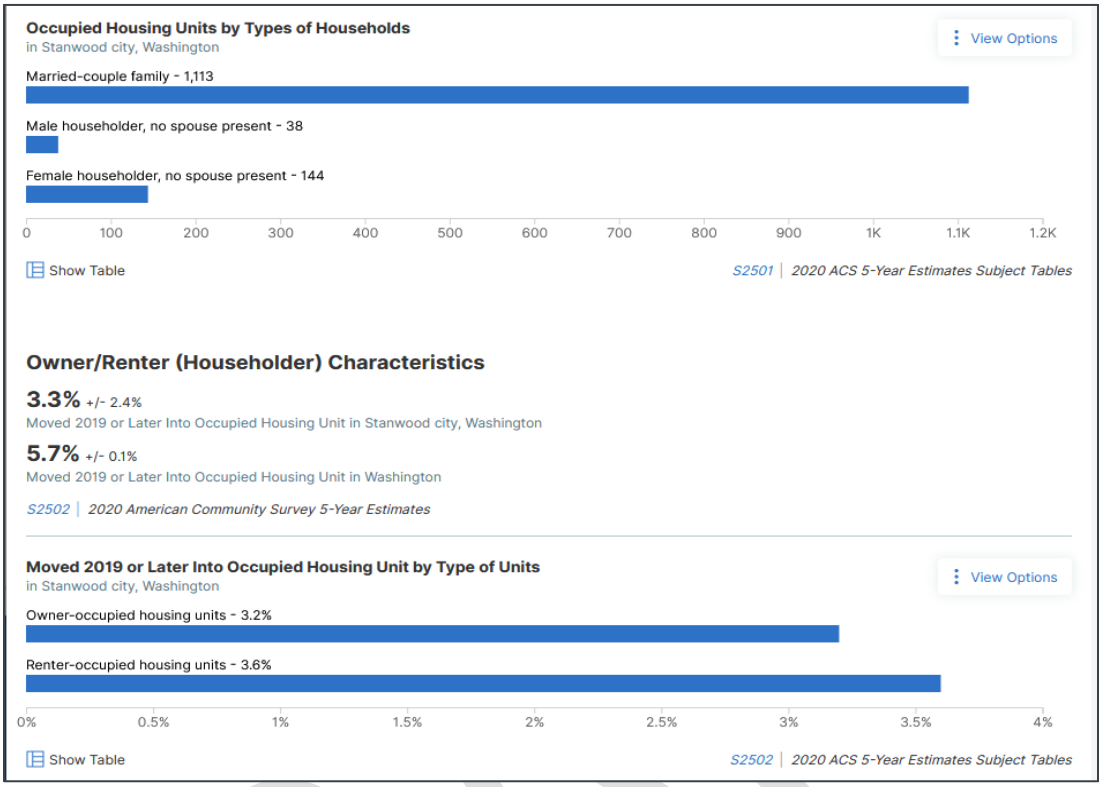
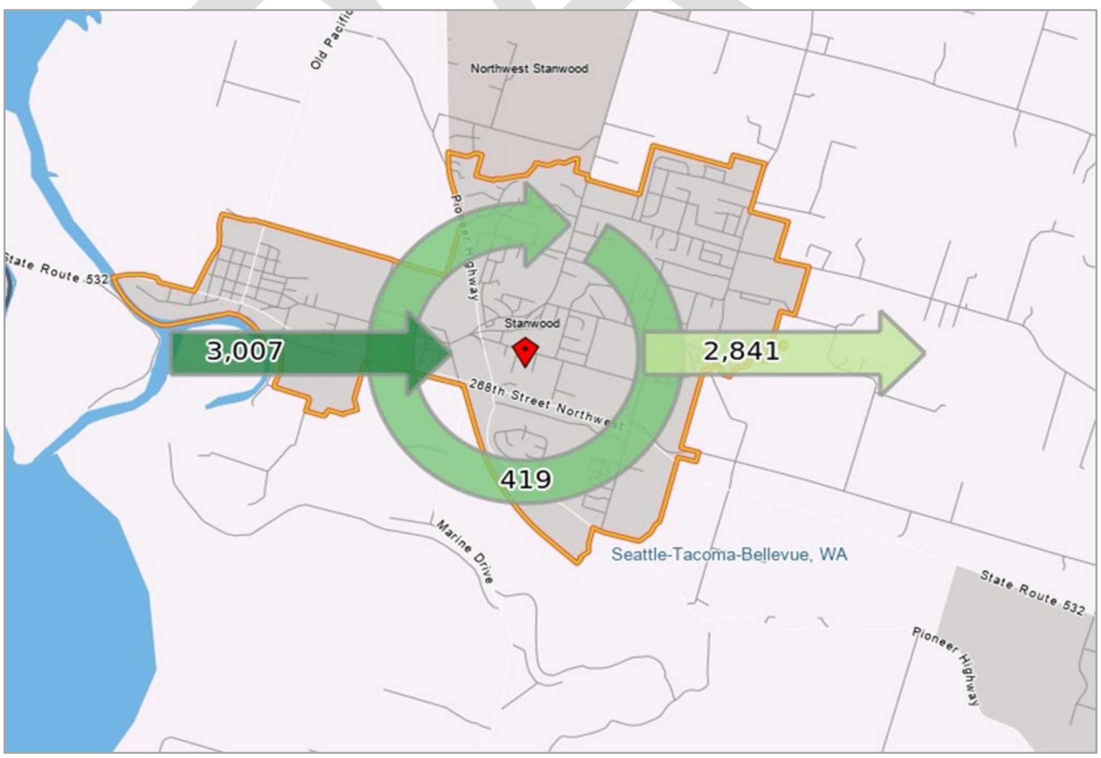
DP04 | 2020 ACS 5-Year Estimates Data Profiles



Stanwood Resident Work Commuter Inflow/Outflow, 2018



APPENDIX D: PIPELINE CAPACITY ANALYSIS

LDC | Surveying Engineering Planning

DATE: August 13, 2022

FROM: Samantha Adams – Associate Planner, LDC, Inc.
Matt Covert – Planner, LDC, Inc.

TO: Todd Chase, Principal/Economist, FCS Group
Tim Wood, FCS Group

SUBJECT: Land Capacity Analysis (Task 1.3.2)

Background

This memo provides a summary of the data analysis that LDC has performed in partial completion of Economic Analysis of Land Use Options (Phase 1) of the Stanwood Comprehensive Plan Update. The maps, matrices, and GIS shapefiles included in this deliverable form the basis for the development of economic analysis performed by the FCS Group.

These maps and associated documentation aim to depict the performance of development within the City of Stanwood's pipeline relative to the Buildable Lands Report (BLR) produced by Snohomish County. The intent is to identify how new development has impacted the anticipated employment and housing growth, projected by the BLR. The methodology and results of this process are described below.

Methodology

To achieve an accurate assessment of the capacity Stanwood has in terms employment and housing, it was imperative to incorporate development that has been issued since the BLR was published. The City of Stanwood provided permitting data from the year 2018 to 2022 which will be referred to as the 'pipeline data' or 'pipeline development' throughout this document.

The first step in this process was joining the BLR parcel data set from Snohomish County with the pipeline data from the City of Stanwood. With these two data sets merged as one, we identified which parcels reduce the amount of employment and housing growth the City has to accommodate.

We summed the amount of employment and housing capacity from the BLR data, and we summed the total pipeline developments as total jobs and housing units. We subtracted the pipeline data from the original BLR capacity to achieve an updated look at where the City still needs to accommodate projected growth. As a result, we found the City of Stanwood has overachieved on housing projection by 165 units. In other words, the parcels identified in the BLR for housing growth have been developed at a higher density than anticipated. Conversely, we found the City has underachieved on employment projection by 22 jobs. The FCS Group, LDC, Inc., and the Blueline Group have been strategizing on regulatory and zoning changes the City of Stanwood could implement to ensure the City has ample space to absorb the projected employment growth.

Sincerely,

LDC, Inc.

Matt Covert, AICP
Planner

HQ: 20210 142nd Avenue NE, Woodinville, WA 98072 • Kent: 1851 Central Place South, Suite 101, Kent, WA 98030

Service ABOVE the Standard

ph: 425.806.1869 • fx: 425.482.2893 • www.LDCcorp.com

APPENDIX D PIPELINE CAPACITY ANALYSIS

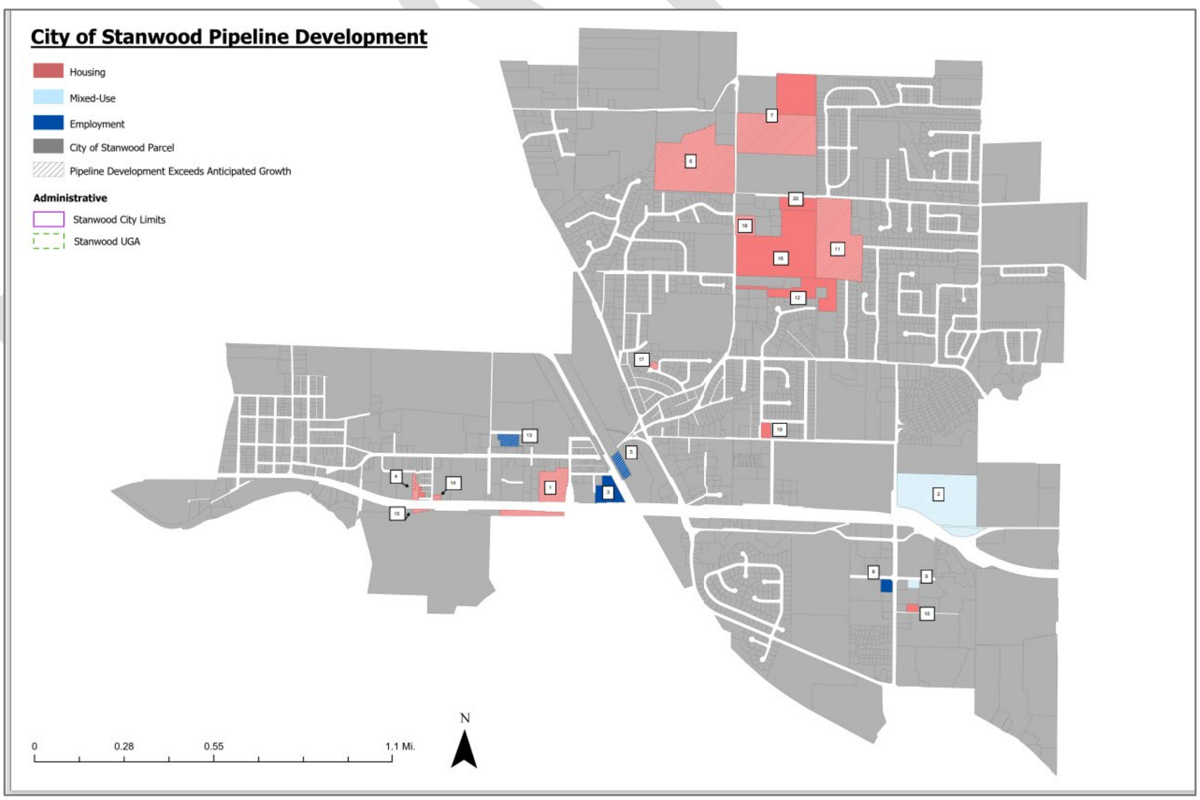
City of Stanwood, Predevelopment Pipeline Analysis, April 2022

						Housing (dwellings)		Employment (jobs)		
Map #	Project Name	Use	Description	Status	Parcel (s)	BLR Housing Capacity*	Housing Units Expected**	Approx. Net rentable SF Expected**	2022 BLR Job Capacity Estimate*	Approx. Job Capacity Expected**
1	Viking Village	Townhomes	90-unit townhome	pre-application	32041900304000, 32041900303400	0	90	0	105	0
2	Creekside/Vine St	Mixed Use	400+ unit mixed use/multi family	pre-application	32042000302000, 32042000302100, 32042900200300	130	400	26,800 sf	0	67
3	McDay Holdings	Industrial	potential mini storage	pre-application	32041900307900, 32041900303700, 32041900310000, 32041900310100	0	0	69,600 sf	25	5
4	Liberty Properties	Townhomes	6-unit townhome	pending construction	32032400414900, 32032400415000	0	6	0	7	0
5	Wolfkill	Industrial	office and warehousing	pending construction	3.20419E+13	0	0	21,968 sf	0	30
6	Chandler's Reserve	Subdivision	91-lot subdivision	pending final plat	32041800400800, 32041800401100, 32041800401700	80	91	0		
7	Kottsick	Subdivision	127-lot subdivision	pending annexation	32041800401300, 32041800401600	53	127	0		
8	Affordable Pet Care	Commercial	vet clinic	pending construction	3.20429E+13	50	0	5,771 sf	11	17
9	Grandview Lot 2	Mixed Use	36-unit mixed use multi family	pending construction	3.20429E+13	36	36	6,612 sf	6	17
10	Grandview Lot 16	Multi-Family	34-unit multi family	pending construction	3.20429E+13	34	34	0		
11	Bakerview	Subdivision	114-unit subdivision	pending preliminary plat	3.2042E+13	199	114	0		
12	Summerset Division II	Subdivision	22-lot subdivision	pending preliminary plat	32041900105000, 32042000205700	25	22	0		
13	Inland Steel	Industrial	office and warehousing	in land use review	3.20419E+13	0	0	14,401 sf	30	41
14	Brunner	Townhomes	3 or 4 unit townhome	pre-application	3.20324E+13	0	3	0	5	0
15	Sequim Land	Townhomes	7-unit townhome	in land use review	32032400412200, 32032400413600	0	7	0	11	0
16	Schonberg	Subdisivion	TN zoned subdivision	pre-application	32041900100600, 32041900106400	163	163	0		
17	Buddy Shelters	Townhomes	4-unit townhome	pending construction	6.812E+11	1	4	0		
18	Hammond	Shortplat	6-unit shortplat	pending final plat	3.20419E+13	1	6	0		
19	Brandt	Shortplat	4-unit shortplat	pending final plat	3.20419E+13	4	4	0		
20	Faulkner	Subdivision	17-lot subdivision	pre-application	3.20419E+13	21	17	0		
					Total	797	1124	145152	199	**177**
					Single-family Dwellings	546	544			
					Other Dwellings	251	580			
					Difference between Target and Actual		**327**			**(22)** jobs
						SFD units	(2)			
						Other units	329			

Source notes:

* capacity estimate based on Final 2021 Buildable Land Report.

** expected development based on planning applications approved or in process as of April 15, 2022.



APPENDIX E: FISCAL IMPACT ANALYSIS

City of Stanwood Municipal Expenditures and Revenues (excluding enterprise funds and proprietary sources)

Expenditures (excl. enterprise funds)	2018	2019	2020	2021	Change: 2019-2021
General Government	$ 740,651	$ 839,478	$ 1,166,491	$ 979,962	$ 140,484
Public Safety	$ 3,898,710	$ 3,903,029	$ 2,228,981	$ 2,300,886	$ (1,602,143)
Transportation	$ 388,370	$ 407,708	$ 417,663	$ 538,089	$ 130,381
Natural and Economic Environment	$ 790,345	$ 872,479	$ 965,460	$ 1,049,775	$ 177,296
Social Services	$ 2,182	$ 1,864	$ 10,009	$ 26,143	$ 24,279
Culture and Recreation	$ 260,553	$ 284,632	$ 317,700	$ 395,354	$ 110,722
Grand Total	**$ 6,080,811**	**$ 6,309,190**	**$ 5,106,304**	**$ 5,290,209**	**$ (1,018,981)**

Revenues (excl. enterprise funds & proprietary sources)	2018	2019	2020	2021	Change: 2019-2021
Taxes Total	$ 6,694,247	$ 7,722,320	$ 6,798,693	$ 7,201,148	$ (521,172)
Property Tax	$ 3,110,796	$ 3,428,450	$ 1,824,653	$ 1,827,923	$ (1,600,527)
Retail Sales and Use Taxes Total	$ 2,038,163	$ 2,646,659	$ 3,088,924	$ 3,074,719	$ 428,060
Local Retail Sales and Use Tax	$ 1,547,103	$ 2,032,251	$ 2,386,219	$ 2,340,998	$ 308,747
Public Transportation Systems Sales and Use Tax	$ 363,467	$ 478,192	$ 561,210	$ 550,753	$ 72,561
Affordable and Supportive Housing Sales and Use Tax			$ 5,562	$ 19,261	$ 19,261
Hotel/Motel Sales and Use Tax			$ 94	$ 209	$ 209
Brokered Natural Gas Sales and Use Tax	$ 2,297	$ 3,537	$ 931		$ (3,537)
Criminal Justice Sales and Use Tax	$ 125,296	$ 132,679	$ 134,908	$ 163,498	$ 30,819
Business and Occupation Taxes	$ 1,084,646	$ 1,101,093	$ 1,121,888	$ 1,187,067	$ 85,974
Other Taxes	$ 460,642	$ 546,118	$ 763,228	$ 1,111,439	$ 565,321
Licenses and Permits	$ 554,494	$ 538,188	$ 552,282	$ 530,116	$ (8,072)
Intergovernmental Revenues	$ 1,413,484	$ 1,033,826	$ 3,300,938	$ 2,278,116	$ 1,244,290
Charges for Goods and Services	$ 762,531	$ 1,055,940	$ 1,151,645	$ 971,834	$ (84,106)
Fines and Penalties	$ 12,993	$ 15,349	$ 14,749	$ 16,469	$ 1,120
Miscellaneous Revenues	$ 153,740	$ 193,461	$ 268,444	$ 153,418	$ (40,043)
Grand Total	**$ 9,591,488**	**$ 10,559,084**	**$ 12,086,751**	**$ 11,151,101**	**$ 592,017**
Population	6,835	7,000	7,228	7,980	980
Households (est.)	2,513	2,574	2,657	2,934	360
Employment (est.)		3,426	3,460	3,495	69

Source: Washington Dept. of Revenue, U.S. Census, Washington Office of Financial Management

Expenditures per Household	2018	2019	2020	2021	Average
General Government	$ 295	$ 326	$ 439	$ 334	$ 348
Public Safety	$ 1,551	$ 1,517	$ 839	$ 784	$ 1,173
Transportation	$ 155	$ 158	$ 157	$ 183	$ 163
Natural and Economic Environment	$ 315	$ 339	$ 363	$ 358	$ 344
Social Services	$ 1	$ 1	$ 4	$ 9	$ 4
Culture and Recreation	$ 104	$ 111	$ 120	$ 135	$ 117
Grand Total	**$ 2,420**	**$ 2,452**	**$ 1,922**	**$ 1,803**	**$ 2,149**

Revenues per Household					Average
Property Tax	$ 1,238	$ 1,332	$ 687	$ 623	$ 970
Retail Sales and Use Taxes Total	n/a	n/a	n/a	n/a	n/a
Business and Occupation Taxes	n/a	n/a	n/a	n/a	n/a
Other Taxes	$ 183	$ 212	$ 287	$ 379	$ 265
Licenses and Permits	$ 221	$ 209	$ 208	$ 181	$ 205
Intergovernmental Revenues	n/a	n/a	n/a	n/a	n/a
Charges for Goods and Services	$ 303	$ 410	$ 433	$ 331	$ 370
Fines and Penalties	$ 5	$ 6	$ 6	$ 6	$ 6
Miscellaneous Revenues	$ 61	$ 75	$ 101	$ 52	$ 72
Grand Total	**$ 2,012**	**$ 2,245**	**$ 1,722**	**$ 1,572**	**$ 1,888**

Net Avg. Annual General Fund Impact per Household (excl. Pass through rev.)					$ (262)
Sales and Use Tax Revenue Analysis	**2018**	**2019**	**2020**	**2021**	**Average**
Sales and Use Tax Revenue	$ 1,547,103	$ 2,032,251	$ 2,386,219	$ 2,340,998	$ 2,076,643
Current Local Sales and Use Tax Rate	2.8%	2.8%	2.8%	2.8%	
Local Taxable Retail Sales	$ 55,253,670	$ 72,580,393	$ 85,222,107	$ 83,607,071	$ 74,165,810
Retail Employment		326	329	333	329
Gross Taxable Sales per Retail Employee		$ 222,639	$ 258,829	$ 251,410	**$ 244,293**
Sales and Use Tax Revenue per Retail Job (est.)					**$ 6,307**
Affordable Housing Sales & Use Tax Rev per Retail Job			$ 17	$ 58	**$ 37**
REET Revenue Per Change in Prior year AV				$ 0.51	**$ 0.51**
State Pass-Through Inter. Gov. Revenue per HH					**$ 99**

Estimated Local Assessed Valuation	**2018**	**2019**	**2020**	**2021**	**Average**
Property Tax Revenue	$ 3,110,796	$ 3,428,450	$ 1,824,653	$ 1,827,923	$ 2,547,956
City Property Tax Rate per $1,000 AV	$ 1.50	$ 1.50	$ 1.50	$ 1.50	**$ 1.50**
Estimated Taxable Assessed Valuation	$ 2,073,864,207	$ 2,285,633,333	$ 1,216,435,333	$ 1,218,615,333	$ 1,698,637,052

Source: Washington Dept. of Revenue, U.S. Census, Washington Office of Financial Management

Estimated Per Capita Distributions for Each City/Town

	2019	2020	2021	2022 Revised	2023 Forecast	2024 Forecast
Gas Tax (MVFT)	$19.62	$17.23	$17.30	$17.65	**$18.20**	**$18.11**
Multi-Modal Distribution	1.38	1.36	1.33	1.32	**1.30**	**1.28**
Increased MVFT	1.21	1.19	1.16	1.15	**1.14**	**1.12**
Liquor Profits	8.15	8.03	7.83	7.77	**7.65**	**7.52**
Liquor Excise	5.47	6.34	7.08	7.12	**6.86**	**6.83**
Criminal Justice–Special Programs	1.07	1.11	1.15	1.21	**1.27**	**1.32**
Criminal Justice–Population[1]	$0.30	$0.31	$0.33	$0.36	**$0.36**	**$0.38**

1. Minimum distribution of $1,000 per city/town, regardless of population.

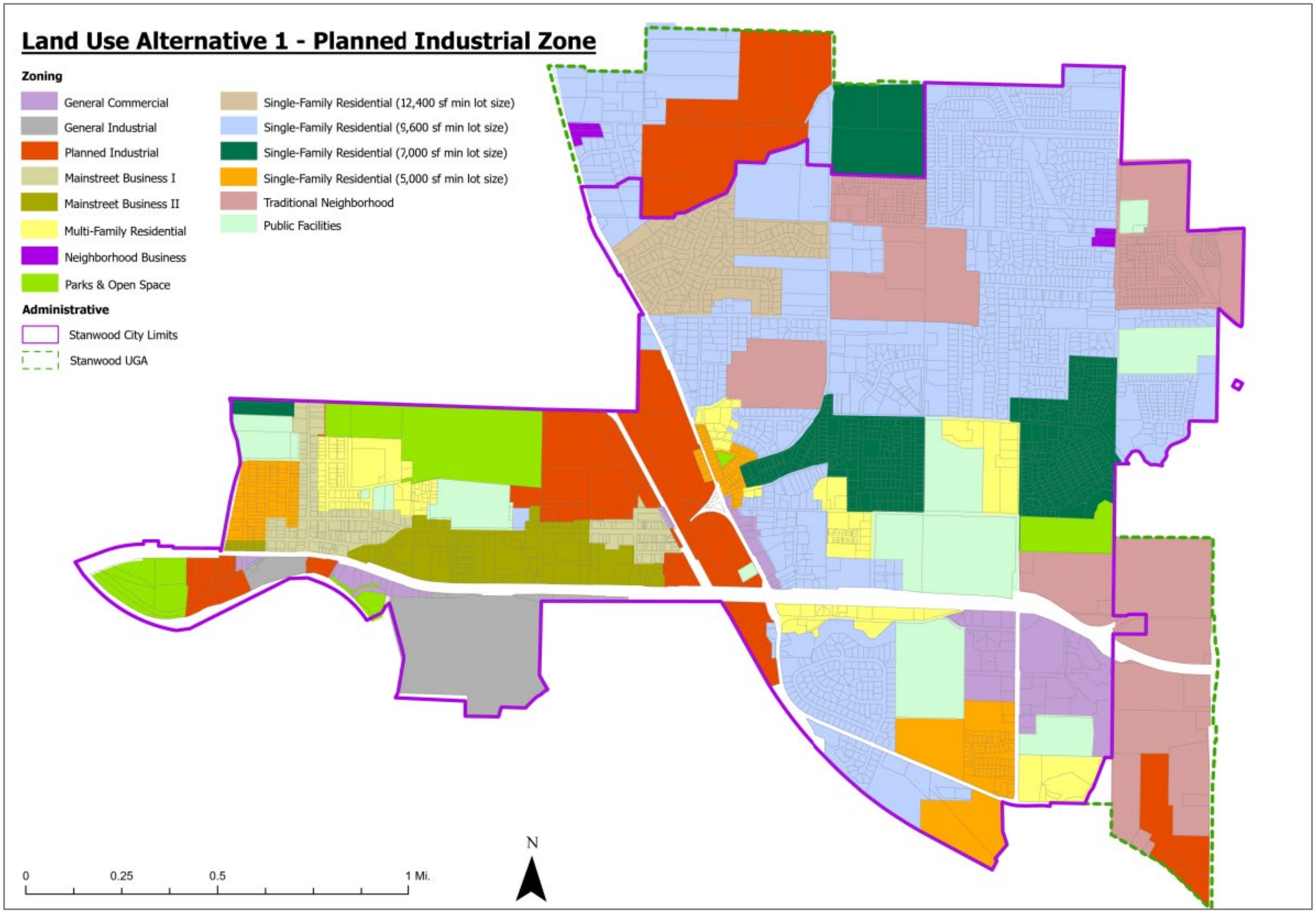
Summary of Fiscal Impacts by Land Use Alternative (annual at buildout)

Land Use Alternative	Annual Net Local Fiscal Impact on Gen. Fund*	Potential Net Increase in RMV	Potential Change in City Prop. Tax Revenue	Potential Change Retail Sales & Use Tax Rev.	Affordable Housing Sales & Use Tax Rev.	State Pass Through Tax Rev.	Total Tax Rev.	Net Change in Gen. Gov. Expenditures
			$ -	$ -	$ -	$ -	$ -	$ -
Alt. 1A: Twin City Foods Site (new user)	$ 30,375	$ 22,500,000	$ 30,375	$ -	$ -	$ -	$ 30,375	$ -
Alt. 1B: LI to PI	$ 402,326	$ 37,672,000	$ 50,857	$ 349,396	$ 2,072	$ -	$ 402,326	$ -
Alt. 1C: GI to PI (in designated areas)	$ 124,910	$ 11,696,000	$ 15,790	$ 108,477	$ 643	$ -	$ 124,910	$ -
Subtotal	**$ 557,611**	**$ 71,868,000**	$ -	$ -	$ -	$ -	$ -	$ -
Alt. 2: Downtown Mixed Use Zone	**$ (78,557)**	**$ 59,245,000**	$ 79,981	$ (116,676)	$ (692)	$ 25,259	$ (12,128)	$ (66,429)
			$ -	$ -	$ -	$ -	$ -	$ -
Alt. 3: Planned GC site in TD*	**$ 1,312,877**	**$ 20,580,000**	$ 27,783	$ 1,273,972	$ 7,556	$ (2,188)	$ 1,307,123	$ 5,754

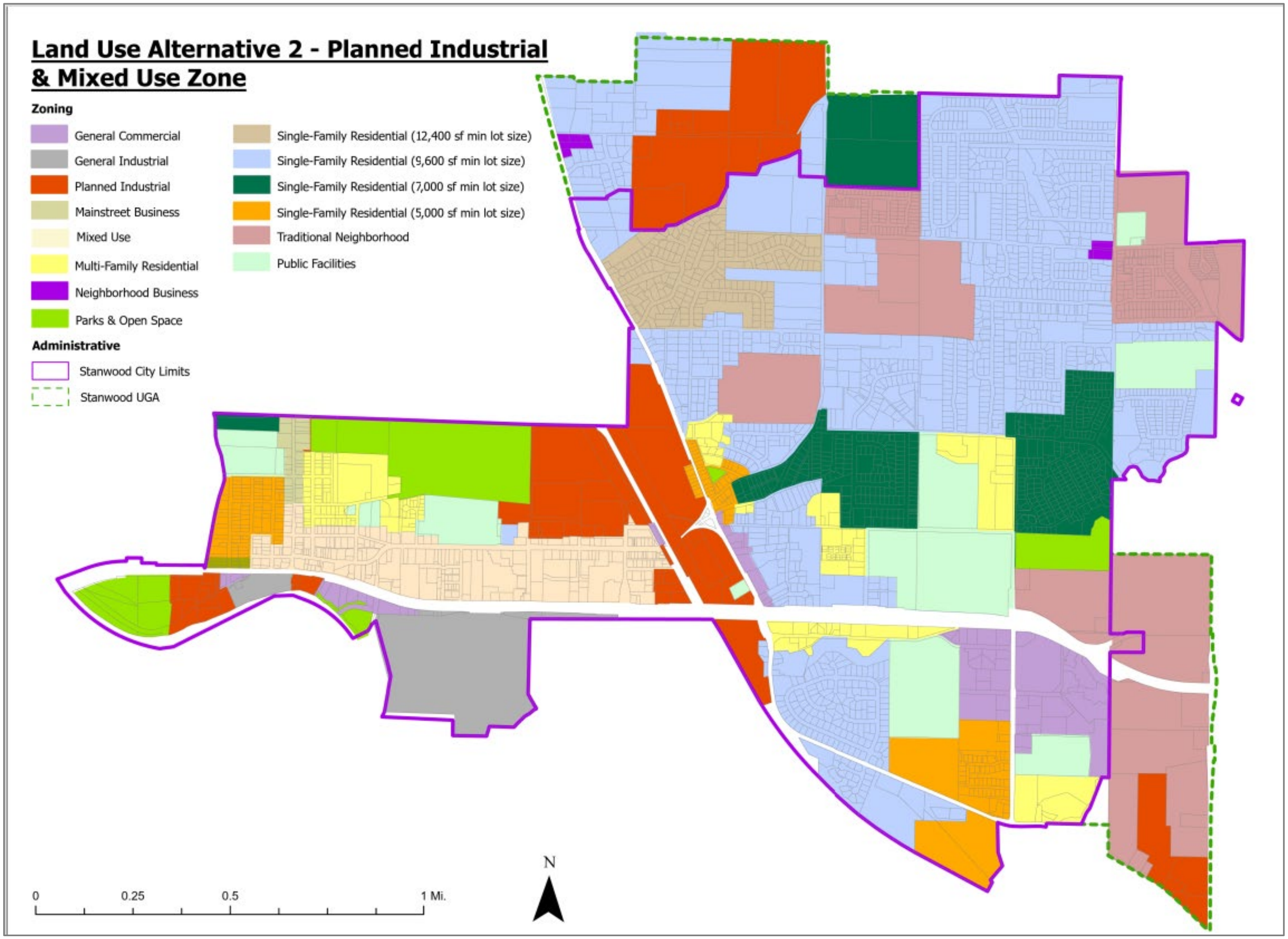
* analysis of annual impact at buildout (year 20) excluding pipeline projects.

APPENDIX F: DRAFT ZONE MAP AMENDMENT ALTERNATIVES

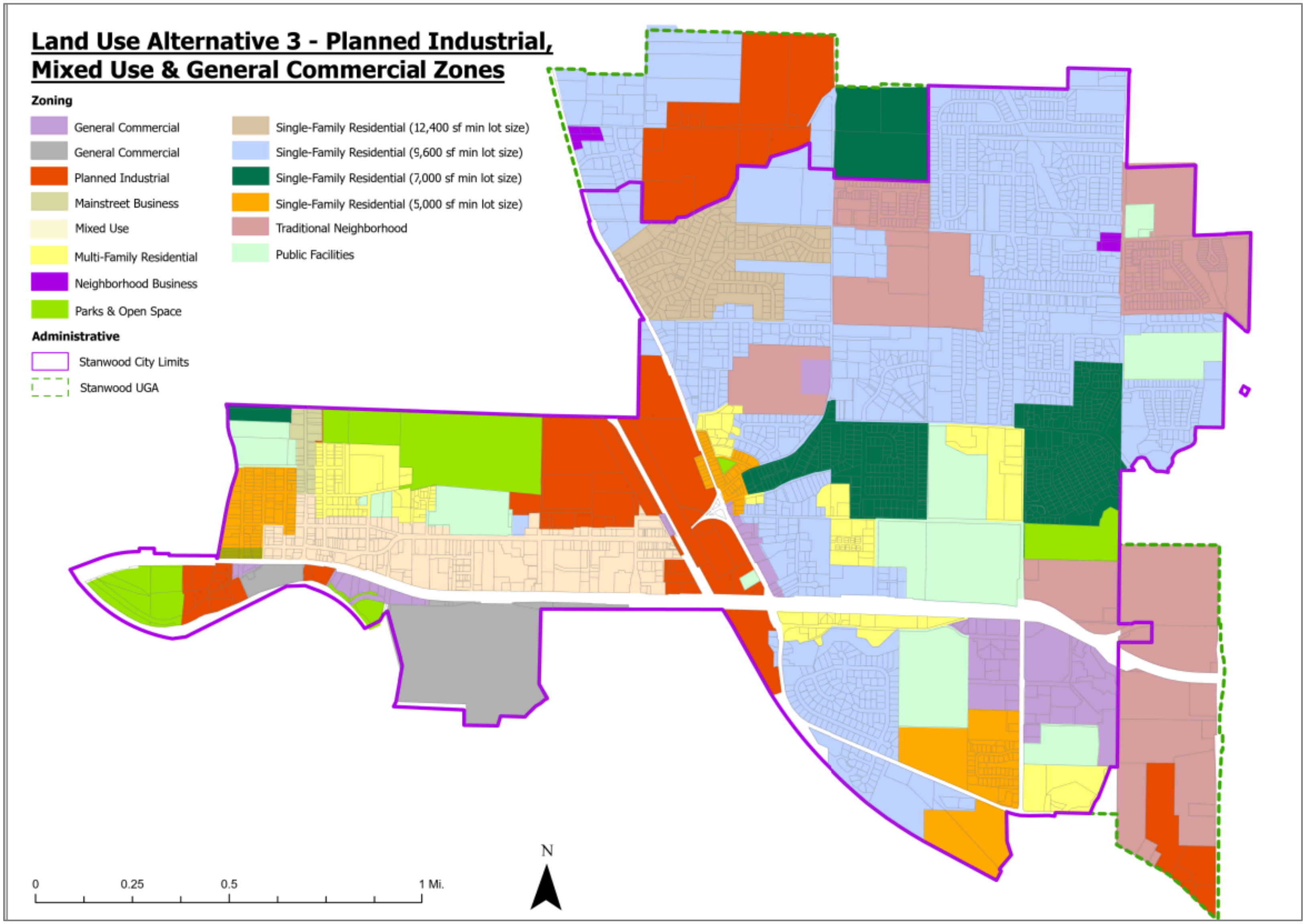
Alternative 1. New Planned Industrial (PD) Zone



Alternative 2. PD Zone (Alt. 1) & New Downtown Mixed-Use Zone



Alternative 3. Alts. 1 & 2 plus new GC-zoned area



RYAN WALTERS LAW, PLLC
PO BOX 1801 · ANACORTES WA 98221 · 360-610-7770 · LAW@RYANWALTERS.COM · WWW.RYANWALTERS.COM

Memorandum

To: Patricia Love, Community Development Director
From: Ryan Walters, JD, AICP
Date: September 1, 2022
Re: Stanwood Municipal Code Titles 1 and 2 and proposed new Title 4

As part of the Stanwood Municipal Code ("SMC") Update Project, we have reviewed existing SMC Title 1 and Title 2, as well as staff memos on these titles, to develop a proposed scope for the update of these first two titles. We also propose a new Title 4, Administration, to logically segregate some material into its own title. After your review and at your direction, we will draft code text and ordinance language to implement the options you select.

We propose to correct existing code text in all cases to plain language principles as described in the SMC Style Guide (draft July 13, 2022), e.g., "shall" to "must" or "may." We expect that repealed and reserved sections and chapters throughout the code will be repealed by the code reviser through the conversion of the code-to-Code Publishing Company's new municipal codes platform; if not, we will propose to remove those labels through the update.

Title 1 General Provisions

Consistent with the SMC Style Guide (draft July 13, 2022), we recommend no high-level reorganizational changes to Title 1 other than those minor adjustments described below.

Existing Chapter 1.01 Code

- ☐ Add numbering to unnumbered paragraphs.
- ☐ Add a section describing the method of amendment similar to Skagit County Code Chapter 1.08, including guidance about when to adopt via ordinance vs. resolution.
- ☐ Delete 1.01.080 Effective Date as unnecessary.
- ☐ Retitle section 1.01.090 as "severability" not "constitutionality." Municipal codes may be rendered invalid for reasons other than constitutionality.

Existing Chapter 1.04 Definitions

- ☐ Retitle this chapter "Definitions and Interpretation."
- ☐ Add standard rules of interpretation.
- ☐ Add standard methods of calculating time.
- ☐ Add a new section describing applicability of this chapter to the entire municipal code.
- ☐ Remove numbering for each defined terms.
- ☐ Break up definitions into alphabetical sections, i.e., "A Definitions," "B Definitions," et seq.

☐ Identify additional terms that need to be defined. We may continue to add terms and definitions throughout the code update.

☐ Delete obvious definitions, e.g., “state.”

Existing Chapter 1.08 Public Notices

Existing code provides different amounts of notice for public meetings and hearings, varying from 7 or 10 or 15 days. Stanwood/Camano News only prints on Tuesdays and notices need to be sent to the paper the Thursday before, which constrains the timing of public notices. Some statutes require non-standard time periods for notices, e.g., RCW 36.70B requires 15 days’ notice.

☐ Move this chapter to Title 4, Administration.

☐ Standardize all public notice procedures, unless otherwise specified, as at least two weeks’ notice.

☐ Adopt a table of types of notice and required notice periods.

Existing Chapter 1.10 Public Works Contracts

Much of the content of this chapter can be addressed in the recommended new contracts chapter in Title 4. Rather than maintain its own small works roster, many cities (including Stanwood) use the MRSC small works roster. The existing chapter references the MRSC roster, but also provides for a separate small works roster. MRSC requires the city to exclusively use the MRSC roster. MRSC provides a sample resolution for enrollment in their roster system.

☐ Move the contract requirements in 1.10.030 to a new general contracts chapter in Title 4 and repeal the remainder of Chapter 1.10.

New Chapter 1.14 Datum Plane

Many cities have adopted by ordinance the datum plane from which all elevations used in the public works for the city are measured, e.g., Everett Municipal Code 13.04. Establishment of the datum could be placed in Title 1 to ensure it is globally applicable to streets, sidewalks, public places, and the floodplain.

☐ Adopt the City’s datum and a benchmark point of reference in Title 1 or ☐ queue to adopt the datum in a later title.

Existing Chapter 1.20 Noncharter Code City

☐ Recodify as Chapter 1.02 to place this foundational chapter upfront in the code.

New Chapter 1.22 Initiative and Referendum

We propose adoption of the options for initiative or referendum, or both, in their own chapter of Title 1. The power of **initiative** allows the voters to directly enact a new ordinance. The power of **referendum** allows the voters to reject an ordinance enacted by the City Council. Note that:

- These two powers apply only to ordinances and not resolutions.

- An ordinance enacted by initiative cannot be repealed or amended except by a vote of the people. RCW 35.17.340.
- The statute does not provide for the City Council to itself submit a measure to a binding vote absent a petition from the voters, although even without adoption of these powers, the City Council may submit a measure for a non-binding advisory ballot at any time.
- It appears that a city must adopt both powers and not solely initiative and not referendum, or vice versa; if that is desired more research will be required.

The City does not have the authority to prescribe the procedural rules for initiative and referendum; instead, RCW 35A.11.100 provides that the powers of initiative and referendum in non-charter code cities must be exercised in the manner set forth in RCW 35.17.240 through 35.17.360. Enactment of the initiative and referendum power can therefore be very simply accomplished by reference; see, e.g., Redmond Municipal Code Chapter 1.12 and Wenatchee City Code Chapter 1.03.

☐ Adopt powers of initiative and referendum.

Title 2 Administration and Personnel

While it is very common for cities and counties to have an "Administration and Personnel" title, after discussion with staff we recommend renaming this title to "Personnel" to make its content consistent with the SMC Style Guide (draft July 13, 2022) which recommends use of this title for the creation and regulation of all city offices, boards, commissions, and committees. We also recommend some reorganization and consolidation of its chapters. These recommendations generally attempt to avoid unnecessary chapter renumbering.

☐ Rename Title 2 as "Personnel" and create a new Title 4 "Administration" for relevant topics.

Note the Library Board was repealed by Ordinance 1496 (2021). If any new boards are added, adopt new chapters in this title describing each such board.

New Chapter 2.02 City Council

☐ Move sections 2.08.260-270 regarding city councilmember compensation to this new chapter.

☐ Add sections describing Council's duties and responsibilities per statute.

☐ Move sections 2.44.010, .020, .025, .035, and .300 into this chapter.

Note that we do not recommend codification of City Council rules of procedure, because that would require adoption of those rules by ordinance, which ordinarily requires the consent of a separate branch of government, i.e., the mayor. Continuing to adopt rules of procedure by resolution does not require the concurrence of the mayor. Similarly, we do not recommend codification of City Council committees unless those committees are authorized by the Council to act on behalf of the City, e.g., to approve refunds or payment of claims. This principle appears to have been recognized by Ordinance 1134 (2003) which provided that "the power of the city council to adopt rules of procedure is preserved to them [sic]."

New Chapter 2.04 Mayor

- ☐ Move section 2.08.240 regarding the mayor’s compensation and benefits here.
- ☐ Add sections describing the mayor’s duties and responsibilities per statute.
- ☐ Add sections describing mayor’s eligibility for benefits.
- ☐ Add section describing procedures in the event of the mayor’s absence.

Existing Chapter 2.06 City Administrator

- ☐ Revise as necessary to ensure consistency with current job description.
- ☐ Describe appointment and confirmation process in separate sections.
- ☐ Delete repealed sections.

Existing Chapter 2.08 City Officers

- ☐ Rename chapter to “City Officers and Department Heads.”
- ☐ Add a section of general provisions describing the manner of officer (e.g., clerk, treasurer) and department head appointment.
- ☐ Reorganize other sections to standardize the organization structure of the chapter and describe one officer per section with authority, duties, and qualifications of each (per RCW 35A.12.020).
- ☐ Move section 2.08.375, Adoption of State Holiday Schedule, to new chapter 4.02.
- ☐ Move section 2.08.450, Public Employees’ Retirement System – Participation, to new chapter 4.02.

Existing Chapter 2.10 Salary Commission

- ☐ Delete or modify section 2.10.050 regarding referendum, which will be addressed by the new initiative and referendum chapter in Title 1; note that a binding referendum is not possible for resolutions.

Existing Chapter 2.12 Planning Commission

- ☐ If the recommended Ethics chapter is adopted (see below), delete Section 2.12.010(3) regarding conflict of interest.
- ☐ Add a quorum provision requiring the presence of four members to conduct business.
- ☐ Break single section 2.12.010 into multiple sections consistent with other chapters of this type.

New Chapter 2.14 Lodging Tax Advisory Committee

- ☐ Move section 3.36.055 establishing the City’s lodging tax advisory committee to this new chapter, break into multiple sections consistent with other chapters of this type, and include cross references to the lodging tax in Title 3.
- ☐ Add sections describing the process for review and comment on lodging tax funding proposals, consistent with the statute.

New Chapter 2.16 Parks and Trail Advisory Committee

Prior chapter 2.16, Board of Park Commissioners, was repealed by Ordinance 976. This would be an appropriate place to address the Parks and Trail Advisory Committee.

- [ ] Adopt new chapter 2.16 for the Parks and Trail Advisory Committee with content consistent with other chapters regarding city boards and committees.

New Chapter 2.18 Economic Development Board

- [ ] Adopt new chapter 2.18 to codify the Economic Development Board as established by Resolution 2014-04, consistent with other chapters regarding city boards and committees.

Existing Chapter 2.20 Volunteer Fire Department

- [ ] Delete, as the City annexed into the North County Regional Fire Authority and the volunteer fire department no longer exists.
- [ ] Queue sections 2.20.170-210 prohibiting driving over fire hose, parking restrictions near fire hydrants, false alarms, etc., for insertion into appropriate chapters elsewhere.

New Chapter 2.22 Hearing Examiner

- [ ] Adopt new chapter 2.22 creating the office of Hearing Examiner, including a cross-reference to SMC 17.80.380, Hearing Examiner Procedures.

Existing Chapter 2.24 Traffic Violations Bureau

- [ ] Per police chief, adjust to more closely conform to the City of Snohomish's section 11.04.015 for ease of reading and administration.

Existing Chapter 2.32 Fire Marshal

- [ ] Repeal this separate chapter and integrate content into Chapter 2.08, City Officers and Department Heads, making reference to services provided by the interlocal agreement with the North County Regional Fire Authority.
- [ ] Add reference to the International Fire Code designation of "Fire Code Official."
- [ ] Move 2.32.060, Fee for Fire Inspections, to Chapter 3.30, Fee Schedule.

Existing Chapter 2.36 Civil Service System – Fire Department

- [ ] Per staff, repeal this chapter as it is no longer applicable because the City no longer maintains a fire department since annexation into the North County Regional Fire Authority.

Existing Chapter 2.40 Police Department

- [ ] Move sections concerning appointment and duties of the police chief into new chapter 2.08. Note that appointment to this position requires City Council confirmation, unlike other department heads.

- ☐ Given the City's current organizational structure of its police department as a police chief with a contract with the Snohomish County's Sheriff's Office, delete the substantive personnel policies in this chapter to avoid conflicts with Snohomish County policies.
- ☐ The only remaining sections in this chapter concern the Civil Service Commission; the City currently has no civil service police employees, so delete remainder of chapter.

Existing Chapter 2.44 Council, Boards, Commissions–Transaction of Business

Most of this chapter has already been repealed by several earlier ordinances. We have already recommended moving most of the remaining sections into new chapter 2.02, City Council.

- ☐ Integrate Section 2.44.270 authorizing the power of board, commissions, and committees to adopt their own rules into the chapters establishing each entity and repeal the chapter.

Existing Chapter 2.48 Public Services – Fees

- ☐ Move to Title 3, Revenue and Finance.

Existing Chapter 2.80 Emergency Management

- ☐ Extract sections concerning director/fire chief roles and responsibilities and integrate into Chapter 2.08, consistent with fire interlocal agreement and the City's emergency management plan.
- ☐ Adopt new sections on emergencies consistent with RCW Chapter 38.52 and especially RCW 38.52.070 including new sections for the process of proclaiming and ratifying an emergency and authority of mayor in the event of emergency to enter into contracts, purchase supplies, and use of services and equipment.
- ☐ Move to a new chapter in Title 4, Administration.

New Title 4 Administration

We propose this new title to logically segregate material about government administration into its own title, separate from the Personnel title and the Revenue and Finance title.

New Chapter 4.02 City Government Operations

- ☐ Move SMC 2.08.070 setting City Hall office hours here.
- ☐ Move SMC 2.08.375 regarding adoption of state holiday schedule here.

New Chapter 4.04 Contracts

- ☐ Adopt a new chapter describing the City Council's delegation of contract authority, consistent with RCW 35A.11.010, to the mayor and other staff. Note that Council could opt to continue its delegation of its authority via resolution; the only downside to that approach is ease of tracking that regulation, as resolutions are not codified.
- ☐ Integrate remaining content from Chapter 1.10, Public Works Contracts.

New Chapter 4.06 Donations

- ☐ Move existing chapter 3.25, Acceptance of Donations (adopted in 2022) to Title 4.

New Chapter 4.08 Defense and Indemnification of City Officers, Employees, and Volunteers

- ☐ Adopt a new chapter describing the circumstances under which the City will provide legal representation to defend a lawsuit filed against a city official from their conduct in the scope of their work for the city, e.g., MVMC Chapter 2.78 or MMC Chapter 2.26.

New Chapter 4.10 Emergency Management

- ☐ Make the changes described above, and place this chapter in Title 4.

New Chapter 4.12 Ethics

- ☐ Adopt a new chapter prescribing standard ethics, acceptance of gifts, and conflict of interest rules for city elected officials, city officers, department heads, other staff, and members of city boards and commissions.

ORDINANCE NO. _______

AN ORDINANCE OF THE CITY OF STANWOOD, WASHINGTON, PROHIBITING MINI-WAREHOUSE/STORAGE FACILITY AS AN ALLOWED USE IN ALL ZONING DISTRICTS WITHIN THE CITY, AMENDING THE EXISTING LIST OF PROHIBITED USES, 17.30.050, THE INDUSTRIAL USE ZONING TABLE, 17.30.080, AND RELATED DEVELOPMENT REGULATIONS, 17.60.040 AND 17.105.140.

WHEREAS, Mini-Warehouse/Storage Facilities are now allowed in the City in the Light Industrial (LI) and General Industrial (GI) Zoning Districts; and

WHEREAS, the City wishes to ensure land uses enable diverse economic development opportunities; and

WHEREAS, the City has sufficient Mini-Warehouse/Storage Facilities to accommodate existing needs; and

WHEREAS, Mini-Warehouse/Storage Facilities are passive uses rather than uses that encourage an activated, thriving business environment for the City; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on _________, 2022, and recommended approval to the City Council concerning amendments to the Stanwood Municipal Code; and

WEREAS, the City Council considered the Planning Commission's recommendation at public meetings on [list dates];

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF STANWOOD DOES ORDAIN:

<u>Section 1. SMC 17.30.050 Prohibited uses amended.</u> SMC 17.30.050 Prohibited use adds the following prohibited use to the list, as shown in the red, underscored text:

(22) <u>Mini-Warehouse/Storage Facility, as defined under 17.20.140</u>.

<u>Section 2. SMC Section 17.30.080 Industrial use zoning table established amended.</u> SMC Section 17.30.080 removes the allowed following item on Mini-Warehouse/Storage Facility from the permitted uses in the "Permitted Use Table: Industrial Zones" as shown in the red, strikethrough text:

Land Use	Permit Type	LI	GI	Abbreviated Definition
Wholesale Storage/Distribution Facilities				
~~Mini-Warehouse/Storage Facility~~	~~P-II~~	~~P(17)~~	~~P~~	~~A building or group of buildings consisting of individual storage units not exceeding 400 square feet per storage unit that are leased or owned for the storage of business and household goods or contractor's supplies, not to be used for any wholesale or retail operations.~~

Section 3. SMC 17.60.040 Commercial and industrial development standards amended. SMC Section 17.60.040 removes development regulations pertaining to mini-warehouses, as shown in the red, strikethrough text:

(2) Development Conditions – Commercial and Industrial Zones.

5. Coverage may be increased to 40 percent for wholesale, moving van/storage and warehouse operations, 50 percent for petroleum products distribution and storage and school bus maintenance facilities~~, and 65 percent for mini-warehouse~~.

Section 4. SMC 17.105.140 Minimum required off-street parking spaces amended. SMC Section 17.105.140 removes development regulations pertaining to ministorage, as shown in the red, strikethrough text:

Industrial Uses

~~Ministorage~~	~~1 space per 300 square feet of office space, plus 1 per employee, plus 1 per residential/manager's unit~~

PASSED by the City Council of the City of Stanwood this __ day of ________, 2022

CITY OF STANWOOD:

____

Sid Roberts, Mayor

ATTEST:

APPROVED AS TO FORM:

____
Lisa Sokolik, City Clerk

____
Grant K. Weed, City Attorney