

MASON COUNTY PLANNING ADVISORY COMMISSION

**Minutes
August 15, 2005**

(Note audio tape (#1) dated August 15, 2005
counter (#) for exact details of discussion)

(This document is not intended to be a verbatim transcript)

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1. CALL TO ORDER

The meeting was called to order by Vice-Chair Steve Clayton at 6:00 p.m.

2. ROLL CALL

Members Present: Tim Wing, Steve Clayton, and Wendy Ervin. Bill Dewey and Diane Edgin were excused. Terri Jeffreys was absent.

Staff Present: Bob Fink, Steve Goins, Allan Borden and Susie Ellingson.

3. APPROVAL OF MINUTES

None.

4. NEW BUSINESS

(#0030) Steve Clayton: Tonight we have a workshop to discuss the Economic Development Element. Steve?

(#0035) Steve Goins: I'll have a brief presentation and following that we'll have an open dialog to give this an overview. What we're trying to achieve tonight is to introduce you to the document, discuss in basic terms how we got to the point where we are now and then a review of what's in the document. I have a copy of this presentation I'll hand out so you can have it later for any review you may need. First, I'll start with an overview of the participation process. We used the 2004 Future Search Economic Summit as a spring board to keep the process going. That was an event sponsored by the EDC which 81 members of the public participated in. Out of that conference there was a number of action statements and goals and policies that we used as a foundation. From that foundation, we developed a set of workshops on our own that were sponsored by the Department of Community Development. We had a total of four workshops; two in Belfair and two in Shelton. In total 54 people participated and through that process we were able to get more consensus on community goals and objectives. Through that we eventually developed the document you have before you now. The public portion of this is going to continue as this document is currently in a 30-day public review. We distributed this to a number of the stakeholders for comment. We posted the document on our website and we're, at this point, looking for general comment and review that we'll bring forth through the hearing process. This evening there is no action being taken. The schedule is to have the PAC review this

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on September 12th, after we've had this period of time where we have more opportunity for comment and at that time we would hope that we could bring recommendations forward to the BOCC, which is tentatively scheduled for October 18th.

This is some of the information that was included in our workshops for developing this draft. Some of this is old information but I thought it would be helpful just to provide it as a backdrop as to some of the thought that was going on when we considered this. The population allocation was an important step. This shows the current population in tangents that take off depending on which rate of growth you would choose from the OFM. The red line would be a projection of a high rate of growth and getting us by 2025 at 95,000 countywide. The middle line is a mid range of growth, which is roughly 75,000 by the time you get to 2025. The bottom line would get you just over 61,000 in 2025. I did note this in the workshops. The current trend of growth, that current being over the last 30 years, almost mirrors this intermediate growth rate that would take us into 2025.

This graph illustrates changes in demographics that are anticipated over time. The key point in this was the number of folks that are in this 65+ age category. As the baby boomers age and retire, this number will continue to climb and by 2025 this will be the single largest demographic in the county. That will also be a reflection of a national trend, as well.

These are some numbers we provided saying some things about the housing in the community and some statistics I think are pretty important. Occupied units are 74.1%. The important part of that is roughly 21% of the housing stock countywide is considered second homes or seasonal homes. These lower numbers indicate the different price ranges for homes in the county. This 42% of the homes that were sold in 2002 were under \$70,000. We see those numbers changing. Real estate prices are going up considerably but in the region Mason County is still generally considered a really horrible place to live. On the other hand, there a number of folks that are living in rather modest means. HUD defines a low income is 80% of the median income of a family of four and in Mason County, that equates to \$33,750 a year; 8,000 homes fit in this category in Mason County. By the way, the median state level of income is about \$6,000 annually higher.

These are some economic indicators for the region. I think one of the things we gleaned from this was there's a lot of good things happening from an economic standpoint in Mason County. We've held our own in terms of creating jobs, keeping down unemployment, particularly in the Olympic Region.

These numbers reflect changes in Personal income in Mason County. It's almost a 50% change, which almost mirrors the average in the United States. It's a little lower than the state average but higher than Grays Harbor and some of the other more rural counties in the region.

These were some of the points we brought up in the workshops for consideration that were discussed. By sector, opportunities for incubator businesses is part of a link to expanding agriculture. Aquaculture; we talked about continuing to support the growing industry here, and from a county's standpoint, a good way to do that is to improve water quality and have measures that maintain water quality. In the forest products sector, there was some discussion about some changes in the Shelton Waterfront. There's been some discussions between the city and Simpson about changes there and being able to provide public access in addition to making investments to their facilities there.

From the standpoint of high technology and light industrial, there have been a number of positive signs. There's been a significant investment in telecommunications in the last few years. Our state budget includes a significant amount of investment for infrastructure, but there is a need, on the other hand, for additional transportation improvements. In particular, along Johns Prairie and the timing of getting these projects moving forward is a consideration that I think we've all seen the results of. From a manufacturing standpoint, one of the things that's continually being discussed is insuring that we have an adequate supply of industrial zoned land and being able to accommodate an array of uses from anywhere from a few acres to forty acres.

In tourism, some trends from a regional and national standpoint, a number of people are entering retirement age. There's a general inclination for recreation and leisure. The county offers a significant advantage as opposed to some of the more metropolitan counties in terms of our ability to provide natural beauty, access to outdoor recreation. There are a number of homes in the seasonal homes category, but then again that can

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be something we need to overcome in terms of being more than just a seasonal destination and being able to come together as a community in developing a tourism strategy is something that has been cited that we need. In the health care sector, there was a lot of discussion over the amount of dollars that are leaking out of the community because we don't provide all the services that maybe we could. It's not uncommon in a rural community to not meet all the medical needs ... in a small community, it's hard to provide that kind of range of services but is certainly something that we could do a better job at.

In general terms, the document includes six components. There's a vision statement, a community setting describing the community, economic profile, a summary of the relationship to other portions of the Comp Plan, assessment and analysis of our economic profile, and an economic development approach that includes our goals and policies, objectives and strategies. This is a vision statement included in the document. 'The vision for economic development in Mason County is to promote and support a high quality of life for the citizens of Mason County by, encouraging and facilitating diverse and sustainable business expansion and development, expanding education and training opportunities, and broadening the county's tax base, in a manner that is compatible and complementary to the county's rural character and natural beauty'. That's a summary of what we're trying to achieve.

The next segment talks about community setting and it's basically who we are and how we got here. It describes in regional terms where we are and the unique position in the Puget Sound region. Describes historic development patterns. It discusses our relationship and recognizes the presence and influence of the Indian Tribes in the community. It describes and historic and current employment patterns. It talks about the housing stock. Also provides a list of other organizations that are supporting economic development within the community.

The document also brings out some of the data that was in the presentation on population data, historic and present population figures, OFM figures, and the age distribution of county residents. It discusses our labor force data and per capita and household income data from an employment standpoint.

It briefly discusses a summary of the relationship to other portions of the Plan. 'A fundamental goal of this Economic Development Element is to diversify Mason County's economic base'. I think if there were an underlying goal it would be to also strengthen the existing businesses that are here.

One of the largest segments was the assessment and analysis. Some of the key points that were brought up there was the need to consider our present and future market conditions so as to not just look at what's happened but let's try to anticipate what's going to happen. The importance of local access to quality education. This was something the public spoke of a number of times in the workshops. It was brought up in different ways as being important to achieving that high quality of life. Exploring ways to support expanded business activities in rural areas. This was discussed in a number of different terms but to try to find a way to, on one hand, support business in these areas and those that have established themselves in rural areas, and accommodate new businesses while at the same time maintaining that rural character. This also addresses local capital and transportation projects. There's a list in there of the projects that are receiving funding from the state legislature. Discussions about other ways to develop infrastructure and bring transportation projects forward, such as, establishing special assessment districts and local improvement districts. Discusses the facilitation of a coordinated water system plan as a means to deliver water to various communities.

There was some discussion on key business sectors, mainly regarding resource based industries, health care and human services, and recreation / tourism, as well as recruiting and developing businesses, and participation in local and regional partnerships.

The approach portion starts off with some principals, which summarize the community's philosophy regarding economic development. From those there are goals and policies and they are intended to provide direction for implementation of economic development and these are supported by a variety of strategies and objectives that are the final portion of the document.

In addition to what's in the document, I thought it would be worth discussing some things that were maybe not discussed as strongly in the document for various reasons or that were omitted, and to just reconsider these. The county has discussed providing a buildable lands inventory for commercial / industrial lands.

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Two approaches could be used to do that. To use the number of jobs the county would like to create is a target and then use that in providing analysis to determine how much land, various types of zones you need to accommodate the kinds of jobs you're trying to accommodate over that period. In addition to meeting that target number, the GMA allows you to exceed that by 25% within your UGA areas. Another method of achieving that would be to determine the amount of acreage there is currently that's zoned industrial and commercial and to extrapolate that number to find out how much additional land in those various zones you would need to accommodate the needs of the future residents within the community. Another item that's really not discussed in this document is facilitating means for producing alternative energy. This wouldn't be the 600 foot high wind turbines they have in Germany but more rural friendly advances in windpower or waterpower. Sustainable farming through R & D's are link to agri-tourism and promotes that sector in various ways. There is language in the document that does provide support for the timber industry but that certainly could be strengthened. There certainly should be some discussion on how to accommodate industry changes. Support public access and improvements along Shelton Waterfront. Those are not in county jurisdiction but the county certainly could support that effort. Strategies and objectives to promote partnering with the Skokomish and Squaxin Island Tribes. There's been some discussion about how they play a more important part in our tourism sector than perhaps we realize and that a partnering effort could help us join forces in promoting that sector. Also, specific ways county and private dollars could leverage public funds to develop infrastructure. There is some language that speaks to that but there's not really specifics and that's something that might be worth considering. Establishing a Public Benefit Rating System that could revamp the county open space property tax system. This was brought up in the workshops. This is probably as much of a conservation measure as it is an economic driver. It's sort of a tool to provide incentive for someone who particularly has lands that might be in a critical area or sensitive lands to maintain those in that status through tax savings and other measures creating a system where if someone has a wetland that provides an environmental value sort of acknowledging that and not applying the incentive so that they don't feel like they have to develop that property to get their value out of it. Also, joint planning to bring a tourist destination to Mason County. Again, that's discussed in general terms but there's not really any specifics included in the document. There could be some consideration on whether we want to strengthen the language in those areas or not. So that summarizes what's in the draft document for public review. Our intention tonight was to get you familiar with what's in the document, allow you some time to discuss it. Our hope was that if there was some macro issues you wanted to bring out that this would be a good time to allow staff time to incorporate those into the document before it comes before you again. During the hearing in September, you'll be asked at that point to come up with a final document that you can recommend approval for. We would like to think that we're not going to be going back and forth wordsmithing things but we can get through that process over the next 30 days. That agenda will be pretty full so you may want to consider how much time you're going to want to spend during that hearing taking a lot of discussion on this because you'll have a lot of other items to be considering that evening. So our hope was to flush out the big issues tonight and get some discussion so that staff could go back and be ready to address it on the next go around. With that I can field any general questions you may have and let you have a chance to make comments on the document.

(#0700) Wendy Ervin: I have a question regarding the additional items for consideration. It seems from the way that this is written that there is some sort of a statistic that is jobs per acre? For determining the commercial / industrial land and then you're relating that to projected jobs. Is there some sort of a statistic that generally shows jobs per acre of commercial / industrial?

(#0722) Steve Goins: You can anticipate based on the intensity of development. On an average the different types of industrial use will generate per acre. That works for retail and other types of commercial endeavors as well.

(#0730) Steve Clayton: Do you have a formula to translate the mixed use zones that are in the UGA's?

(#0732) Steve Goins: Mixed use is a little harder animal to wrestle down because there's so many different ways it can turn. You can make some assumptions, certainly, about how much of this land will end up being professional office, how much will be straight up retail, and go about it that way but you still have to make a certain amount of assumptions. Like how much is going to be a residential sort of development on a second story and it's really hard to predict how those will end up. What you can do is look at the various types of development that could occur and a range of jobs that would be created.

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(#0760) Steve Clayton: So we're not going to separate out the business versus industrial?

(#0762) Steve Goins: There would be a number of categories that you would end up based on different acreages and different types of uses that you would have to anticipate.

(#0770) Tim Wing: A concern that I have is what I was mentioning to you earlier. It ties in with the projected population growth in the UGA's and roads. If you look at these projections, it looks like about 20,000 - 30,000 people are supposed to show up here in the next twenty years. We all know how long it takes to put infrastructure into place. I think that our policies need to reflect a determined effort to get the UGA's in shape so that they can handle the growth. It then ties into all the local builders that we have and the families and the jobs that they have and your interest in integrating things into this program that strengthens local, existing jobs. As we've all talked about many times, it's easier to support existing companies than it is to bring in new ones and if you bring in companies from outside the area that come in and build houses and leaves, the money goes away much more so than if we find ways to create opportunities for our local builders to build homes to take care of these 20,000 - 30,000 people inside the UGA's and put the infrastructure in place there we're doing a lot to strength the local jobs that exist and help local businesses expand. I don't know where that needs to go in here but I don't see much in here, if any, about that. You talk about the forest industry and it's not just Simpson but a lot of other different companies. Well, these are all small companies, too, and when you cluster them together, they're bigger than any company on this list of existing companies in the county. They have more employees and they generate more jobs than the 660 for the Washington Corrections Center. I don't know how many are in that business but if you add them all up, and I'm sure the Builders Association could help you figure it out; all the subs and all that business and I think we need to do more in this for that group of jobs and businesses but also because I think that's going to help us with our school districts and if we have affordable housing because it will bring in young families, not just seniors, and that in turn leads to people voting for levies and bond issues and creating the schools and educational system that was also identified as a high priority.

(#0865) Wendy Ervin: I agree with everything you just said.

(#0866) Steve Clayton: Bill and I sent you some e-mails with some wordsmithing and some thoughts. Do you want to go over those or do you just want to look over them with all the other comments?

(#0875) Steve Goins: It might be a good idea to summarize those; maybe bring out the big issues. I have copies of those I'll give out to you now. I don't think we need to go through every item but there were some elements in there that are worth discussing tonight. I'll start with Bill's comments. He had a number of comments that pertained in some capacity to environment protections and enhancing water quality and supporting the aquaculture sector. He also mentioned about the kiosks that were mentioned as one of the policies as being something that he thought was an excellent tool that we should be supporting. I don't have any real analysis of his comments but in general I didn't see anything in there that staff couldn't support. I will say, in regards to some of the water quality issues he brings up, that there is a process going on now that is addressing some of those. We can certainly talk about further strengthening those and readdressing them but there's a lot going on from a public works and environmental health standpoint where there's discussions on ways we can do that. So it's a process that's underway.

Steve, the first comment you made about Community Setting section, we can certainly speak to that a little more clearly. I think there's some kind of indirect reference to that early in the document but we could speak to that pretty clearly as to these external influences being a part of what's making us who we are.

(#0982) Steve Clayton: It's often mentioned that we have a large portion of our labor force go out of town and on the other hand, we don't mention that we have the state capital and associated business and employment there and the same thing to the north. The shipyard is to the north and we don't get that business here. Whether or not we want to acknowledge that that exists or not, that's up to you.

(#0995) Steve Goins: I think it's important to note that there are large employers on our perimeters that are part of that affect. On one hand, you're not going to build a shipyard in Mason County and you're not going to be able to compete with that. So the thought is, what are we going to do to compete with that? What can we

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do to create more jobs locally and that's part of the thought process. The point you make about the care not really being in proximity to Belfair was brought out a couple of ways in the findings of that rural care telephone survey, particularly in the North Mason area. That was one of the top two reasons that folks were not using those facilities. I don't have any problem with adding that. That was certainly one of the key factors, according to the survey. You asked about performance standards and that was in relation to uses in rural areas, particularly industrial and commercial uses in rural areas.

(#1052) Steve Clayton: Yes, expansion of nonconforming in rural. What performance standards do we have for that?

(#1060) Steve Goins: I believe the intention of staff was to create performance standards that these businesses would have to adhere to. In a similar fashion as a use permit or a rezoning request where there are certain criteria that are required for this to be considered. In the same vane, these various industrial uses, so you ensure they don't impact rural communities, you can set performance standards so that there are a couple of hurdles to cross before you even consider this as an option.

Your comment about changing 'industrial-commercial' to commercial and industrial'. That is perfectly appropriate. You asked about a couple of other items. One of them was land banking. That is not an option we presently have. DOE has a pilot program where they're trying it out. Within the next year or less we're anticipating that something like this will be available and that we can take advantage of it. The idea is that you would have an organized effort where the county manages this land bank that's used to mitigate for environmental impacts, particularly for a commercial or industrial endeavor where you're trying to go through a permit process and you have a mitigation need to resolve. It might require setting aside habitat or restoration of the wetlands. That type of permit process can be expedited through this land banking program. You also asked about the skills and education programs through Parks and Recreation. That was a rather ambiguous statement in the document. Staff's intent was to expand on the educational opportunities that are out there, particularly with youth, where you have exposure to habitat and wetlands, you have exposure to different types of recreation, and you could build on that and create opportunities where people could get exposed to different tools that they might be able to apply down the line, particularly for a youth, who might be considering their career options. The county has more of the ability to set policy for our own departments than trying to influence the school programs. We can support the schools in different ways but it's harder for us to really take charge of those programs. So I did look at those edits and I really didn't have any particular problem with anything that was in there, but I did hopefully, want to have a little more dialog about the additional considerations that were brought. Some of them are sprinkled throughout the document but not really brought up in strong terms. If that's the way it should be that's great and we can move forward, but if that's something you want to think about having us consider, we can certainly do that.

(#1225) Steve Clayton: On page 20, where it talks about incompatible uses and adverse environmental impacts. What's that about?

(#1230) Steve Goins: Generally, residentially reserve areas are usually adjacent to UGA's. Typically you have an overlay like that where it's adjacent to a UGA where you anticipate that in time you're going to expand the UGA, you're going to want to anticipate residential use in this area that meets a UGA density. So in this period in between, where it's outside the UGA, and where it's eventually going to be encompassed in there, you don't want to place uses in there that will hinder the ability to do that later. Maybe an undesirable noxious industrial use would be better off somewhere else so you try to accommodate that future use by limiting the types of uses that can occur in this area.

(#1275) Wendy Ervin: Isn't that already accommodated in the ... surrounding the UGA there is an RR20 or whatever in order to prevent the pressure to expand the UGA so you've got a nonuse area or a low use area. That's not an area that we would be putting anything noxious in anyway. It just seems like that problem is solved already.

(#1295) Steve Goins: The noxious use example may be a poor one, but in Shelton's UGA, that's not necessarily the case. There is a lot of industrial areas that are either in the UGA or being considered to be put in the UGA and making sure there's buffering and compatibility between these certain types of uses that we think is a good idea.

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(#1210) Wendy Ervin: But they belong in the UGA, right?

(#1312) Steve Goins: Not all of them, no.

(#1314) Wendy Ervin: Then where do they go? If you're trying to maintain all or the majority of development within the UGA, and then you're saying they shouldn't be there ...

(#1322) Steve Goins: What I'm saying is if we anticipate down the line that a certain area that perhaps is in the proximity or where an industrial or commercial might be existing or expanding, and that's something where we think we would expand residential use, that would be a good opportunity to use this overlay as a means to allow those uses to coexist during this interim period and eventually as the UGA changes and the zoning changes, you can accommodate the anticipated residential development.

(#1348) Steve Clayton: Under that line, should it say 'could not occur' instead of 'could occur'?

(#1370) Steve Goins: I'll reword that so it makes sense.

(#1375) Wendy Ervin: In my reading of this, I had a number of things that I thought needed to be reworded for clarification. At one point you have language that's more effervescent than it needs to be and then basically you're saying that you need to produce something that the ordinary citizen can understand, and yet the language that you've used to describe this is overblown. So I will send you something that rewrites the things that I feel need editing. So skipping over all of those things, on page 9, you're talking about health care and human services. One of the problems ... 'that local providers are not affiliated with the group insurance plans provided by local employers'. These are reasons why people do not use the local Mason General Hospital, and several other times you mention the health care facilities and the availability and the costs, etc. I would like to suggest that there is a potential for creating a significant improvement to the availability, delivery, and cost of health care facilities. This is stepping off the page and doing something that hasn't been done before but if the county attorney could draw up an ordinance allowing all county employees and citizens of Mason County to participate in a medical savings account plan. It would be individual plans held by banks, etc., allowing people to make their primary purchase of medicine, their routine care, their physicals, their glasses, their dental, all these things, out of medical savings account and allowing the insurance companies to handle only the major medical problems, you would reduce the amount of the cost of insurance, you would reduce the cost of the individual doctor visit, the doctors could offer their services for at least 25% discounted over what they're doing right now and maybe more. So you would reduce the cost of medical care without losing anything. It wouldn't cost anything to implement. All it would cost would be the time for the attorney to draw up an ordinance allowing this freedom to the citizens of Mason County. I think the people would use the facilities more. People with no insurance would be able to go to that doctor and get a visit for far less than what's being charged now. The doctors would be able to offer their services for far less because they wouldn't be having to support the cost of all of the bookkeeping, etc., that it costs to be a part of the health insurance plans. The health insurance people would not be unhappy because it would be cheaper to provide major medical than to provide all the little nitty, gritty ... six visits to the doctor for some little thing. I really think we could really improve the whole delivery of medical services to everyone in the county if we could establish something like this.

Also, you talk about tourism and I think that ... at one point you mention the Nascar track potentially going in right over the line. There has been a group that has wanted to do drag racing and I think that's compatible with Nascar and I think it's something that we should ... it's tourism; it's a year round tourism rather than just being a summer thing. People could come and do the same racing in the winter time as they do in the summer. I think that's something that needs to be looked into and encouraged.

(#1575) Tim Wing: The Nascar people say that it's not compatible with their track.

(#1582) Wendy Ervin: No, not for drag racing on their track. For us to develop a drag racing facility. There has been one proposed at the airport. There's a gentleman who would like to develop a drag racing facility at the airport and is willing to put his own money into it; build a museum, build a track, build a restaurant. I think that's a compatible, next door neighbor sort of a facility to encourage.

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(#1606) Tim Wing: The port people in Kitsap County say that that activity at the Kitsap County airport won't survive there. I think your idea is a good one to explore because I think there's an active group out there that needs a new home. I'd like to know what the next step would be to incorporate something in here about the builders and infrastructure inside the UGA's to take care of more home building.

(#1650) Steve Goins: I can give that some thought and I can offer you perhaps in the next staff report to the PAC some language to address that. The idea of supporting the infrastructure in the UGA is pretty strongly worded in the document.

(#1678) Steve Clayton: It gave specifics to put priority over development in the UGA for infrastructure.

(#1685) Wendy Ervin: At the bottom of page 15, in the very last paragraph it says 'Support and encourage the extension of utilities, transportation and other facilities to areas designated industrial and commercial in advance of need to help encourage an adequate inventory of commercial and industrial lands ready for development is maintained.' Rather than supporting and encouraging the development before it's going to be needed doesn't make practical sense and if you're going to the voters and asking for somebody to fund putting in utilities and such into an area where it's not needed, I don't think you're going to get a very good reception. However, if you have a policy where the county will cooperate in supplying the utilities ... somebody comes for a plan, then the county should have, in place, 'okay, you do this and we'll do this' so that the county will work together with the developer to put in the transportation and utilities at the time that that property is being developed according to the plan so the whole thing meets in the middle instead of putting in utilities and then waiving a flag and saying it's ready. I just think that what you need to do is put in the wording that indicates a cooperative development plan.

(#1762) Steve Goins: I'll explain why we include this specific goal to you. During the workshops, there was a number of discussions about how we can encourage particularly commercial and industrial development. Something that was repeated over and over again is particularly users who are looking to bring in a business and develop an industrial site, are looking for sites that are already tied up. They don't want to have to come in here and figure out how to bring in sewer, how to bring in roads, how to bring in water. If you ask them to do that, they're going to find some other site that's already done it. You need to promote that kind of development in advance so that they'll find the site attractive, they're not in a multi year process of bringing a business in and getting it up and running, but that they can anticipate in a rather short period of time they can actually be underway and under business. That's the logic behind that.

(#1800) Tim Wing: I continue to hear from companies that want to locate ... I get a lot of e-mail from Kitsap EDC. They're looking for places to locate and they want to have a tip up building and they want to open it and be running in nine months to a year and the only way you can do that is it's already got to be level, has power to it, has sewer, a road to it and be ready to go. Without that, they're going to go someplace where that is there because there are communities that provide that.

(#1840) Wendy Ervin: You're talking about tourism. There's a plan to improve the yacht club area, which is part of the port, also. That could be a tourist attraction, bringing people in by boat rather than just by car and other means.

(#1868) Steve Goins: The port does have a plan for some various waterfront improvements. There has been some discussions with Simpson about improving that and providing more public access and I think it's a long term endeavor, but I think it would be appropriate to support that.

(#1878) Wendy Ervin: It's not mentioned in here.

(#1880) Steve Goins: Okay.

(#1882) Steve Clayton: Being it's a workshop, does anyone have any objection to having public comment on this?

(#1888) *No objection aired.*

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(#1905) Wendy Ervin: Where is the railroad mentioned in here?

(#1907) Steve Goins: The discussion, in essence, says that we should support and try to expand rail service. There is rail service currently at the Port Of Shelton that belongs to the Navy.

(#1912) Wendy Ervin: Where is it?

(#1915) Bonnie Knight: It goes right up the middle of Mason County. Kind of parallels Highway 3.

(#1950) Marv Faughender: My name is Marv Faughender and I'm with the Port of Shelton. The port development on the bay. Not only are we talking with our partners of Simpson who have their set of problems and situations, but we have purchased, and are just waiting for the environmental contract to be written, the CC Cole property, which is the old tank farm on the waterfront. It's all done but tying off the environmental cleanup is a problem. It's going to be put over to the port as clean property. That was supposed to be done by the first of the year last year but it didn't happen but it should be done in the next three months and then we can start. We have some preliminary plans but working on the waterfront in the water is a very difficult permitting process with DNR, COE, DOE, DOH, Tribes; all of them being a party to that development. It won't be overnight but we certainly will be working on it. We intend to tie that in with the Fair Orchards development that the city is bringing forward.

(#2020) Steve Clayton: This would be a recreational property or business?

(#2024) Marv Faughender: It would be recreation. Recreation, tourism oriented.

(#2042) Bonnie Knight: I'm Bonnie Knight, here tonight for the EDC, Port of Allyn. I just have one comment about Bill's comment. He says to ensure adequate boater pumpout stations and the port has gone through a lot with this and we certainly agree with this, but what we ran into is if we had had one more slip either at our North Shore dock or our Allyn dock, it would have required a quarter of a mile shellfish closure. As it was, it was only 400 feet, which Taylor Shellfish was out there measuring while we were doing it. The state and the federal rules are very confusing regarding that and that's one of the main reasons we can't extend our dock in Allyn is because if we extended to one more slip, we would be considered a marina and the shellfish closure expands dramatically. They certainly are worthwhile but we almost couldn't do it. At the North Shore, it's private shellfish beds instead of commercial. Just be aware that there's a Catch-22 on this one.

(#2130) Steve Clayton: So on Bill Dewey's comment, it's more of a recommendation than a requirement. You're more in favor not making it a requirement?

(#2135) Bonnie Knight: No, I absolutely agree with him. That's why we put them in but there is a Catch-22 there. The commercial shellfish beds ... I know that a good deal of the tidelands around here are commercial and whether it is Farmer Oyster or it's Taylor Shellfish, it could require that those beds be closed and that's certainly not a desired outcome from this. They could be decertified by the state.

(#2170) Wendy Ervin: Or not certified. They would just not give them a certification.

(#2200) Bonnie Knight: The bizarre thing about it is that people are still dumping their whole tanks right out in Hood Canal. They're not all coming into these pumpouts. A pumpout, in their view, increases the chance of a spillage, where people were just dumping whole tanks and still are so the rationale for it is a little hard to get your hands around but that could be an unintended consequence if you decided to require that.

(#2225) Jeff Carey: My name is Jeff Carey. I did come to the two workshops so I'll talk here as a private citizen and business owner. I read through all of this. The first thing that comes to mind is that we have a lot of goals in there and to me, I don't know how you're going to quantify them. Somehow, in my estimate, even though we're making progress towards those endeavors, there needs to be some quantitative way to measure that you're getting the employment growth measures, or the asset base of the businesses grows by this much, etc. To me, it just looks like none of the goals seem to be quantified.

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(#2288) Steve Goins: I'll respond to that. The discussion of having performance measures was brought up in the workshops, and frankly, there wasn't a lot of public support for that. I think in part that was because it is really difficult to agree, in a number of areas, what would quantify success of those certain goals. It's a difficult thing to write specific measures that you can feel comfortable in knowing that this is the reason why this program or this goal isn't working. There could be a myriad of reasons why a goal isn't successful, and to try to write something so you cover all those bases, I think the public input was that it was just asking a little too much. People would rather have a more open dialog over a discussion of why a certain goal needs to be readdressed or changed, or it's working or not working. That was the impression I got from the workshops.

(#2335) Jeff Carey: Okay, I remember those conversations from the workshops, but my point is, how do you ever know if you're really making progress. You might want to have some check and balance in some way. There was a point that Tim Wing raised and I'll take it from a different angle. We have the report of the twenty largest employers in the county. In addition to that, something like the various industry groups that make up this county so we know whether ... is this group a growing segment or a training segment? Are there things we should be doing to facilitate that growth? Whether it be medical or retail or government, etc., you need to know ... it gets back to the quantitative side of it. The way I look at housing, you see 400 and some permits go through last year and you start equating that ... if it's \$150,000 a house you're starting to talk 60 million here or 100 million there and pretty soon you start looking at the greater economy of the county.

(#2422) Steve Clayton: Is that something that's quantifiable, Steve?

(#2426) Steve Goins: You can provide data that shows employment by sectors. You can break that down a little bit as to within those sectors what kind of employment numbers are we generating and how that might have changed, say, over a ten year period. The more difficult part of that equation is understanding all the reasons why those numbers are changing. An example is, in the resource based forest timber sector, as a percentage those jobs are going down in the community but that's not necessarily a sign that's a weakening sector but more a sign that other jobs are being created in other sectors and that that sector is actually holding its own.

(#2460) Steve Clayton: Would the numbers be just county based? If we got these numbers as in the homebuilders that Tim is talking about, sure, we could have local numbers but we also import a lot of construction folk from surrounding counties. Would that be something that's quantifiable? Is it feasible?

(#2475) Steve Goins: They would have to be local based businesses to really have the numbers that you're talking about.

(#2480) Jeff Carey: I'm really talking three different sets of numbers. We're talking about what's happening in the timber industry ... they've done a lot of major modification of mills and put a lot of money into assets in this county and in effect, it drives the number of employees down because of the more efficient mills. I think if you're approaching the economic component of this county, you need to be seeing all three of those different things because on the one hand, it looks like you've got less employment, but on the other hand, maybe you have 20 million more in asset base collecting taxes. So they all play out.

(#2540) Wendy Ervin: On page 10, you're summarizing the community's philosophy on economic development. Under #3 it says 'Business expansion should strive to capitalize on the anticipated increase in the proportion of individuals 65 years of age and older residing in Mason County over the next 20 years'. You're looking at that as an element of economic diversity. I would encourage us not to look at that, those individuals 65+ people, as too large a proportion of our economic diversity. Based upon what's gone on in Florida in which you have a number of people who have moved there because now they've got their money and they've moved to Florida. They are not interested in paying taxes, they're not interested in paying for the services they receive, they depress the housing dollar, they depress the pay scale. My daughter worked there in a public service job. She moved here to Snohomish County and more than doubled her wage because she was getting a good wage in Florida, but it was less than half of what she would have gotten elsewhere in the country. Retirees ...I made my money, I paid my taxes, I made my contribution ...nope, I'm not going to vote for any of these things. So I don't ... there's no reason to discourage having retirees but they should pay their way, too. So I don't think I want to see Mason County become a seat and a reservoir of retirement communities that are just specifically folks that have no local interest. They're just here because

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they've made their little pot of gold and now they're going to rest on their laurels and don't want to contribute anything and everybody should pay their way. There's a lot of older people who feel that the world owes them a living because they've worked their 15, 20, 30, 50 years.

(#2672) Bob Fink: When I read that, I read it as not trying to attract people who are over 65 but to capitalize on their presence as discussed elsewhere in the health sector. A lot of their service needs aren't being captured locally. That's all that says. We could think about adding language about not potentially targeting communities of this type, but I don't know that we need that. I don't think this particular item really calls for attracting these people or going to efforts to attract them.

(#2705) Wendy Ervin: Under economic development principles (X-6.1), there's a tremendous emphasis, because it's the only element of diversity that's really spelled out so it appears that that is a real direction in what is considered to be the philosophy of economic development.

(#2735) Allan Borden: So you're saying that we should make it more general and mention special needs, ethnic population changes, age population changes ...

(#2742) Wendy Ervin: No, I'm saying it shouldn't be mentioned at all. I'm saying that it goes without saying that we have medical care and we have retirement homes and we have all the rest of that, but I don't believe that they should be catered to and attracted as Florida has. Florida has thought it was great that these people have their retirement money, they come in and spend all their money and that's not true. They come in and, yes they spend their money, but they spend it in very limited quantities and they're unwilling to pay for education, they're unwilling to pay for a lot of things that sustain the structure.

(#2778) Allan Borden: Florida is not a good comparison because the state responded to all the land developments that took place in the late 60's to early 80's that really put the state in that position.

(#2792) Wendy Ervin: Well, it's been a mistake and I'm just saying that ...

(#2805) Bob Fink: If I can understand what you're saying ... let me rephrase it. The principle is to get economic diversity where we have a sector and an economy that we're not capturing as much of the fair share of that sector of the economy, such as health care. If we're under represented, we're not capturing our share, then we should target those sectors and diversify our economy to encourage growth in those sectors and we don't need to be specific as far as this particular example.

(#2855) Steve Goins: The idea was to think about the demographic change that's going to occur and figure out how we can capitalize on that and there is going to be spending by this group and a big part of their spending is going to be in health care services and the county has already recognized that we're in the situation where we're allowing a lot of dollars to leak out and we could, by taking advantage of what we know is going to be a changing demographic, start to build and expand these services with the understanding that as doctors and practitioners come into the community, laying out for them why this is a good move for you. You would rather locate in Belfair because we know that there's going to be 'X' number of retirees moving into this area over the next 20 years and this is a good business move for you. It wasn't necessarily to focus on a particular age group. It was to focus on the health care sector.

(#2915) Wendy Ervin: Well, okay. And I will submit to you my MISA idea would facilitate the medical care for people who are in any age demographic of the county and for people who have no health insurance because if you lower the cost of a visit to the doctor, that guy with no health insurance can pay it out of pocket without it breaking him.

(#2948) Bob Fink: We'll look at that principle and see if we can come up with something that accurately reflects what the intent was and take into consideration all of what we've been talking about here. Steve, when are you expecting to issue a new draft?

(#2980) Steve Goins: About 10 days before the next hearing.

(#2985) Bob Fink: Basically, if any other comments that could come in in time to be considered in the next

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draft to be used in the public hearing. Do they already need to be in or is there additional time available to send in comments?

(#3005) Steve Goins: I have distributed this to a number of groups such as the EDC, anticipating they'll provide me their documents before the end of the month and that way I could incorporate those comments and anything that was discussed into the final draft. I will issue a new draft that addresses all the changes that are being brought forth.

(#3080) Marv Faughender: When you did your walk through, the idea of taking land out of use and putting it into a trust. I'm having a real problem with seeing that as economic development. Shouldn't it be in the land use chapter instead? It doesn't seem to fit in with any of the other stuff we've been talking about. Maybe it does.

(#3124) Steve Goins: It is a tough one to fit in. The idea is that it's sort of a way of promoting development in the urban areas and it creates an incentive for folks that are looking for a way of, maybe they're thinking of developing their property, but for various reasons they're hindered from that, so in the meantime they can get some tax relief and that provides an incentive for them to allow that land to remain in a undeveloped state.

(#3164) Bonnie Knight: I've heard other port directors say that they have done some of that because when they do want to develop land, then they've got a trade off for mitigation. Or they're paying it forward and doing the mitigation and being able to get credit for that down the road.

(#3188) Steve Goins: That's one of the ways land banking works is to be able to get credit.

(#3250) Wendy Ervin: On page 15, under 10.4, it says 'Promote and support establishing a countywide Coordinated Water System Plan (CWSP), to address issues related to inadequate water supply and reliability of water services, by 2008'. What is that coordinated water system plan and what does it include? How does it impact the guy sitting out in the middle of nowhere with a well?

(#3295) Steve Goins: It doesn't affect him.

(#3300) Wendy Ervin: Okay, so you're talking about ...

(#3302) Allan Borden: It's a coordinated water system plan for all water service purveyors in the county to act in a cooperative manner.

(#3306) Wendy Ervin: Okay, so the little 6-pack wells, is that part of this, or are you only talking about municipal water services?

(#3316) Allan Borden: More than likely any water purveyor that has to report to the state health department.

(#3325) Steve Goins: I'll give you an example. In the Allyn UGA, there is currently three different systems in place there and independently operated. If they joined forces through a cooperative effort, that would be an area where coordinating could enhance service and could allow commercial development to occur.

(#3372) Wendy Ervin: Individual communities ... I used to be connected to one that had a potential of 32 hookups and there was currently like 17 used, and they operated their system privately. I now live in an area that has 10 or 12 hookups and PUD handles it by contract. Is this going to try and coordinate those two diverse sorts of ... this really doesn't tell me anything and that's why I'm curious. I have heard a lot of people very concerned about the idea of somebody putting a meter on their well and DOE saying how much water they could pump out of their private well. Several years ago there was a lot of border line hysteria about that idea.

(#3445) Steve Goins: My understanding is a coordinated water system plan would not start going into the private well endeavors and changing those types of systems. I don't think we'd be advocating that.

(#3455) Wendy Ervin: Because all you're saying here is that it addresses issues related to inadequate water supply and reliability.

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(#3500) Steve Goins: This isn't intended to reach out into the rural areas.

(#3535) Tim Wing: Let me give you an example. In Allyn, there's the Lakeland Village Water Company, the port has a small water system and there's a third water system in town. They've come to an agreement where all three water systems would be linked together with a bunch of valves. By doing that, all three water systems are going to be able to declare reserve capacity that basically uses all three systems and they would meet certain requirements by doing that. It makes it easier for them to pass the standards than for expanding their small systems because they're working together on this reserve capacity. Is that correct?

(#3580) Bonnie Knight: Yes, and it also carries more impact because the water rights issue is huge. The port has very little additional water and Lakeland Village certainly has an interest in hanging on to theirs and Washington Water Service is struggling with theirs but all three of us are strong if we work together.

(#3640) Wendy Ervin: Alright.

(#3660) Steve Clayton: Well, I guess we're pretty much done with the workshop. There's no quorum to do the minutes. We'll have to get myself and Tim excused for the meeting on the 22nd at that meeting. So next week is the population allocations.

Meeting adjourned.