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Memorandum

Date:	April 9, 2020
Subject:	White Salmon and Urban Exempt Area Urbanization – Housing and Jobs Policy Memorandum
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To:	Todd Chase, FCS GROUP

INTRODUCTION

The City of White Salmon and Klickitat County have contracted with FCS GROUP to complete a Buildable Lands Inventory (BLI) and Housing Needs Assessment (HNA) focused on identifying adequate lands as well as policy and regulatory changes that will encourage needed housing options and employment land for job growth. As part of the HNA work, WSP USA Inc (WSP) conducted a local zoning code analysis to identify potential barriers to private and public sector development that might inhibit provision of an adequate and diverse supply of housing and industrial and commercial land to meet the needs of White Salmon and the broader population of Klickitat County residents and employees.

WSP and FCS GROUP are also updating the City's 2009 Urbanization Study, which includes land supply and demand evaluations and policy recommendations to help direct housing and job growth. WSP's work in support of the BLI and HNA includes public stakeholder outreach and an infrastructure assessment for eight communities in Klickitat County. This memorandum focuses on both the incorporated City of White Salmon and its urban exempt area within Klickitat County and relies on and references the broader BLI and HNA study. Additionally, this memorandum evaluates applicable land use regulations to identify and explore solutions to code barriers that can be addressed to encourage desired housing types and jobs development, and it supports the update to the 2009 Urbanization Study and the 2020 update of the City's comprehensive plan.

In February and March of 2020, WSP conducted stakeholder interviews and focus group meetings of business, government, community development, and industry leaders to solicit their input on Klickitat County and White Salmon's housing and commercial space markets, perceived barriers to delivering housing choices, and possible solutions. Several notable themes emerged from these interviews and focus group meetings that inform WSP's code evaluation.

Stakeholder Input Themes

- Housing options in White Salmon and Klickitat County are not adequate for civil workforce employees, single-income earners, service workers, low-income residents, and those with housing assistance needs.
- A variety of housing options are needed across all market segments, especially multifamily (apartments and townhomes), mixed use in appropriate locations, and affordable duplexes and single-family starter homes.
- Housing barriers include financial risk for less profitable housing types, high development costs, long permitting timelines, and a shortage of construction labor. Local regulations, including Columbia River Gorge National Scenic Area (NSA) requirements outside of White Salmon and its urban exempt area, are a barrier to housing development, as is a lack of water and sewer infrastructure in the urban exempt area northwest of White Salmon and within Klickitat County.
- There are few large tracts of vacant land within the urban area with both public water and sewer. Large developments provide an economy of scale sufficient to overcome environmental and other regulatory barriers on behalf of subsequent landowners. Without this, further development of the existing small tracts and development of single-family homesites must individually overcome such barriers. The insufficient returns on investment increase both housing costs and public frustrations with the permitting process.
- Priorities that interview participants identified to enhance housing and employment land availability include extending and upgrading sewer and water infrastructure, updating local codes to encourage affordable housing types, coordinating housing-friendly initiatives, directing technical and financial resources into the community, obtaining grants for community development, and building relationships between regulators and developers.

Infrastructure Assessment Summary

WSP conducted a desktop review of public and private infrastructure availability for eight focus areas in Klickitat County. Using a variety of information sources, including current municipal capital improvement and infrastructure specific plans, WSP assessed the availability of different infrastructure: water and sewer proved to be the most critical for White Salmon and its urban exempt area.

The water and wastewater systems in White Salmon generally have sufficient capacity for projected population growth according to the *General Sewer/Wastewater Facility Plan (2016)*, but the city has several deficiencies in its networks and aging systems. Upgrades to pipes, pump stations, and other system components are required in White Salmon. Development at urban densities outside of the city limits but within the urban exempt area of White Salmon is dependent on the extension of both water and sewer lines; currently only portions of the urban exempt area have sufficient water and wastewater infrastructure to accommodate denser residential development. While most stormwater is handled on site in Washington, the City of White Salmon has identified a need for a coordinated stormwater management plan with Klickitat County.

CODE EVALUATION TO ADDRESS HOUSING NEEDS

This memorandum focuses specifically on regulations that act as barriers to the development of workforce rental housing, higher density housing, ADUs, affordable starter homes and manufactured homes, as well as industrial and commercial development.

Land Use Regulatory Framework

WSP reviewed City of White Salmon and Klickitat County zoning codes (as applicable in the UEA) to identify barriers to housing, commercial, and industrial development. The land use regulatory framework in the County and its communities is established by the Washington Growth Management Act (GMA), the NSA Act, the Washington Shoreline Management Act, and state and local septic system requirements—all adapted to meet local community development needs. These state and federal acts have an effect on where new development can occur in the White Salmon and Klickitat County. Additionally, local regulations influence what type of development can occur. Together, state and local regulations tend to reduce available land, increase development costs, and discourage development of needed affordable housing and new land for commercial and industrial businesses.

- Washington GMA and Critical Area Regulations: Washington's statewide land use planning program requires that high-population and high-growth counties and the cities within them adopt and periodically update comprehensive plans and implement development regulations. Although White Salmon and Klickitat County only partially plan under the GMA, these jurisdictions are still required to adopt critical areas regulations protecting wetlands, habitat areas, aquifers, flood hazards, and geologic hazards. Critical areas are prevalent throughout the southern, more urbanized areas of the county, including the White Salmon area, which has many mountainous areas adjacent to streams. White Salmon is currently in the process of updating its critical areas ordinance, and the County is updating its critical areas regulation is provided to offset all impacts under critical area ordinances, which contributes to the expense to develop land with these restrictions and limiting the supply of developable parcels (land without critical areas).
- Columbia River Gorge National Scenic Area Act: The Act, passed by the United States Congress in 1986, among other purposes, encourages sustainable growth in existing urban areas. The City of White Salmon, and some of unincorporated Klickitat County surrounding the city (referred to in this document as the "urban exempt area"), are exempt from regulations that affect the rest of the National Scenic Area lands. As a result, this means that most of the future residential and job growth must occur in the City of White Salmon and its urban exempt area, because it is not allowable or is highly regulated outside of the City and urban exempt area.
- Shoreline Management Act: Each jurisdiction across the state of Washington with streams flowing at a rate of 20 cubic feet per second or lakes 20 acres or larger is required to adopt a shoreline master program (SMP) that generally regulates land uses within 200 feet of these

waterbodies, including protecting critical areas within shoreline jurisdiction, and prioritizing water-oriented uses (docks, trails, parks, boating facilities, water-dependent industries etc.) for shoreline location. Single-family residential uses are considered priority uses in SMPs across the state. Multi-family residential uses are not considered to be a prioritized use in shoreline areas. The Columbia River and the White Salmon River are the only regulated shoreline waterbodies in White Salmon and its urban exempt area, meaning that shoreline regulations have a limited impact on buildable land and development costs in the community. White Salmon's SMP was updated in 2016, and Klickitat County is currently updating its SMP.

Septic System Land Area Requirements: Washington Administrative Code (WAC) 246-• 272A and Klickitat County Code Chapter 8.10 regulate the placement and design of small on-site septic systems (SOSSs), which are those treating effluence of less than 3,500 gallons per day (gpd). The County Department of Public Health is responsible for review and permitting of SOSSs. Review authority for large on-site septic systems (LOSSs) rests with the state under WAC 246-272B. Absent the extension of public sewer and water in White Salmon's urban exempt area, development of the urban exempt area will occur at low densities and large lot sizes mandated by state and county septic system regulations. Lot sizes for SOSSs under WAC 246-272A are given in Table 1. Standard septic system requirements limit residential lot sizes to no smaller than one dwelling unit per acre when water is supplied by a well or no less than 12,500 square feet when public water is available. Exact lot sizes are determined by soil type; Type 4 and 5 soils (common in White Salmon's urban exempt area) require minimum lot sizes of 18,000 square feet and 20,000 square feet when served by public water or 1 and 2 acres when served by a well, respectively. For unit types other than single family, the minimum lot size requirements apply per unit volume of sewage (450 gpd). Sizing requirements dictate that 250 gallons be provided per bedroom, meaning that for duplexes, triplexes, and townhouses with one or two bedrooms, the required land area may be less than shown in the table.

Type of Water	Soil Type (defined by WAC 246-272A-0220)					
Supply	1	2	3	4	5	6
Public	0.5 acre	12 E00 og ft	15 000 og ft	19.000 og ft	20.000 og ft	22.000 og ft
	2.5 acre ¹	12,500 Sq. II.	15,000 sq. ft. 1	18,000 Sq. II.	20,000 Sq. II.	22,000 Sq. II.
Individual, on each	1.0 acre	1.0010	1 acre	1 acre	2 acres	2 acres
lot	2.5 acres ¹	1 acre				

Table 1. Minimum Land Area Requirement Single-Family Residence or Unit Volume of Sewage

¹See WAC <u>246-272A-0234(6)</u>.

• WAC 246-272B-3500 sets land area requirements when using a LOSS. Class 4 and 5 soils common in Klickitat County require 1 acre of land per 1,575 gpd of effluent. Because the unit volume of sewage is 450 gpd, an average of 3.5 units can be built per acre using a LOSS in Klickitat County, which is greater than the 2.0 to 2.5 units per acre allowable for small onsite septic systems.

City of White Salmon and Klickitat County Code Evaluations

To evaluate White Salmon and Klickitat County's zoning code for potential barriers to housing and employment development within the City and its urban exempt area, WSP reviewed the zoning language, noting whether residential and employment development is allowed and common development restrictions (density/lot size and setbacks) per zone.

Summary of White Salmon Zoning Ordinance (Title 17) The City of White Salmon's zoning code (Title 17) has five distinct residential zones:

- Single-family Large Lot Residential (RL)
- Single-family Residential District (R1)
- Two-family Residential District (R2)
- Multifamily Residential District (R3)
- Mobile Home Residential District (MHR).

The City has an accessory dwelling unit code (WSMC Chapter 17.64) and a Residential Planned Development (WSMC 17.75) that allows flexibility in zoning development standards. The residential zones are "overlapping" or "inclusive": each residential zone allows all uses in the less intense zones. The R3 zone allows single and two-family uses that are allowed in the R2 and R1 zones. Likewise, the R2 zone allows single-family detached residential that is the primary purpose of the R1 zone. The R2 and R3 zones do not have minimum density requirements or require higher density residential uses, with the result that R2 and R3 zones may be used for low-density, single-family uses and still comply with the zoning code. Employment zones in the City include the General Commercial District (C) and the Riverfrontage District (RD). Each zone, its allowed uses, development standards, and identified barriers and opportunities for development are reflected in Table 2.

Zone Name/Geography	Permitted Residential Uses	Notable Development Standards	Identified Barriers and Opportunities
Single-Family Large Lot Residential (RL) Geography: • Large, undeveloped areas west of downtown, north of Jewett Boulevard, South of NW Lincoln • Developed, large-lot areas along El Camino Real	 One single-family detached dwelling structure per lot including manufactured homes ADUs in compliance with WSMC 17.64. Cottage dwellings prohibited Duplex, townhome, multifamily prohibited Renting requires conditional use permit (WSMC 17.40.020) 	 Dwellings shall not be less than 20 feet in width. Manufactured homes must be new and comply with siting standards Minimum lot size: 20,000 square feet Maximum lot depth: 3 times width Minimum width: 125 feet No maximum lot size 	 Application to vacant land makes development inefficient. Cottage dwellings prohibited but could be compatible with low density if appropriately clustered and buffered Large minimum lot sizes are too large for urban development, leading to inefficient land use within City boundaries, and driving up land costs. Requirement for new manufactured homes drives up housing costs. Maximum lot depth three times required width is arbitrary, making land division difficult. No maximum lot size contributes to land use inefficiency. Duplex prohibited even with conditional use permit.
 Single-Family Residential District (R1) Geography: Large swaths of developed/ undeveloped land surrounding central White Salmon. Un-/Underdeveloped areas northwest of downtown, far northeast and east extent of City 	 One single-family detached dwelling structure per lot including manufactured homes ADUs as conditional use in compliance with WSMC 17.64. Cottage dwellings prohibited Duplex, townhome, multifamily prohibited. Renting requires conditional use permit (WSMC 17.40.020) 	 Dwellings shall not be less than 20 feet in width. Manufactured homes must be new and comply with siting standards Minimum lot size: 5,000 square feet Maximum lot depth: 80 feet Minimum width: 50 feet Minimum front setback: 20 feet Minimum side yard setback: 5 feet Maximum lot size: none 	 ADUs require conditional use permit, complicating permit process. Cottage dwellings are prohibited, but would be a compatible and affordable option with small-lot single-family. Manufactured homes must be new, driving up housing costs. No maximum lot size may result in large-lot subdivisions. Duplex and limited townhome prohibited with conditional use permit. No minimum density standard.

Table 2. White Salmon Zoning Evaluation for Barriers to Housing Development

Zone Name/Geography	Permitted Residential Uses	Notable Development Standards	Identified Barriers and Opportunities
 Two-Family Residential District (R2) Geography: Developed areas north and south of downtown Key undeveloped area west of downtown and northeast side of City. 	 One single-family detached dwelling structure per lot including manufactured homes ADUs as conditional use in compliance with WSMC 17.64. Cottage dwellings Townhouses and multifamily subject to site plan review. Renting requires conditional use permit (WSMC 17.40.020) 	 Dwellings shall not be less than 20 feet in width. Unclear how applies to multifamily dwellings. Manufactured homes must be new and comply with siting standards. Maximum building height 28 feet. Maximum number of dwelling units/lots = one Minimum lot size: 5,000 square feet (SFR), 6,000 (duplex), 3,000 square feet (townhouse) Maximum lot depth: 80 feet Minimum width: 50 feet (SFR), 25 feet (townhouse) Maximum lot cover: 50% Minimum front setback: 20 feet Minimum side yard setback: 5 feet (SFR and duplex), 0 feet (townhouse). Minimum street side yard: 15 feet Minimum lot size: none 	 Small supply of vacant land. Allowance for single-family with no minimum density provision promotes low density development and inefficient land use. ADUs require conditional use permit, complicating permit process. Maximum lot coverage and parking requirements help ensure compatibility with low density for duplexes and townhouses making site plan review unnecessary. Maximum building height of 28 feet too restrictive for two-three story townhouses. Townhouses likely infeasible with limit of two per building. Limit of one dwelling per lot raises housing costs by requiring ownership, rather than rentals. Minimum lot sizes too large for duplex and townhouses. Front, street side, and rear setbacks too large for duplex and townhouses. No minimum density standards.
 Multifamily Residential District (R3) Geography: North/northwest of downtown and far east extent of City 	 One single-family detached dwelling structure per lot including manufactured homes ADUS Cottage dwellings Multifamily and townhouse subject to site plan review 	 Dwellings shall not be less than 20 feet in width. Unclear how applies to multifamily dwellings. Manufactured homes must be new and comply with siting standards. Maximum building height 28 feet and limited to two stories. 	 Small supply of vacant land. Allowance for single-family with no minimum density provision promotes low density development and inefficient land use. Maximum building height of 28 feet too restrictive for townhouses and multifamily. Minimum lot sizes too large for townhouses.

Zone Name/Geography	Permitted Residential Uses	Notable Development Standards	Identified Barriers and Opportunities
	Renting requires conditional use permit (WSMC 17.40.020)	 Minimum lot size: 5,000 square feet (SFR), 6,000 (duplex), 2,500 square feet (multifamily and townhouse). Maximum lot depth: 80 feet Minimum width: 100 feet (MFR), 20 feet (townhouse) Maximum lot cover: 50% Minimum front setback: 15 feet Minimum side yard setback: 5 feet, 0 feet (townhouse). Minimum street side yard: 15 feet Minimum rear yard: 15 feet Maximum lot size: none Two off-street parking spaces required for 	 Maximum lot cover too small for townhouses and multifamily. Front, street side, and rear setbacks too large for duplex and townhouses. Parking requirement too high for multifamily units. 1.25 to 1.75 spaces/unit is common. No minimum density standards
Mobile Home Residential District (MHR) Geography: • Two parcels east and	 Single-family dwellings (site built and manufactured) 	 each unit. Minimum park size: two acres Maximum park size: five acres Minimum space size: 1,000 square feet Individual for sale (fee simple) site prohibited. Maximum density: 10 per net acre 	 Small supply of vacant land. Fee simple prohibition eliminates a low-cost land ownership opportunity. Maximum density too low and conflicts with minimum space size.
northeast of downtown		 Buffer: 15-foot perimeter for park. Minimum space width: 30 feet. Setback to other units: 10 feet. Patios of 150 square feet required for each unit. Binding site plan review required. 	 Patio size is too large for 1,000-square-foot space size. Binding Site Plan process is a type of land division for commercial and industrial uses and should not be required. Requirement for two parking spaces per unit may be too high.
Residential Planned Unit Development (RPUD) Overlay	 Single-family, duplex, cottages, ADUS, townhouses, and multifamily. 	 Two off-street parking spaces required for each unit. RPUDs permit modification to subdivision and base zone standards including zoning requirements (setbacks, lot sizes, etc.), survey standards, engineering standards. 	None. RPUD standard provide significant flexibility to provide smaller lots and a mix of housing products.

Zone Name/Geography	Permitted Residential Uses	Notable Development Standards	Identified Barriers and Opportunities
 Geography: Permitted on any residentially zoned parcel of two acres or larger 		 RL Density can be increased to 8 units per acre using innovative site planning. 2,000-square-foot average lot size for single-family. 20% density bonus over RPUD density for affordable housing. Preservation of trees 8-inches or greater encouraged. Mitigation required. 15% open space required from net developable area Subdivision and site plan review required 	
General Commercial District (C) Geography: • Downtown White Salmon • North city limits along Tillotson Road • Eastern part of City near hospital	 Permitted: retail; service/professional office; repair, preparation, and sales; hospitality; artisan manufacture and sales; Other determined similar Conditional: residential paired with commercial; light manufacture 	 Maximum height: 35 feet Minimum lot size: none Setbacks: none except when abutting other districts and then must match that district Architectural/design: Standards for building materials and colors apply. Parking: must meet quantity required by code and be 8.5 feet by 19 feet long, no compact allowed. 	 Geography of district is limited to downtown and a few outlying areas and may be too restrictive to meet demand. Consider modernizing list of allowed uses for this district. Consider allowing on-street parking to be used to meet parking requirements
Riverfrontage District (RD) Geography: • Areas immediately north and south of SR 14.	 Permitted: limited commercial focused on tourism; limited manufacturing. Conditional: public and civic uses including parks, churches, fire and police stations, hospitals, RV Parks, 	 Maximum height: 45 feet Minimum frontage: 200 feet on SR 14 and 75 feet on other roads Setbacks: 25 feet (front), 25 feet (side to SR 14), 20 feet (side to other road), 25 feet (rear to SR 14), 20 feet (rear to other road). Landscape buffer: 12 feet (to SR 14), 10 feet (other road). Lot width to length ratio shall not exceed 1:4 Buffering of loading areas required Consolidated access and parking required 	 Buildable lands for properties immediately north of SR 14 is highly restricted due to steep slopes. Allowance for commercial uses competes for space with employment uses such as manufacturing that provide family-wage jobs. Lot width to length ratios are unnecessary.

Source: White Salmon Zoning Ordinance, Title 17 Notes: SFR = single-family residential, MF = multifamily, ADU = Accessory Dwelling Unit, SF=square feet

Housing and Employment Development Barriers and Opportunities As identified in Table 2 above, regulatory barriers and opportunities to accommodate additional housing and employment uses in White Salmon include:

- Overlapping or "inclusive" residential zones: As noted, the City's residential zones overlap. The multifamily (R3), two-family (R2), and mobile home residential (MHR) zones also allow for low-density residential uses. This likely limits the supply of residential land available for manufactured homes and higher-density housing types such as duplexes, townhomes, and apartments that provide market-rate affordable housing options for area workers and lower-income households because developers may use the R2, R3, MHR zones for large-lot, high-priced single-family residences. The City should consider prohibiting single-family development in the R2, R3, and MHR zones or allowing for it only on a very limited basis. Alternatively, the City could adopt density standards in each zone, but not restrict use, thereby requiring developers to achieve higher densities in the R2 and R3 zone, while allowing a mix of single and multifamily development.
- Land supply: Available land supply for properties zoned R2, R3, and MHR is very limited and most areas with these zones are already developed. The City needs to identify opportunities to rezone vacant land intended for R1 to R2, R3, and MHR to create additional opportunities for this type of development.
- The Single-Family Large Lot (RL) zone: This zone requires a large minimum lot size of 20,000 square feet. Lot sizes in this zone are large for urban intensity development, and at the same time they are undersized as a "holding zone" for future divisions once utilities are available. In short, a half-acre residential lot is largely committed once it is built, and will not easily facilitate future urban densities. In addition, some of the City's largest undeveloped areas north of Jewett Boulevard and south of Lincoln Street on the west side of the City are contained within the RL zone. The City should consider revising the zoning code to completely eliminate the RL zone since it is inappropriate for urban intensity development and expensive to serve at such low densities; the City should also rezone vacant lands now RL to R2 or R3.
- Residential Development Standards: Within the city's core residential zones (R1, R2 and R3), there are a number of barriers that make development of lower-cost, high-density development difficult or prohibitive.
 - General (applies to all residential zones): The City's residential zones do not contain minimum density requirements, potentially leading to insufficiently low densities to provide affordable housing options. Front setback standards are too large to allow duplexes or townhouse development in either the R2 or R3 zones. Duplex and townhouses should be permitted to have a minimal to no front setback to allow an alleyaccess unit.
 - R1 zone: Within the R1 zone, ADUs are only allowed through a conditional use permit
 process and cottage dwellings are prohibited; the City should allow ADUs and cottage
 dwellings outright that can meet the zoning standards. The City should also consider

allowing duplexes in the R1 zone outright; if compatibility is a concern, the City could limit the percentage of duplexes in the R1 zone to generally larger corner lots, or to no more than 30 percent of the total proposed housing units per development in this zone. The City should set a maximum lot size in this zone so that lots are not unnecessarily large, resulting in inefficient use of land. An exception could be made to allow existing large lot permits for example, to allow a home, where a "shadow plat" is provided to show a logical placement that accommodates future land division(s).

- R2 zone: Conditional use permits are required for ADUs, an additional step in a zone in which this housing type would be compatible with duplexes; the City should allow ADUs outright in this zone. Site plan review is required for duplexes and townhouses even though parking and landscaping standards apply and accomplish the same thing as site plan review would, raising development costs and lengthening City review timelines. The maximum building height of 28 feet may restrict some two-story duplex or townhouse buildings and could be raised to 35 feet, a common standard in residential zones across the country. Townhouses are likely infeasible with only two allowed per building and there is no more than one dwelling unit per lot permitted, prohibiting condominiums and renting of townhouses; this requirement could be removed. Lot sizes are large for duplex and townhouse uses; consider lowering the lot size to 2,000 square feet per townhouse unit.
- R3 Multifamily Residential Zone: This zone requires a conditional use permit to allow rental housing options, which limits opportunities for affordable housing. The R3 zone is unclear regarding how the minimum dwelling unit width of 20 feet applies to multifamily (apartment buildings) potentially causing a variance process that could be avoided through clear language. As with R2, the maximum building height of 28 feet is restrictive to some two-story and certainly three-story buildings, effectively limiting multifamily uses. Minimum lot sizes are large for townhouses; the City could consider 2,000 square feet per townhouse. Lot coverage could be raised to at least 60 percent for townhouses and perhaps 70 percent for multifamily development. Parking requirements are high, using up valuable land for housing development; consider 1.25-1.75 spaces per townhouse and multifamily unit.
- MHR Mobile Home Residential zone: This zone represents one of White Salmon's best opportunities to encourage affordable ownership housing. Fee ownership of land is prohibited in this district; the City could consider eliminating this requirement. The maximum density requirement of 10 units per acre is low and does not match up with the 1,000 square feet per space which equates to 34 units per acre even when allowing 20 percent for infrastructure and common areas; the City could consider raising the maximum density to 20 units per acre. Additionally, patio requirements may be oversized for each home and could be lowered to 80 square feet per unit.
- General Commercial (C) and Riverfrontage District (RD): These zones are generally flexible enough to allow a wide variety of commercial, office, and manufacturing uses. Setbacks, parking, and landscaping requirements are generally appropriate for this type of development outside of downtown locations. Within downtown White Salmon, parking requirements are

high and do not allow counting public or on-street parking per adjoining use. The single largest issue with these zones is that there isn't enough land within these districts to allow for future commercial and employment uses required to meet demand. The City should consider rezoning some residential lands, to allow more General Commercial use; for example, converting some areas adjacent to higher density residential zones for expanded employment opportunities.

Summary of Klickitat County Zoning Ordinance for White Salmon Urban Exempt Area Klickitat County's zoning ordinance (Title 19) contains zoning regulations that apply to unincorporated areas just outside of the cities of White Salmon and Bingen, but within the Urban Exempt Area. Table 3 lists zones where residential, commercial, or industrial development is allowed; notable development standards within each zone; and notes regarding identified barriers or opportunities that may address limits to the provision of residential development or development to accommodate job growth. The table does not include forest, open space, or agricultural zones in the urban exempt area.

Minimum lot sizes in Klickitat County are heavily influenced by lot and land size requirements for septic systems. In order to understand whether lot sizes are a barrier to development of workforce and affordable housing, it is necessary to understand septic system lot and land size requirements as explained in the Land Use Regulatory Framework section of this memorandum. Lot sizes cannot be smaller than 1 acre without provision of public water and no smaller than 12,500 square feet unless public sewer is also provided. This fact severely limits residential development densities in the urban exempt area until public water and sewer is extended.

Zone Name/Geography	Permitted and Conditional Uses	Notable Development Restrictions	Identified Barriers and Opportunities
Geography: • Large rural parcels along Snowden Rd. north of Bunn Rd. to the north of town.	 Permitted: Commercial- Agriculture and agricultural produce stands Residential- Single-family home, including mobile home Conditional: Commercial- Most agriculture and rural commercial activities, including fairground/rodeo ground, gun club, picnic area, guest ranch, surface mine, airport or landing strip, kennel, solid waste dump, public works/utilities buildings, telecommunications facilities, public and private schools, church, cemetery, grange hall/community center and golf course Residential- Mobile home park and farm labor camp 	 Minimum lot size: 5 acres Minimum lot depth: 100 feet Minimum lot width: 100 feet Renting of rooms for lodging only, no more than two roomers in one dwelling Accessory residential units for farm laborers not to exceed three units 	 Large minimum lot sizes are too large for urban development, leading to inefficient land use Mobile home parks require conditional use permit Only three units of farm labor housing are permitted Reasoning for maximum lot width is undefined, and maximum lot width is too restrictive making land division difficult
Rural Residential 1 (RR1) Geography: • Large swaths of undeveloped and underdeveloped land north of NW Loop Rd. and east of SR 141/W. Jewett Blvd.	 Permitted: Commercial- Agriculture and agricultural produce stands Residential- Single-family home, including mobile home Conditional: Commercial- Most agriculture and rural commercial activities, including fairground/rodeo ground, gun club, picnic area, guest ranch, surface mine, airport or landing strip, kennel, 	 Minimum lot size: 1 acre Minimum lot depth: 100 feet Minimum lot width: 100 feet Renting of rooms for lodging only, no more than two roomers in one dwelling 	 Mobile home parks require conditional use permit Minimum lot width is arbitrary, making land division difficult Minimum lot sizes are too large to encourage development flexibility

Table 3. Klickitat County Zoning Evaluation for Barriers to Housing Development

Zone Name/Geography	Permitted and Conditional Uses	Notable Development Restrictions	Identified Barriers and Opportunities
 North of areas zoned P (Public) and GC (General Commercial) 	 solid waste dump, public works/utilities buildings, telecommunications facilities, public and private schools, church, cemetery, grange hall/community center and golf course Residential- Mobile home park and farm labor camp 		
Rural Residential 2 (RR2) Geography: • A few large parcels west of SR 141/W. Jewett Blvd. in the vicinity of The Knoll Rd. and SW Arnett Rd., northwest of White Salmon.	See RR1 for permitted and conditional uses.	 Minimum lot size: 2 acres Minimum lot depth: 100 feet Minimum lot width: 100 feet Renting of rooms for lodging only, no more than two roomers in one dwelling 	 Mobile home parks require conditional use permit Minimum lot width is arbitrary, making land division difficult Minimum lot sizes are too large to encourage development flexibility
 Suburban Residential (SR) Geography: Large area mostly south of NW Loop Rd. and west of SR 141/W. Jewett Blvd. Small portion north of NW Loop Rd. and east of SR 141/W. Jewett Blvd. near the 	 Permitted: Commercial- Agriculture Residential- Single-family home, including mobile home Conditional: Commercial- Agricultural produce stands, public and private schools, golf course, country club, sports club, community center, lodge, fraternal building, cemetery, public works/utilities buildings, church, surface mine, hospital, 	 Maximum of one permitted dwelling per lot Minimum lot size: 20,000 square feet (or larger as determined by County to protect public health) Maximum building height: 2 stories and 40 feet Minimum lot width: 100 feet Renting of rooms for lodging only, no more than two roomers in one dwelling One parking space per dwelling unit 	 Mobile home parks, rest homes and retirement homes require conditional use permit Multifamily not permittable even with conditional use permit One dwelling structure per lot Maximum building height of 2 stories or 40 feet too restrictive for townhouses and multifamily Lack of sewer and water infrastructure limits minimum lot size Minimum lot width is arbitrary, making land division difficult

Zone Name/Geography	Permitted and Conditional Uses	Notable Development Restrictions	Identified Barriers and Opportunities
 intersection of those two arterials. The largest area of potentially developable land, consisting of hundreds of parcels. North and west of White Salmon city limits 	 temporary new home sales office, planned district, kennel Residential- Mobile home park, rest home, retirement home, nursing home 		
 Residential (R) Geography: 14 small parcels north of NE Spring St. and east of N. Main Ave. Abuts City of White Salmon on south, west, and east sides, and unincorporated County (zoned GC-General Commercial) on north side. 	 Permitted: Residential- Single-family dwelling, duplex, mobile homes, mobile home parks Conditional: Commercial- Public or private schools, golf course, country club, swimming or tennis club, community center, cemetery, public works or utilities buildings, church, hospital, temporary home sales office, and planned districts Residential- Multifamily housing, rest home, nursing homes and retirement homes 	 Minimum lot size: Single-family dwelling on community water/sewer system- 6,000 square feet With no community sewer- 20,000 square feet (or larger as determined by County to protect public health) Additional 2,500 square feet of lot area for every additional unit over one Additional 1,500 square feet of lot area for every additional unit over 4. Density cannot exceed 7 units per acre Maximum building height: 2 stories and 40 feet Minimum lot width: 60 feet Renting of rooms for lodging only, no more than two roomers in one dwelling One parking space per dwelling unit 	 Small supply of vacant land. Maximum building height of 2 stories or 40 feet too restrictive for townhouses and multifamily. Lack of sewer and water infrastructure limits minimum lot size Density cannot exceed 7 units per acre
General Commercial (GC)	 Permitted: Commercial- Most general and specialty retail and commercial businesses, public uses such as 	Minimum lot size: None if on public sewer, otherwise as determined by the health officer	 Multifamily housing not permitted even with conditional use

Zone Name/Geography	Permitted and Conditional Uses	Notable Development Restrictions	Identified Barriers and Opportunities
 Geography: Located primarily east of N. Main Ave. and north of NW Loop Rd. in the vicinity of this intersection Small portion south of NW Loop Rd. and west of N. Main Ave. North of White Salmon city limits 	 public utility buildings, schools, marinas and churches, and most agriculture or agriculture oriented commercial or industrial uses Residential- Single-family dwelling, duplex, mobile homes, RV parks and campgrounds offering the public short-term accommodations Conditional: Commercial- Amusement or recreational facility, kennel, planned district, light manufacturing within an enclosed building Residential- Mobile home park 	 Maximum building height: 3 stories and 50 feet, buildings over 60 feet in height are subject to conditional use permit Minimum front yard: none Minimum side yard for interior lot: none Minimum side yard for corner lot: 15 feet Minimum side yard for a zone transition lot: same as requirement of adjoining, more restrictive district Minimum rear yard: 15 feet, or 20 feet if abutting a residential district Minimum off-street parking at a ratio of two square feet of parking space per one square foot of floor space 	 Mobile home park requires conditional use Parking ratios too burdensome for residential uses
Industrial Park (IP) Geography: • Several large parcels south of SR 14 at the Port of Klickitat in Bingen.	 Permitted: Assembly and fabrication of products, auto body shop, assembly of electrical appliances, boat building, farm equipment repair, cereal mills, machine shop, manufacturing of products, spinning or knitting of textiles, warehouses, and wholesale businesses Conditional: Agricultural equipment/implement sales, brewery, distillery, or winery, commercial businesses with extensive yard requirements, contractor, logger, and truck 	 Maximum lot coverage: none Maximum building height: none Minimum yards/setbacks: none, except when bordering a residential district, they shall match those of that district Minimum lot size: None if on public sewer, otherwise as determined by the health officer All yard areas not used for paved parking, loading or storage must be landscaped No building, structure, premises or portions thereof may be used for residential use except for a caretaker's residence Site plan review by planning commission required, or by Port of 	 Fully landscaped yards increase expense No residential uses permitted at all Site plan review through planning commission or Port of Klickitat required, increasing development timelines and potentially cost

Zone Name/Geography	Permitted and Conditional Uses	Notable Development Restrictions	Identified Barriers and Opportunities
	storage yard, farm cooperatives, foundry, fuel oil distributor, solid fuels yard, grain elevator, machinery sales and storage, railroad facilities of all types except repair shops, tire retreading or recapping, welding shop, asphalt and concrete batch processing, stone, marble, and granite works, and resource extraction and processing	Klickitat Commissioners if property zoned IP is owned by Port of Klickitat	
Public (P) Geography: • Two large parcels north of and one small parcel south of NW Loop Rd. in the vicinity of Jackson Dr. and Bruin Country Rd.	 Permitted: Public schools, parks, utilities, government offices, marinas, museums, and police/fire stations Conditional: Public housing and group residences, government shops and maintenance yards, caretaker dwellings and cemeteries 	 Minimum lot area as necessary for intended use and respective minimum yard depths Minimum yard depths shall be those of adjacent zoning district unless determined differently by the fire district Maximum building height: 35 feet 	 Maximum building height is too low for public multifamily housing

Source: Klickitat County Zoning Ordinance, Title 19 Notes: SFR = single-family residential, MF = multifamily, ADU = Accessory Dwelling Unit, SF=square feet

Housing and Development Barriers in White Salmon's Urban Exempt Area The primary barrier to development of the urban exempt area is lack of sewer and water infrastructure. Development must meet state septic system requirements, which require very large lot sizes, and County zoning requirements reflect barriers related to minimum lot sizes that are typical for many unincorporated county areas throughout the state. Other development standards in the County zoning ordinance (such as height and permitted use) are also tied to the minimum lot sizes, and therefore further analysis of the zoning code is tied to the availability of water and sewer infrastructure as well.

The focus of the City and the County should be to plan for and implement urban-intensity development in the urban exempt area over time, which will require coordination on infrastructure provision under an intergovernmental agreement (IGA). County zoning could be updated to permit urban land uses and densities at a later point after a common agreement for infrastructure provision has been established. The focus of policy recommendations for the urban exempt area is on infrastructure provision and the establishment of an IGA, Following the IGA, subarea planning and infrastructure development can ensure service expansion and annexation occurs according to City standards as needed over time.

Shoreline Master Program and Critical Area Ordinances

White Salmon completed its master program update in 2016, and Klickitat County is updating its shoreline master program consistent with state requirements. There are limited areas in White Salmon and its urban exempt area subject to the updated shoreline master programs, so these regulations are not expected to have an extensive effect on development.

Both the City and County are currently updating their critical areas regulations under the requirements of GMA. There are extensive critical areas, primarily in the form of geologically hazardous areas (steep slopes), in White Salmon and the urban exempt area that further limit building lands for residential and employment uses. Given the broad extent of steep slopes, the City and County should consider incorporating density and development right transfers into their ordinances to allow development to be transferred within a site to more developable areas or even offsite to developable areas. Without development right transfers, much of the city and urban exempt area will be difficult to develop.

Recommendations

This section provides recommendations to modify the Klickitat County and City of White Salmon codes to eliminate barriers to residential, commercial, and industrial development within the city and the urban exempt area

Joint City and County Recommendations

• **Develop a joint, long-term water and sewer plan**: The City and County should identify the long-term capital improvements required to bring water and sewer infrastructure into the urban exempt area, allowing urban land uses and densities to be developed over time. This long-term plan should include information on right-of-way requirements, pump and lift station requirements, wastewater treatment improvements or expansions, and network

distribution. Joint City and County policies are needed to determine appropriate standards for delivery of sewer infrastructure outside City limits, potentially with new zoning and annexation requirements. The City and County should jointly address infrastructure funding gaps, including pursuing funding from state sources that would make improvements feasible. The federal government is exploring a large infrastructure package as part of a nationwide relief program associated with the economic effects of the coronavirus pandemic. Extensive opportunities may exist to fund infrastructure in the urban exempt area if the City and County are prepared to apply for grants.

• Establish an intergovernmental agreement (IGA): In addition to specific, serviceable, and ready near-term annexations, the City and County have a long-standing goal of jointly developing an intergovernmental agreement (IGA) for the development of the urban exempt area. This agreement would set agreed standards on infrastructure, land use, water and sewer service extensions, and annexation for the area. In many other jurisdictions, an IGA applies City development standards to unincorporated areas but often includes a process for County comment and may include County review procedures (e.g., Hood River Urban Area).

The White Salmon-Klickitat County IGA should address infrastructure development standards (such as street widths and improvements, sidewalk provision, and water and sewer capacity standards), as well as the development review process. The IGA would ensure that infrastructure development within the urban area meets City standards so that development is orderly and efficient rather than piecemeal prior to annexation. Additionally, the IGA should address zoning standards (lot size, density, setbacks, permitted/conditional/prohibited uses, etc.).

The City and County should work together to identify appropriate land for rezoning (to City standards) concurrent with water and sewer provision. Effective administration of the IGA will be dependent on the joint planning and provision of water and sewer in the urban exempt area. If advance planning through an IGA does not occur, the urban exempt area may develop under low-density County standards, which is a barrier to urban densities and the subsequent development of significant numbers of affordable and workforce housing units. The urban exempt area is bordered by the National Scenic Area and cannot be expanded without an act of United States Congress. Forming an IGA should be the one of the City's and County's first priorities to encourage development of affordable housing and employment use. Updating zoning standards within the City or County, does not provide as much potential for large-scale urban development to occur without coordinated action from the other jurisdiction.

City of White Salmon

• **Rezone additional areas for higher-density residential uses:** There is a general lack of developable land in White Salmon for higher-density residential development. The City should consider rezoning land north of Jewett Boulevard and south of Lincoln Street to R2 and R3 since it is proximate and close to downtown services. A portion of this land should also be considered for commercial zoning as noted below.

- Eliminate the RL zone or repurpose as urban holding: The City could eliminate the RL zone, which allows rural-intensity development within the City leading to inefficient use of land. Alternatively, the City can increase the minimum lot size to 1 acre in this zone and employ it as an urban holding zone in the urban exempt area under an IGA with the County. Shadow platting requirements should be included, if used as an urban holding zone to ensure that future development isn't precluded if one-acre lots are developed.
- **Overlapping "inclusive" residential zones:** The City could disallow development of singlefamily residential development within the R3 zone and could eliminate or reduce the ability to develop single-family uses in the R2 zone. These zones should be reserved primarily for higher-density housing products such as duplexes, townhouses, and multifamily residences. Optionally, the City can adopt minimum density standards in the R2 and R3 zones to ensure sufficient multifamily housing development, while still allowing for development of singlefamily residences.
- Accessory Dwelling Units and Cottages: The City could allow ADUs and cottage developments outright in the R2 and R3 zones rather than requiring conditional use permits and even consider allowing these uses outright in the R1 zone.
- **Residential Development Standards:** The City could revise its residential development standards consistent with the barriers and opportunities identified in this memorandum including revising setback, building height, coverage requirements, limitation on one dwelling unit per lot, lack of minimum density requirements, and minimum lot size requirements. Existing requirements emphasize low-density development and, in some cases, make it overly difficult or impossible to develop high-density, affordable housing. The City may consider eliminating the requirement that rental housing require a conditional use permit in the R3 zone. Parking requirements are high for townhouse and multifamily uses in the R3 zone. Maximum density requirements are restrictive in the MHR zone.
- **Commercial and Employment Land:** The City's commercial and employment zones are generally flexible enough and development standards are appropriate to allow a wide variety of commercial, office, and manufacturing uses. However, there is a general lack of buildable land in these zones. The City could consider rezoning portions of land near downtown and the hospital district to General Commercial or mixed use to serve employment needs near existing and commercial areas and proximate to existing or future residential areas.

White Salmon Urban Exempt Area (Klickitat County)

- Update zoning code and development standards: Klickitat County could consider updating their zoning code and development standards to permit urban land uses and densities once an intergovernmental agreement with the City of White Salmon is established. Until that occurs, and a common approach to water and sewer provision is being executed, urban development, which is not supported by current code, will not be feasible in the urban exempt area.
- **Establish a new mixed-use commercial node**: Klickitat County could consider identifying land in the urban exempt area that is appropriate for the long-term development of a mixed-use commercial node or neighborhood center (land that is proximate to existing and future

jobs and residential areas that are easily serviced by essential transportation, water, and sewer infrastructure). This would occur within the framework of an IGA and require a larger visioning effort but would help prioritize the extension of services and act as a catalyst for future urban development.

ATTACHMENTS

A: Public Outreach Summary B: Infrastructure Assessment

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