



Planning & Development Services

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Memorandum

To: **Planning Commission**

From: Michael Cerbone, AICP
Nick Schmeck, Long Range Planning Intern

Date: June 27, 2019

Re: **Planning Commission Workshop – Docket Item C-1**

Summary:

Planning and Development Services (PDS) is providing this staff report in advance of the July 2, 2019 Planning Commission workshop on docket item C-1 amending capital project cost summary (page 456); and Exhibits 41 and 42 (page 492) to reflect revised funds and costs for the proposed Guemes Island Ferry. Revisions include updating the Skagit County Comprehensive Plan to match new funding sources and revised project costs.

Additional Minor Changes proposed to the Skagit County Comprehensive Plan (2016):

- Update section 5.5 (Page 448):
 - Replace “The 2016 TIP includes \$12,500,000 in federal and state funds to replace or modify” with “The 2019-2024 TIP includes a Guemes Island Ferry Boat Replacement (Electric) project at a 2018 cost estimate of over \$21.7 million dollars to replace”
- Update Exhibit 29 ID 43 (Page 455):
 - Replace Project Cost “\$12,000,000” with “\$19,000,000”; and
 - Replace Project Description from “Overhaul” to “Electric Ferry”.
- Update Section 12 (Page 483 & 485):
 - Update Implementation and Monitoring, subsection (Other State Funds) to include “State CRAB Funds for Ferry (\$7.5M)”; and
 - Update Implementation and Monitoring, subsection (Ferry Tolls) to include a “ferry surcharge”.

Action Requested of the Planning Commission:

Action requested from the Planning Commission is a recorded motion approving docket item C-1 to be accepted as a 2019 Comprehensive Plan amendment.

Background/Discussion:

RCW 36.70A.130 – Comprehensive Plans – Review procedures and schedules – Amendments (GMA), authorizes the County to make revisions to the Comprehensive Plan no more than once per year through the Docket. On March 19, 2019 the 2019 Docket for amendments to the Comprehensive Plan, Zoning Map, and/or Development Regulations was voted into action by Skagit County’s Board of County Commissioners (BOCC) via approval of Resolution R20190052. SCC 14.08.080(6) and (7) requires that revisions be reviewed by the Planning Commission.

The M/V Guemes was launched in 1978 and put into service on the Anacortes-Guemes route in 1979. The current ferry, M/V Guemes, (91 tons) is a 21 vehicle, 100 passenger, diesel powered vessel. The ferry operates the route daily and transports close to 200,000 vehicles and 400,000 passengers annually. After 40 years, the growing population of both Guemes Island and Skagit County has created the need for a new and improved ferry.

The County-Initiated Proposal C-1 proposes to amend and add several sections within the comprehensive plan. The goal of this amendment is to maintain accurate information and update the comprehensive plan to reflect the most accurate information concerning the ferry replacement project.

Next Steps:

After the Planning Commission Workshop on July 2, 2019:

- Planning Commission may task PDS with next steps such as research and development
- Planning Commission will host a public hearing prior to deliberating and deciding on a recommendation
- The recommendation will then be passed onto the BOCC’s who will host a public hearing and consider the recommendation
- If approved, the comprehensive plan will be updated to reflect the most accurate project information

Applicable County Policies:

County Wide Planning Policies

- 12.15 Skagit County shall provide results of the required six year capital facilities plan, including a financing plan, and these shall be consistent with land use designations.
- 12.16 Citizens shall have the opportunity to participate in and comment on proposed capital facilities financing.
- 12.17 (d) that ALL cities and the County have an adopted capital facility plan for urban levels of service that indicates sources of revenue and a timeline for meeting such service;
- 3.4 The Transportation Element of the Comprehensive Plan shall be designed to; facilitate the flow of people, goods and services so as to strengthen the local and regional economy; conform

with the Land Use Element of the Comprehensive Plan; be based upon an inventory of the existing Skagit County transportation network and needs; and encourage the conservation of energy.

County Comprehensive Plan Goals and Polices

- policy 8A-5.3 To meet future increases in demand, increase service capacity of the Guemes Island Ferry by: (a) encouraging car-pooling and walk-on passengers; (b) increasing the frequency of ferry runs based on demand; (c) considering additional ferry capacity if the aforementioned procedures fail to accommodate demand; and (d) adding additional runs outside the current schedule.
- Policy 8A-5.4 in making all decisions related to the Guemes Island Ferry, balance the needs of the Island residents, the non-resident property owners, and the County citizenry as a whole. Decisions that would have significant service or financial impacts should be made after providing ample opportunities for public review and comment.

List of Attachments:

Attachment A: Proposed Comprehensive Plan Amendments

Attachment B: Skagit County Comprehensive Plan 2016-2036

Attachment A

Plain text = existing writing with no changes

~~Strikethrough~~ = existing writing to be deleted

Underlined = new writing to be added

~~Double Strikethrough~~ = existing writing moved to another location

Double Underline = existing writing moved from another location

Italics = instructions to writing reviser

Proposed Comprehensive Plan Amendments:

A1: 5.5 Ferry Needs

A Guemes Island Ferry Fourteen-Year Capital Improvement Plan 2015-2028 was approved in December of 2014 to meet the ongoing RCW requirement to produce a 14-year long-range capital improvement plan. ~~The 2016 TIP includes \$12,500,000 in federal and state funds to replace or modify the current Guemes Island ferry~~ The 2019-2024 TIP includes \$19,000,000 in federal and state funds to replace or modify the current Guemes Island ferry with an electric ferry to meet current and future needs, ~~in addition to repaving the ferry parking facility~~. The project is scheduled to begin in 2020. See project list in Exhibit 26.

A2: Exhibit 29. 20-year Transportation Capital Projects, 2016-36

ID	Project	Location	Description	Project Cost
43	Guemes Ferry Boat Replacement or Overhaul <u>(Electric)</u>		Replace/ Overhaul ferry	\$12,000,000 <u>19,000,000</u>

A3: Exhibit 30. Capital Project Cost Summary

Project List	Cost
20-year (2016-2036) Project List Total	\$170,668,569 <u>177,668,569</u>

A4: Other State Funds

This category is primarily state grants and grants from the Urban Arterial Board, Transportation Improvement Board, County Ferry Capital Improvement Program (CRAB), Department of Community, Trade, and Economic Development, and the Washington State Department of Transportation. Beyond State grants, state shared revenues, entitlements, impact payments, and in-lieu taxes might be included

in this revenue category. Exhibit 33 shows historical and future projected revenues from other state funds for Skagit County.

A5: Ferry Tolls

Skagit County operates a ferry between Anacortes and Guemes Island. This ferry is subsidized by the County government with a cost-recovery target from fare-box of 65%. This includes the County’s recent ferry surcharge that went into effect August 1, 2018 and averages out to 20 percent increase per ticket. The recent ferry surcharge is a capital revenue source that will only be used for the purchase of the new electric ferry (RCW 36.54.200). These fares are one of the County’s dedicated transportation revenue sources. The County Board of Commissioners sets fares for the ferry annually. Exhibit 35 shows historical and future projected revenues from ferry tolls for Skagit County.

A6: Exhibit 41: Skagit County Revenues Available for Capital Projects under Desired Future State Maintenance and Operations, 2016 to 2036 (2015\$)

	2016-2036
Total Revenue	\$494,552,284 <u>502,052,284</u>
Total Programmatic Expenditures	\$474,573,233
Remaining Revenue for Capital Projects (Total Revenue minus Total Programmatic Expenditures)	\$19,979,051 <u>27,479,051</u>

A7: Exhibit 42: Skagit County Capital Project Summary, 2016 to 2036 (2015\$)

	2016-2036
Remaining Revenue for Capital Projects	\$19,979,051 <u>27,479,051</u>
Capital Projects	\$170,668,569 <u>177,668,569</u>
Revenue Deficit (Total Remaining Revenue minus Capital Projects)	\$(150,689,518) <u>(150,189,518)</u>

Attachment B: Skagit County Comprehensive Plan 2016-2036

<https://www.skagitcounty.net/PlanningAndPermit/Documents/CompPlan2016/comp-plan-2016-adopted-text-only.pdf>