

Planning & Development Services

1800 Continental Place • Mount Vernon, Washington 98273 office 360-416-1320 • pds@co.skagit.wa.us • www.skagitcounty.net/planning

Memorandum

To: Planning Commission

From: Tara Satushek, AICP, Senior Planner

Date: October 1, 2024

Re: Major Electrical Utility Developments on Ag-NRL zone land

Summary

Planning and Development Services (PDS) is providing this staff report in advance of the Planning Commission public hearing and deliberations meeting scheduled with the Planning Commission on October 8, 2024. This report supplements the September 12, 2024 staff report¹ (Attachment 1) by providing a summary of the public comments from the formal comment period which started on September 12, 2024, and will end on October 4, 2024, at 4:30 PM. Additional comments received will be presented at the October 8, 2024 public hearing. Public comments are listed in a table below. More information and supplemental documents for the proposed amendment can be found on the Proposed Code Amendment to SCC 14.16.400(4)(h); Regarding Major Electrical Utility Developments on Ag-NRL Zone Land webpage²

Supplemental Information

On September 23, 2024, the Board of Skagit County Commissioners adopted Ordinance #O20240007³; An Interim Ordinance Declaring an Emergency and Adopting a Moratorium on the Acceptance of Permit Applications for Major Utility Development Projects Involving the Electrical Energy Generation or Storage on Skagit County Agricultural (Ag-NRL) Lands. The moratorium lasts for six months but may be extended by the Board if necessary. The ordinance identified;

Skagit County has reasonable fear that access to Skagit County Ag-NRL lands for industrial electrical energy generation and storage activity will interfere with and jeopardize our long-term protection of Skagit County's farmland and farming economy; and

the Skagit County Planning Commission is currently considering permanent regulations relating to electrical energy generation and storage on lands zoned Ag-NRL, and the Board is concerned that the prospect of new development regulations may precipitate a rush to initiate new uses and activities inconsistent with the intent expressed herein as well as the public peace, health and safety.

The Board of Skagit County Commissioners will hold a public hearing on the moratorium at 1:30 p.m., October 21, 2024, to accept public comment. The public may join the hearing in-person in the

¹ https://www.skagitcounty.net/PlanningAndPermit/Documents/2024AgNRLZone/20240903%20Staff%20Report-%20Work%20Session.pdf

 $^{^2\,}https://www.skagitcounty.net/Departments/PlanningAndPermit/2024AgNRLZone.htm$

³ https://www.skagitcounty.net/Common/Documents/LFDocs/COMMISSIONERS000031/00/00/10/00001068.pdf

Commissioner's Hearing Room at 1800 Continental Place or via Zoom at the link on the Commissioner's webpage⁴.

Public Notice and Participation

On September 3, 2024, the Planning Commission Work Session Staff Report was published to the County Website and the County published and gave notice of the opening of the comment period for the proposed amendment. This included notice of the public hearing. Notice was published on September 12, 2024, to the Skagit Valley Herald. A SEPA Determination of Non-Significance⁵ was issued for this amendment on September 12, 2024.

Comments received to date of this report on the proposed code changes were sent by email to pdscomments@co.skagit.wa.us. A total of five (5) comments have been submitted during the comment period from September 12, 2024, to October 4, 2024, at 4:30 PM. Additional comments received past the date of this staff report will be presented at the October 8, 2024, public hearing.

Pursuant to SCC 14.08.080(4) and (5), the Planning Commission shall consider public comments and deliberate on any proposed plan, plan amendment, or development regulation. At the completion of its deliberations, the Planning Commission shall vote to recommend adopting, not adopting, or amending the proposed amendments. Recommendations shall be by a recorded motion which shall incorporate findings of fact and the reasons for the recommendations.

Public Comment Summary

All comments received to date have been in support of adopting the proposed amendment. Complete comments are attached in Attachment 2.

Next Steps

Pursuant to SCC 14.08.080(4) and (5), the Planning Commission shall consider public comments and deliberate on any proposed plan, plan amendment, or development regulation. At the completion of deliberations, the Planning Commission shall vote to recommend adopting, not adopting, or amending the proposed amendments. Recommendations shall be by a recorded motion which shall incorporate findings of fact and the reasons for the recommendations.

Attachments

Attachment 1 – September 12, 2024, Staff Report **Attachment 2** – Compiled Public Comments

https://www.skagitcounty.net/Departments/CountyCommissioners/main.htm?utm_medium=email&utm_source=govde livery

⁵ https://www.skagitcounty.net/PlanningAndPermit/Documents/2024AgNRLZone/20240912_SEPA%20DNS_Signed.pdf



Planning & Development Services

1800 Continental Place • Mount Vernon, Washington 98273 office 360-416-1320 • pds@co.skagit.wa.us • www.skagitcounty.net/planning

Memorandum

To: Planning Commission From: Tara Satushek, Sr. Planner

Date: September 3, 2024

Re: Major Electrical Utility Developments on Ag-NRL zone land

Summary

This staff report is being issued in advance of the work session scheduled with the Planning Commission on September 10, 2024. The proposal would amend SCC 14.16.400(4)(h) to exclude on Ag-NRL zoned land electrical generation and/or storage facilities from the major utility developments permitted with a hearing examiner special use permit. Skagit County has long maintained a strong policy of protecting agricultural land for agricultural uses, and this proposal furthers that policy by not allowing major utility developments for the generation and/or storage of electrical power on agricultural land. As such the Department recommends the Planning Commission **approve** the proposed amendment.

Background

SCC 14.040.020 defines three kinds of utility developments:

Utility development: includes, but is not limited to, facilities and services that generate, transport, process, or store water, sewage, solid waste, electrical energy, communications and pipelines for fuel, oil, natural gas, and petroleum products. A utility development is one of the following types:

- (1) Minor utility development: an unmanned utility development designed to serve a small local community that would be considered a normal utility service for the area.
- **(2) Major utility development**: a utility development that is not a minor utility development or a major regional utility development.
- **(3) Major regional utility development**: a utility development that is designed to serve a region.

Recently the Administrative Official has issued three Administrative Official Interpretations on how to properly define electrical utility developments. See AOI 2024-02 (Cloudbreak: solar electricity generation facility); AOI 2023-02 (Sounder: battery energy storage system); AOI 2023-01 (Goldeneye: battery energy storage system). Each AOI has concluded the contemplated development would be defined as a major utility development.

Each of the developments was proposed to be sited on Ag-NRL land. While a major utility development can be permitted on Ag-NRL with a hearing examiner special use permit, to obtain the

SUPs the applicant must establish that "there is no other viable parcel or non-agricultural designated land to serve the affected area." SCC 14.16.400(4)(h). This question was not considered in the AOIs and thus no discussion or decision was made related to the proper siting of utility developments. The AOIs just answered the preliminary question of whether a permit would be considered as a major utility development under SCC 14.16.400(4)(h). Nevertheless, the Goldeneye project has filed an application with the Washington Energy Facility Siting Evaluation Council (EFSEC) and has argued its AOI constitutes certificate of compliance with the County's land use regulations.

The three applications for AOI and Goldeneye's EFSEC application show there is substantial interest in developing lands zoned Ag-NRL for electrical generation and storage. It is not clear that the EFSEC process will scrutinize the conversion of ag-land to the degree required by the County Code and Comprehensive Plan.

Analysis

The proposal is to amend SCC 14.16.400(4)(h) to exclude electrical generation and/or storage as utility developments that can apply for a hearing examiner's special use permit:

(h) Major utility developments, excluding those involving the generation and/or storage of electricity, where there is no other viable parcel or non-agricultural designated land to serve the affected area. Analysis of alternatives to the development of the utility in the natural resource land must be provided.

This Code amendment will effectively prohibit electrical major utility developments on Ag-NRL zoned land. This will help prevent the unnecessary conversion of agricultural land. This proposed amendment would not affect permitting of minor utility developments, which require a administrative SUP, SCC 14.16.400(3)(g), nor net metering systems allowed under SCC 14.16.400(3)(t).

Consistency

Consistency Review with SCC chapter 14.08

1. Is the amendment consistent with the vision statements, goals, objectives, and policy directives of the Comprehensive Plan and the does the proposal preserve the integrity of the Comprehensive Plan and assure its systematic execution?

This amendment is consistent with the Comprehensive Plan as shown by the following parts of the Plan:

• Vision Statement | Major Themes: Protect and conserve agriculture, forest and mineral resource lands: Natural resource lands, such as farms and timber lands, provide economic, social, cultural and environmental benefits. This plan ensures that these areas, including mineral resource lands, continue to be viable today and into the future.

- Goal 4A Agricultural Resource Lands. Agricultural Resource Lands are those lands with soils, climate, topography, parcel size, and location characteristics that have long-term commercial significance for farming. Skagit County is committed to preserving and enhancing the agricultural land base and promoting economic activities and marketing support for a strong agricultural industry. The agricultural community faces significant challenges in preserving the agricultural land base and a viable agricultural industry, including: conversion of agricultural lands to development and inappropriate habitat restoration; conflict with neighboring residential uses; drainage impacts; and other disruption of agricultural lands functions and values. The following policies are intended to ensure the stability and productivity of agriculture in Skagit County.
- **Guiding Principles:** Agricultural Resource Lands: Protect the agricultural land resource and farming in Skagit County; endeavor to minimize the loss of the resource; mitigate unavoidable losses; and replace lost resources whenever possible. These principles shall guide Skagit County's actions to:
 - o Preserve agricultural land for agricultural uses;
 - Limit new non-agricultural uses and activities on agricultural resource lands;
 - Provide education and support services that maintain the farming industry and lifestyle;
 - Promote the economic benefits of farming;
 - Resolve conflicts between agricultural and environmental objectives; and
 - o Monitor the long-term achievement of the goals and policies
- **Goal 4A-3:** Promote preservation of agricultural land for agricultural uses, minimize non-farming uses on agricultural lands; and develop incentive programs to promote farming.
- Goal 4A-4: Land uses allowed on designated agricultural land shall promote agriculture, agricultural support services, and promote diverse agricultural industries.

2. Is the proposal supported by the Capital Facilities Plan (CFP) and other functional Plans?

The proposal is not affected by, nor does it affect, the Capital Facilities Plan or other functional plans.

3. Is the proposal consistent with the Growth Management Act (GMA), the Countywide Planning Policies (CPPs), and applicable provisions of the Comprehensive Plan?

The following GMA Planning Goals are applicable:

- RCW 36.70A.020(8) Natural Resource Industries: Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.
- **RCW 36.70A.020 Economic Development**: Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic

opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

The following Countywide Planning Policies are applicable:

- **CPP 5.8:** Agriculture, forestry, aquatic resources and mineral extraction shall be encouraged both within and outside of designated resource lands
- **CPP 5.11:** Skagit County shall conserve agriculture, aquaculture, forest and mineral resources for productive use by designating natural resource lands and aquatic resource areas, where the principal and preferred land uses will be long term commercial resource management.
- CPP 8: Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses
- CPP 8.9: Skagit County shall conserve agricultural, aquatic based, forest and mineral resources for productive use by designating natural resource lands and aquatic resource areas where the principal and preferred land uses will be long-term commercial resource management.

4. Does the proposal bear a substantial relationship to the public general health, safety, morals, or welfare?

Yes. The proposed amendment will protect the safety and welfare of the public by ensuring agricultural lands are not subject to inappropriate conversion for major electrical utility developments. This will help ensure the long-term viability of Skagit County's agricultural economy.

Recommendation

The Department recommends adoption of the proposal.

Public Notices

Notice of public meetings was provided via the Skagit County Planning & Development Services listserv and on the County's website.

The proposal will receive at least one public hearing and written comment period before the Planning Commission, consistent with the process for adoption of land use regulations in SCC Chapter 14.08. The Board of County Commissioners must approve the final adoption. The anticipated schedule is as follows:

Meeting Date	Topic Area
September 10, 2024	Intro to major electrical utility development in Ag-NRL amendment
October 8, 2024	Public Hearing to take citizen comments & testimony
October 8, 2024	Planning Commissioner Deliberations

SEPA Threshold Determination

The Skagit County SEPA Responsible Official has issued a Determination of Non-Significance for this non-project legislative proposal.

Public Comment

Option 1: Email comments are preferred and must be sent to pdscomments@co.skagit.wa.us with the proposal name "Major electrical utility developments on Ag-NRL lands" in the subject line. Please include your comments in the body of your email message rather than as attachments.

Option 2: Paper comments must be printed on 8½x11 paper and mailed or delivered to:

Planning and Development Services

Comments on "Major electrical utility developments on Ag-NRL lands"

1800 Continental Place

Mount Vernon WA 98273

All comments must be <u>received</u> by Tuesday, October 4, 2024, at 4:30 p.m. and include your full name and mailing address. Comments not meeting these requirements will not be considered.

Option 3: You may also comment in person. The Planning Commission is hosting the public hearing in the Skagit County Commissioners Hearing Room at 1800 Continental Place, Mount Vernon, WA 98273.

If you wish to provide testimony via the online meeting option, please send an email to pdscomments@co.skagit.wa.us, with your name, phone number, and include a request to be added to the speakers list in the body of the email. All requests must be received 24 hours prior to the Public Hearing Date referenced above. Public hearing testimony is usually limited to three minutes, so written comments are preferred.

Anyone who plans to attend the public hearing and has special needs or disabilities should contact Planning and Development Services at (360) 416-1320 at least 96 hours before the hearing to discuss and arrange any special accommodations.

Attachment 1 – Redline Code Amendments SCC 14.16.400

2024 Amendments re Utilities on Ag-NRL zones—DRAFT

Plain text = existing code with no changes

Strikethrough = existing code to be deleted

Underlined = new code to be added

Double Strikethrough = existing code moved to another location

Double Underline = existing code moved from another location

Italics = Instructions for code reviser/reviewer

Markup DRAFT August 26, 2024

Chapter 14.16 Zoning

Chapter 14.16 Zoning

14.16.400 Agricultural—Natural Resource Lands (Ag-NRL).

- (1) (3) No change
- (4) Hearing Examiner Special Uses.
 - (a) (g) No change
 - (h) Major utility developments, <u>not including those involving the generation and/or storage of electricity</u>, where there is no other viable parcel or non-agricultural designated land to serve the affected area. Analysis of alternatives to the development of the utility in the natural resource land must be provided.
 - (i) (o) No change
- (5) (7) No change

Comments Receive for Proposed Code Amendment to SCC 14.16.400(4)(h); Regarding Major Electrical Utility Developments

on Ag-NRL Zone Land.

Count	Count Last Name	First Name	Organization/Address	Type of Comment	Method Received	Date
1	Belatti	John	Mount Vernon	Support	Email	09/12/2024
2	Bynum	Ellen	Friends of Skagit County	Support	Email	09/12/2024
3	Wolf	Denise	Skagit County	Support	Email	09/12/2024
4	McNeil	Terry		Support	Email	09/14/2024
5	Hughes	Michael	Skagit County Agricultural Advisory Board	Support	Email/Letter	09/25/2024

From: PDS comments

Sent: Thursday, September 12, 2024 9:10 AM

To:Jack Moore; Tara SatushekSubject:FW: Agricultural Land

----Original Message-----

From: John Belatti <sloopjlb1@icloud.com> Sent: Thursday, September 12, 2024 7:21 AM

To: PDS comments <pdscomments@co.skagit.wa.us>

Subject: Agricultural Land

One of the BEST things about beautiful Skagit County is its farmland. The action of our local leaders to save farmland for agricultural use and not development has been a tremendous benefit for us and future generations. An industry, whether related to battery storage or commercial development, is not suitable for farmland. Please do not carve out an exception to the code for a specific business. They undoubtedly will be profitable and do not need a public giveaway of our precious farmland. Thank you.

John Belatti Mount Vernon

From: PDS comments

Sent: Thursday, September 12, 2024 9:10 AM

To: Jack Moore; Tara Satushek

Subject: FW: Support for Ordinance 20240003 An Interim Ordinance Declairing an Emeregency

& Adopting a Moratorium.....

From: Ellen Bynum <skye@cnw.com>

Cc: Randy & Aileen Good <rigood30@frontier.com>; Andrea Xaver <dancer@fidalgo.net>; FOSC Office

<friends@fidalgo.net>; Lori Scott <srsracing@frontier.com>

Subject: Support for Ordinance 20240003 An Interim Ordinance Declairing an Emergency & Adopting a Moratorium......

Support for Interim Ordinance 20240003 An Interim Ordinance Declairing an Emergency & Adopting a Moratorium on the Acceptance of Permit Applications for Certain Uses and Activities On Agricultural (AgNRL) Lands.

Dear Commissioners:

Friends of Skagit County supports the passage of the emergency interim ordinance that prevents new venues and requires non-agricultural activities and the associated venue operators to come into compliance with Skagit County Code, Comprehensive Plan and policies to identify, protect and conserve Ag-NRLs.

Unrestricted use of agricultural lands for other uses is effectively a conversion of the property to uses not allowed in Ag-NRLs. These unpermitted uses occupy acres and infrastructure that by law is to be used for "soil dependent accessory uses".

Thank you for taking action to conserve Skagit's prime agricultural soils and the owners and farmers who do follow the rules.

Ellen

Ellen Bynum, Executive Director Friends of Skagit County PO Box 2632 (mailing) Mount Vernon, WA 98273-2632 360-419-0988; friends@fidalgo.net

www.friendsofskagitcounty.org

"A valley needs FRIENDS"
Since 1994 - Common Goals - Common Ground - Common Good
DONATE NOW at Network for Good.

From: PDS comments

Sent: Thursday, September 12, 2024 3:55 PM

To: Tara Satushek; Jack Moore

Subject: FW: Comments on major electrical utility developments on Ag-NRL lands

----Original Message-----

From: D. A. Wolf <deeannwolf@mac.com>
Sent: Thursday, September 12, 2024 12:34 PM

To: PDS comments <pdscomments@co.skagit.wa.us>

Subject: Comments on major electrical utility developments on Ag-NRL lands

* Spam *

To whom it may concern,

I would like to see laws in place that DO NOT ALLOW BATTERY STORAGE UNITS on Ag land. We need ag land for food. Do not cover up anymore vital soil need for food growing.

Sincerely,

Denise Wolf

Skagit County Resident & Homeowner

From: PDS comments

Sent: Monday, September 16, 2024 8:12 AM

To: Tara Satushek; Jack Moore

Subject: FW: Possible Spam: Code amendment

----Original Message-----

From: tmcneil@wavecable.com <tmcneil@wavecable.com>

Sent: Saturday, September 14, 2024 11:18 AM

To: PDS comments <pdscomments@co.skagit.wa.us>

Subject: Possible Spam: Code amendment

Please pass the code amendment to not allow major electrical utility developments on Ag-NRL lands.

Farm lands are critical to the survival of Skagit County as we know it, and nothing but real farm uses should be allowed.

If electrical utility developments are a real need, they should be on hill land underlain with hardpan clay that makes it unusable for farmland. there is plenty of that available.

Terry McNeil



Skagit County Agricultural Advisory Board

1800 Continental Place • Mount Vernon, Washington 98273 office 360-416-1338 • www.skagitcounty.net/planning

9/25/2024

Skagit County Planning Commission 1800 Continental Place Mount Vernon, WA 98273

Dear Planning Commissioners:

The Skagit County Agricultural Advisory Board is writing in support of the proposed code change to SCC 14.16.400(3)(h); regarding Major Electrical Utility Developments on Ag-NRL lands. Skagit County has long supported natural resource industry, such as agriculture, and protecting these lands for their primary purpose has been of utmost importance to Skagit County.

We ask the Planning Commissioners to support this proposed code change to protect agricultural lands in Skagit County.

Sincerely,

Michael Hughes

Chair, Agricultural Advisory Board