

BEFORE THE KLICKITAT COUNTY PLANNING COMMISSION

IN THE MATTER OF
COMPREHENSIVE PLAN,
DEVELOPMENT REGULATION, AND
ZONING MAP AMENDMENTS TO
IMPLEMENT AN ENERGY OVERLAY

RECOMMENDATION OF THE
KLICKITAT COUNTY PLANNING
COMMISSION

THE KLICKITAT COUNTY PLANNING COMMISSION RECOMMENDS, as follows:

1. **FINDINGS**

1.1 Procedural Background

1.1.1 The Klickitat County Planning Commission considered comprehensive plan, development regulation, and zoning map amendments ("Amendments") proposed by the Klickitat County Economic Development Department. The Amendments regulate energy development through an Energy Overlay Zone ("EOZ").

1.1.2 The Klickitat County Planning Department issued a Determination of Significance under the State Environmental Policy Act ("SEPA"). A scoping hearing was held June 27, 2003. A Draft Environmental Impact Statement was issued August 6, 2003, and followed by a public hearing on August 26, 2003. The Final Environmental Impact Statement ("FEIS") was issued September 3, 2004. The FEIS evaluated potential impacts of various types of energy projects, and alternative (a) geographic locations for the EOZ; (b) mitigation measures; and (c) permitting procedures.

1.1.3 The Planning Commission held a public hearing on the proposed Amendments on September 20, November 15, 2004, and December 20. Public testimony was heard and written comment accepted.

1.2 Description of Proposed Amendments

1.2.1 The proposed Comprehensive Plan amendments describe the characteristics of Klickitat County that are advantageous to energy development. The Plan policies encourage appropriately mitigated energy development. The Plan map designates areas where the EOZ applies.

1.2.2 The EOZ would be superimposed "over the current zoning." The current zoning would remain unchanged, except as specifically amended.

1.2.3 The EOZ regulations authorize energy projects in specified areas following administrative and SEPA review. The regulations require specific mitigation to address project impacts.

1.2.4 The EOZ permitting process would replace the conditional use permit (“CUP”) process, which provides for a Board of Adjustment decision following a public hearing. In contrast, the EOZ permit would be issued by the Planning Department, but subject to appeal to the Board of Adjustment.

1.2.5 The EOZ regulations would be included as Chapter 19.39 of the County Code. They include a statement of purpose, application requirements, standards, and appeal procedure. Proposed amendments to Chapter 19.39 and other sections include:

- The “Energy Overlay Zone” would be included among zones listed in Section 19.10.010 of the County Code and Section 2.1 of the Zoning Ordinance;
- The environmental review regulations in Section 20.08.040 of the County Code and Section 2 of the Klickitat County Environmental Ordinance 121084 would designate the Planning Department as lead agency for energy resource operations;
- Section 19.60.100 and Section 6.7 of the Zoning Ordinance would be amended to provide 21 days for judicial appeal of a decision;
- Sections 19.16.050 and 19.18.050 of the County Code and Sections 2.6:5 and 2.7:5 of the Zoning Ordinance would be amended to allow “utilities and utility infrastructure needed to support a principle use authorized in the energy overlay zone” as an accessory use in the existing Extensive Agriculture and General Rural zone designations.
- Projects currently being reviewed for a CUP would be authorized to utilize the EOZ procedures and regulations instead of the CUP process. Reapplication would not be required.

1.3 Amendment Criteria

1.3.1 The following standards apply for review of the proposed Comprehensive Plan amendments:

- The plan amendment must further the objectives and goals of the comprehensive plan (as amended).
- The plan amendment must preserve the integrity of the comprehensive plan and its systematic execution.

1.4 The following standards apply to review of the proposed code and zoning map amendments:

- The proposed amendments must be considered in relation to the comprehensive plan and must be consistent with the comprehensive plan (as amended).
- The amendments shall not be arbitrary, capricious, or contrary to law and the zoning map amendments should not constitute a “spot zone.”

- The proposed amendments must be in the public's best interest and not detrimental to the public health, safety, and general welfare.

1.5 Zoning, Plan Designation, and Uses of Area Proposed for Inclusion

1.5.1 The Comprehensive Plan currently designates a majority of the area under consideration for application of the EOZ as Agriculture/Forest. The purpose and intent of the Agriculture/Forest designation is to retain or conserve, insofar as is practicable and desirable, prime agricultural and forest lands for the continued economic welfare of the farm and forest industry and residents of the County.

1.5.2 A majority of the area considered for application of the EOZ is in agriculture, forest management, open space and low-medium density residential use.

1.5.3 The property to be considered for application of the EOZ currently consists primarily of the following zoning: Forest Resource, Open space, Extensive Agriculture, General Rural, and Rural Residential.

1.6 Public Comment Opposed to the Proposal Included Comments that:

- The public will not be allowed input as currently allowed in the CUP process.
- Application of the Energy Overlay will, in some areas of the County, allow gas-fired plants to be established in populated areas of the County where they are not compatible.
- With regard to gas-fired plants, winter conditions can bring thermal inversions that concentrate air emissions near the ground and can result in increased fog as a result of steam from cooling towers.
- Gas-fired plants can increase emissions that decrease visibility and use water rights that are limited and will leave agricultural uses with inadequate water.
- The Energy Overlay, as applied to two-thirds of the County, will include environmentally sensitive areas, including wetlands and fish and wildlife habitat.
- The Snowden Planning Area is not suitable for the Energy Overlay, as energy development would not be compatible with residential use of the area, and the area has important habitat.
- Natural gas for gas-fired energy development will come from various suppliers and sources in different locations and will thus have varying, unpredictable emission potential depending on sulfur content and/or processing.

1.7 Public Comment Supporting the Proposal Included Comments that:

- The proposed Energy Overlay regulatory standards provide site-specific criteria that will address a number of siting issues including impacts to sensitive habitat, fish/wildlife, air quality, water resources, visual resources, public safety and cultural resources.
- Public input will continue to be allowed via the SEPA environmental review process, and administrative appeal process.

- Wind and solar energy development are compatible with agricultural use because they do not interfere with continued agricultural uses. Agricultural areas tend to have less population densities that minimize potential for incompatibility. Wind and solar energy development are often established on less productive lands and thus allow maximum use of agricultural lands.
- Wind and solar energy development encourage continued agricultural uses because leases to energy development companies provide supplemental income, which supports traditional agricultural activities.
- The Energy Overlay will benefit the public because it will increase the County tax base and lessen the burden on other taxpayers for public costs associated with road repair and maintenance, law enforcement, and other essential services.
- Wind, solar, and biomass energy are renewable energy resources.

1.8 Some written and oral testimony opposed to the proposal was pertinent to FEIS adequacy and not directly related to the criteria relevant to the consideration of the adoption of the proposed amendments.

1.9 Benefits and Drawbacks of Energy Projects

1.9.1 Wind energy has significant potential economic benefits for the County. The benefits include boosting tax revenue, providing some employment, and encouraging the retention of agricultural and ranching uses, important economic enterprises for the County. Because wind projects have no air emissions, they are a clean way to obtain energy. The primary concerns with wind development include aesthetic and avian impacts. Wind turbine design has improved over the years and careful siting can mitigate these impacts. Aesthetic impacts can be addressed through buffering. Alternative mitigation measures were designed in the FEIS to address these and other impacts and incorporated into the proposed development regulations.

1.9.2 Like wind, solar energy is a clean energy resource with no air emissions. Landowners who install solar panels can expect some return on their investment from reduced electric bills. A large project could take a greater area of land out of agricultural or ranching. However, less solar development is expected than wind, and these impacts would be addressed through the EOZ development regulations (and project specific SEPA review).

1.9.3 Natural gas facilities produce air and water emissions. While there are ways to mitigate these emissions, these impacts are greater than those caused by wind and solar energy projects. Biomass facilities have similar such impacts, but often rely on local natural resources to generate energy. Limiting biomass to the area identified in the limited geographic alternative would minimize such impacts.

1.9.4 The FEIS evaluated several geographic locations for the EOZ. A significant portion of southern Klickitat County was included in the preferred alternative for wind and solar projects. This location avoids many of the more forested areas in the northern portion of the County and encourages greater use of the County's wind and solar potential. Each project would be evaluated under the proposed regulations, and project specific SEPA review

would address cumulative impacts when necessary. Alternative EOZ locations for biomass and natural gas were also developed, which limited where the EOZ would be applied.

1.9.5 The FEIS evaluated several permitting alternatives. The EOZ would authorize specified projects outright, thus encouraging their development.¹ EOZ criteria could be incorporated into a CUP process, but this would not encourage energy development to the same extent. Keeping the CUP process in place outside of the EOZ allows flexibility when projects are proposed in a location that meets the CUP criteria.

2. CONCLUSIONS

2.1 Comprehensive Plan Amendments: Wind, Solar, and Limited Geographic Alternative for Biomass

2.1.1 The proposed Comprehensive Plan amendments will further the Plan objectives and goals. Energy development projects will utilize existing natural resources but mitigate environmental impacts, and expand the County's economic base. Wind projects, in particular, are likely to allow or even encourage continuance of natural resource based activities such as farming and ranching.

2.1.2 The Comprehensive Plan amendments will preserve the integrity of the Plan and its systematic execution. Environmental quality has been analyzed and siting standards and criteria developed that will address adverse environmental impacts. Further, environmental review will occur with each project.

2.2 EOZ Regulations and Zoning Map Amendments: Wind, Solar and Limited Geographic Alternative for Biomass

2.2.1 The EOZ regulations and zoning map amendments are consistent with the Comprehensive Plan. They will minimize incompatibility with existing uses through mitigation, including buffering, and will expand the County's economic base, protect the environment from significant impacts, and allow utilization of natural resources. Also, wind and solar energy development are compatible with agricultural uses and will in some instances encourage their continuation.

2.2.2 The EOZ regulations and zoning map amendments are not arbitrary or capricious. Natural resource availability and environmental impacts were analyzed in the FEIS. Siting standards and approval criteria were developed to mitigate social, economic and environmental consequences. The EOZ is not a spot rezone. It does not rezone a limited area without a rational purpose. In fact, the proposed wind and solar uses are already authorized throughout the EOZ area through a CUP. ~~Biomass facilities have already been developed in the limited geographic area proposed for the EOZ.~~

¹ Any projects that applied for a CUP but could have elected to utilize the EOZ permitting process had it been in place at the time of application, should have the option of being processed through the EOZ permitting process. It would be a waste of applicant and County resources to require re-application.

2.2.3 The EOZ regulations and zoning map amendments are in the public's interest and not detrimental to the public health, safety and general welfare. They provide siting standards and approval criteria to address compatibility with surrounding uses and protect environmental quality. The public will have continued input to review proposed energy development through the SEPA process and providing comment to the Planning Department. ~~Biomass would be limited to an area where such facilities already exist.~~ Wind and solar energy are compatible with the underlying zoning classification, and with appropriate mitigation, are compatible with existing land uses.

2.2.4 The procedural EOZ zoning regulation amendments, which (1) designate the Planning Department as lead agency for environmental review; (2) clarify that there is a 21 day appeal period for seeking judicial review; and (3) authorize projects being considered for a CUP to utilize the EOZ procedures, help implement the comprehensive plan revisions and clarify proper project review procedures. Also, allowing utilities and utility infrastructure as accessory uses to support a principal use authorized in the EOZ, in the Agriculture and General Rural zones, ensure that supporting infrastructure is authorized where needed.

2.3 Recommended Limitations on Geographic Area and Technologies Included in EOZ

2.3.1 The Planning Commission evaluated the geographic alternatives in the FEIS, and also received public comment regarding the placement of the EOZ. There was specific public comment with respect to the environmental impacts associated with natural gas, particularly to the air and water.

2.3.2 These impacts were evaluated in the FEIS. Natural gas facilities emit a wide range of air pollutants and greater attention to water quality impacts is required. Wind and solar energy have comparatively minimal air and water impacts. Because of this, the Planning Commission recommends against adopting the EOZ for natural gas, which would encourage a greater number of such projects.

2.3.3 Biomass facilities have similar air and water impacts as natural gas projects. ~~However, with the limited geographic alternative, the facilities would be permitted outright in only a very small area where there is an existing project.~~

Based on the above findings of fact and conclusions, Eric Keller moved and Dennis Jaekel seconded to recommend the following:

3. RECOMMENDATION

3.1 Because of the significant economic and environmental benefits of wind energy and consistency with comprehensive plan, the Planning Commission recommends adopting an EOZ for wind energy.

3.2 Solar energy will likely not be developed to the same extent as wind energy, but like wind, is a clean energy resource. The Planning Commission recommends adopting an EOZ for solar energy.

3.3 The Planning Commission recommends adopting the proposed amendments (as attached) to the Comprehensive Plan and development regulations.

3.4 The Plan and zoning map amendments should include within the EOZ the areas identified in the preferred alternative in the FEIS for wind and solar energy. Natural gas should not be included in the EOZ. ~~Biomass should be included only as identified in the limited geographic alternative for that area currently zoned Industrial Park or General Industrial in the Bingen vicinity south of State Route 14.~~

3.5 Any finding that is better characterized as a conclusion is incorporated into part 2 of this decision. Any conclusion that is better characterized as a finding is incorporated into part 1 of this decision.

The following is a record of the vote on the above motion:

<u>Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>	<u>Abstain</u>
Craig Schuster	x			
Dennis Jaekel	x			
Mat Spalding	x			
Eric Keller	x			
Rick Graves			x	
Howard Kreps	x			
Paul Gregg			x	
David Sauter			x	
James Dean	x			

James Dean
Chairman

Date