ORDINANCE NO. 2707

AN ORDINANCE RELATING TO LAND USE; REPEALING ORDINANCE 2695; NEW
PERMANENT ZONING FOR PORT-OWNED PROPERTY AT THE ANACORTES
AIRPORT; AND PROVIDING FOR ADDITIONAL LAND USE PLANNING AND
DEVELOPMENT REGULATIONS AND PLANNING POLICIES FOR PORT
PROPERTY

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANACORTES DOES
HEREBY ORDAIN AS FOLLOWS:

1. SECTION 1. RECITALS AND FINDINGS.

1.1 In 2001 the Port of Anacortes ("Port") sought and secured a Superior Court ruling
clarifying the separate responsibilities and jurisdiction of the Port and the City of
Anacortes ("City") as to the Anacortes Airport ("Airport"). Order Granting and Denying
Motion for Summary Judgment on Preemption ("Preemption Order"); and

1.2 This Preemption Order stated that "The City may not be able to stop or regulate
airplane or airport operations, safety design features, or noise emissions. However, the
City can use its police powers, particularly its land use controls, to anticipate, abate,
mitigate and otherwise respond to the effects of having an airport in its jurisdiction;"
and

1.3 This Preemption Order went on to state that "City's authority would include
berms, buffers, nuisance abatement structures on the site, and control of incompatible
uses on and off the site. The preemption doctrine does not affect a local government's
ability to enforce reasonable permitting and mitigation requirements;" and

1.4 The Preemption Order makes it clear that while the City "is preempted from
considering the necessity, or the number or the existence" of facilities which are
fundamental to airport operations, locating and siting determinations which do not raise
operational, safety or noise emission issues, "are within the City's jurisdiction to the
extent that they may abate, mitigate or otherwise respond to the effects of such facilities
on property inside or outside the airport;" and

1.5 The Preemption Order identifies that "The type, location and width of vegetative
buffering adjacent to neighboring properties is within the City's jurisdiction, provided
that it does not preclude airport operations. It is subject, however, to the rule of RCW
14.12.050, that if any such vegetation creates a hazard to aircraft operation, the
jurisdiction with the strictest standards shall prevail;" and
1.6 The City Council takes cognizance of the FAA's recent decision in *Martyn v. Port of Anacortes*, United States Department of Federal Aviation Administration, Washington DC, Docket No. 16-02-03 (April 14, 2003) that the Port's 75' landscape buffer proposal to the FAA addresses the legitimate concerns of the local community under Federal Grant Assurance No. 7; and

1.7 The City Council established a 37 member Citizens Advisory Committee ("CAC") on May 20, 2002 by Resolution #1596 to work on airport planning policy and airport zoning proposals; and

1.8 The CAC held numerous public meetings during 2002 and 2003, Port and public involvement in the land use planning process was requested, and the Port provided information at the City's request, but did not submit a buffer/screening proposal to the City; and

1.9 The City Council adopted an Interim Airport Zoning Ordinance (Ordinance #2620) on June 2, 2003 and amended this Ordinance after public comment (Ordinance #2627) (August 4, 2003); and

1.10 The City Planning Commission held a public hearing on September 17, 2003 on the CAC recommendations for Comprehensive Plan language changes and a new Airport Zoning Section of the Anacortes Municipal Code; and

1.11 The Planning Commission subsequently made a detailed recommendation to the City Council as to the CAC's proposal (September 24, 2003); and

1.12 The entire record before the Planning Commission was transmitted to the City Council and the City Council held a public hearing on the CAC's proposal on October 13, 2003; and

1.13 The Planning Commission and Planning Director separately recommended changes to the CAC proposal to clarify that the City is not operating in the federally preempted areas of operations, safety, and noise emissions; and

1.14 The Planning Director recommended a change to the CAC proposal to allow proposed Port Hangers 9 and 10 to be built without rezoning the Port owned R2 Panhandle property or securing a variance; and

1.15 The City adopted interim zoning for Port owned property through Ordinance 2623 on October 14, 2003, which repealed Interim Zoning Ordinances 2620, 2627, and 2630; and

1.16 Ordinance 2623 specifically addressed to Port-owned, light manufacturing zone property at the Anacortes Airport; and
1.17 Ordinance 2623 provided that buffers and fencing are permitted within the proposed 75' setback and City regulations do NOT dictate the location or type of security fencing; and

1.18 The City Council stated in Ordinance 2623 that it wished to respond affirmatively to the Port's request for security fencing; and

1.19 Ordinance 2623 is consistent with both good land use planning practices and provisions in other City zones for increased buffers and setbacks to be required where more intensive uses abut residential zones, and the CAC held extensive discussions on buffer and setback requirements; and

1.20 Following the adoption of Ordinance 2623, the City Council included operational and safety clarifications submitted by the Port at the October 13, 2003 Council Public Hearing and allowed the public to comment on the Port's fencing and screening proposal at a November 10, 2003 Council Public Hearing; and

1.21 The City Council provided for a series of three meetings which were held by City and Port staff with airport neighbors in November, 2003; and

1.22 The Port held a follow up public meeting on February 24, 2004; and

1.23 The Port-City Liaison Committee has met regularly to discuss specific land use planning and regulatory issues; and

1.24 The City renewed the Airport Interim Zoning on March 15 and September 20, 2004; and

1.25 The Port and the City held additional community meetings and public hearings and solicited additional comments on the subject matter of this Ordinance in 2004 and 2005.

1.26 The City adopted Attachment A to this Ordinance as an Attachment to Interim Ordinance 2695 pending completion of the 60-day state comment period; no additional comments were received.

2. SECTION 2. PERMANENT ORDINANCE.

Attachment A to this Ordinance is hereby adopted.
3. **SECTION 3. EFFECTIVE DATE.**

This Ordinance shall take effect and be in force immediately upon adoption, as provided by law.

PASSED AND APPROVED this 6TH day of June 2005.

CITY OF ANACORTES

BY:  
H. Dean Maxwell, Mayor

ATTEST:

Wanda Johnson, City Clerk Treasurer

APPROVED AS TO FORM:

Ian S. Munce, City Attorney
ANACORTES AIRPORT
SUB-AREA PLAN
(INCLUDING ZONING)

MARCH 29, 2005
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I. INTRODUCTION

The City of Anacortes (the "City") and the Port of Anacortes (the "Port") propose to establish certain vested land uses and related activities in relation to aeronautical uses on the Port's property at the Anacortes Airport, subject only to the terms and conditions set forth herein, for the duration of the Development Agreement attached hereto as Appendix "A". In addition, the City proposes to adopt and implement a Sub-Area Plan for the Anacortes Airport and development regulations for development of land within the sub-area.

Because of the Development Agreement, these development regulations would apply only to conditionally permitted uses during the term of the Agreement, and after the expiration of the Development Agreement, then to all land uses within the sub-area. As part of the Development Agreement, to this end, the City and the Port agree as follows:

1. The Port's Operational, Safety, and Perimeter Fences shall be installed in the location as set forth in Exhibit "A" of the Development Agreement;

2. A Native Growth Protection Easement shall be established by the Port for the Panhandle Reserve and Rockwell Reserve Areas shown in Exhibit "A" of the Development Agreement within a reasonable timeframe, recognizing the processes required by the FAA to establish such an easement over an area that is presently subject to FAA grant assurances;

3. The trees within the Anacoper Future Process Area shall be allowed to be topped to meet the FAR Part 77 obstruction removal requirements without mitigation; but however, if the Port elects to remove any such obstruction trees within the Anacopper Future Process Area, then such removal shall be subject to the mitigation requirements set forth in Exhibit "D" of the Development Agreement. The reasonable mitigation will provide sufficient vegetation to maintain the buffer/screening effect of this area.

4. No development within the Anacopper Future Process Area is anticipated to occur until the City and the Port complete a future land use planning process, including the adoption of reasonable zoning entitlements for aeronautical and aeronautical related uses, and reasonable mitigation thereof. In order to ensure that this process occurs and is completed prior to development pressures occurring, the parties agree that, upon the request of the Port, the City shall, in consultation with the Port, initiate and reasonably conclude a comprehensive plan and development regulation adoption process, to allow reasonable aeronautical uses and aeronautical related land uses within the Anacopper Future Process Area, subject to reasonable mitigation, development standards/regulations and approval processes. Until such time as the planning process is complete, aeronautical uses and aeronautical uses only, shall be permitted as a conditional use following the process set forth in AMC section 17.10.069.100 - .105, to seek a conditional use and subject to reasonable environmental mitigation and compliance with wetland regulations. This process shall be compliant with law and part of the City’s annual Growth Management Act batching process. The City’s consultation with the Port is intended by the parties to be a participatory process by each party with the goal of developing jointly
proposed new comprehensive policies and development regulations for the Anacopper Future Process Area.

The Port owns certain property (the “Property”), identified in Exhibit “A” of the Development Agreement, wherein the Anacortes Airport, a Public Use Airport and an Essential Public Facility, is located within the city limits of the City and upon which is also located certain aeronautical uses, aeronautical related uses, other land uses in support of such uses, and land available for similar development. The Property, upon which the Port’s Anacortes Airport is located, was purchased with grants from the Federal Aviation Administration (the “FAA”). The grants contain assurances required of and from the Port obligating that the Anacortes Airport be available for public use for aeronautical purposes and that fair consideration be given to the interest of the community.

There are FAA regulations concerning safety and operational issues at the Anacortes Airport over which neither the Port nor the City may have any control or authority. Over the past decade, the Port and the City have been engaged in discussions concerning the appropriate balance between the (i) safety of airport users and the public, (ii) needs of the surrounding community, (iii) the development and operation of the Anacortes Airport, and (iv) compliance with Federal Aviation Regulations (“FAR”), including Part 77, relating to obstructions on and off the Anacortes Airport. The Port and the City have been able to agree on a land use plan and an obstruction removal plan that meets the requirements of the FAA, the needs of the Port, and the desires of City. The purpose of this Sub-Area Plan is to define the goals and policies related to such future uses of the Property; provide for the adoption of a Development Agreement as allowed by state law thereby vesting certain land uses, subject to certain and definite mitigation; and to provide for the zoning and related development standards for development on the Property within the Sub-area following the expiration of the Development Agreement.

It is anticipated that the City and the Port shall engage in a future planning process for the Anacopper Future Process Area. In the interim, and pursuant to the Development Agreement, within the Anacopper Future Process Area, the Port, subject only to the landscaping and wetland mitigation requirements set forth in the Development Agreement, shall be entitled and allowed to remove or top FAR Part 77 obstructions, subject to the mitigation plan approved as part of the Development Agreement.
II. SCOPE OF PROPOSED AIRPORT ACTIVITIES

The Port is required to construct certain fencing and perform certain tree topping or removal for the safety and protection of the users of the Anacortes Airport located on the Property. In addition, the Port is required to ensure that certain aeronautical uses and aeronautical related uses occur on the Property as required by certain FAA grant assurances binding and affecting property owned by the Port.

Accordingly, the City and the Port seek to provide for the protection of the Anacortes Airport and aeronautical uses and aeronautical related uses within the AZ Zone as required by FAA grant assurances and provide for a reasonable buffer from certain adjacent properties, along with reasonable development standards related to the Port Property. This buffer is the 75 ft setback buffer within the Rockwell Reserve and Panhandle Reserve Areas identified in Exhibit “D” of the Development Agreement attached hereto, and referred to herein as the “Rockwell Reserve and Panhandle Reserve Areas”.
III. COMPREHENSIVE PLAN, GOALS AND POLICIES

The City Comprehensive Plan is designed to provide general policy guidance for the growth and development of the City of Anacortes. It incorporates, by this reference the City of Anacortes Transportation Plan, 2000; the Skagit County County-Wide Regional Comprehensive Plan Policies, 1992/96; the Countywide Air, Rail, Water, and Port Transportation System Study, 1996 (with reference to the Anacortes Airport as a general aviation facility being deleted, and with the ferry traffic figures corrected as has been done in the Transportation Element Update); and the Skagit Regional Transportation Plan, April 1996, as they may be updated from time-to-time.

A. General Goals Include:

Goal 1: Create and maintain a healthy, aesthetically pleasing, high-quality environment that maximizes the opportunity for all citizens to share the social, psychological, physical, and economic benefits of Anacortes/Fidalgo Island.

Goal 3: Promote compatible land use and improve visual appearance in each and every zoning district.

Goal 7: Encourage continued and improved interaction with other agencies to better coordinate area-wide activities.

Goal 11: Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.

B. The Transportation/Circulation Section States That:

Access to Anacortes is available through all major transportation modes: air, water, rail and highway...

AIR

An airport is located in the west-central area of Anacortes. Further,

Goal 4: Improve air, road, rail, and water public transit in and out of Anacortes.

C. Sub-Area Plan Goals:

The purpose of this plan is to blend these goals and policies with the goals and policies of the Growth Management Act in relation to the protection of Essential Public Facilities (which include airports), and the rights and authorities of the Port, pursuant to Chapter 14.07 RCW and Chapter 14.08 RCW.

Accordingly, the goals of this Sub-Area Plan include:

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(1) To undertake an update of regional transportation planning as this relates to a Regional Air Transportation Plan that further defines the role of the Anacortes Airport and its future part in the regional transportation plan in Skagit County to meet the aviation needs of the City and the surrounding communities in a manner consistent with the goals of the Washington State 2005 Transportation Plan, and the 1994 Port of Anacortes Airport Master Plan, recognizing that both the City and the Port have the authority to update and amend their various plans without the approval of the other, except as may be otherwise agreed to.

Specifically, a 20 year plan should be developed and updated for inclusion in the 2005 City Comprehensive Plan and the 2005 RTPO Plan update that is consistent with the Port of Anacortes’ existing Airport Master Plan. Critical to achieving this goal, is the adoption of the Development Agreement which provides certainty as to the permitted uses and related reasonable and appropriate mitigation for the term of the Development Agreement.

(2) Recognizing the limits on the Port’s authority or ability to regulate aircraft operators’ activities, the parties recognize the desirability of defining what the Port can and cannot facilitate in terms of regulating or managing aircraft operators’ activities, and the FAA enforcement of operator compliance with FAA regulations. To this end, as a goal of this Sub-Area Plan, the Port should lead a process in reviewing how the operators’ activities at the Anacortes Airport and the adjacent uses can achieve greater compatibility within state and federal requirements, and within the authority and ability of both the City and the Port. This study should assess and address the safety risks and benefits of the zoning of land adjacent to the Anacortes Airport, including the zoning of and development of adjacent non-Port property within 5,000 ft of the Anacortes Airport.

(3) Develop a joint Port/City integrated approach to a City operated park and trails system in appropriate areas adjacent to Anacortes Airport that will not interfere with or be incompatible with aeronautical operations at the Anacortes Airport.

(4) A fundamental purpose of this Sub-Area Plan is to ensure, among other things, the following:

a. Subject to FAR Part 77, penetrations do not exist on the Anacortes Airport.

b. That the entire airport is zoned for aeronautical use.

c. Provide for the development of light manufacturing and/or light industrial and related uses on Port owned property, together with reasonable development standards related to such uses.

d. Provide for a permanent buffer with limitations on development or land alterations within said buffer from properties near existing underdeveloped areas of the Port’s Property.

e. Provide for reasonable environmental mitigation of development on Port property.
(5) In order to ensure that this process occurs and is completed prior to development pressures occurring, the parties agree that, upon the request of the Port, the City shall, in consultation with the Port, initiate and reasonably conclude a comprehensive plan and development regulation adoption process, to allow reasonable aeronautical uses and aeronautical related land uses within the Anacopper Future Process Area, subject to reasonable mitigation, development standards/regulations and approval processes. Until such time as the planning process is complete, aeronautical uses and aeronautical related uses only shall be permitted as a conditional use following the process set forth in AMC Section 17.10.069.100 - .105, to seek a conditional use and subject to reasonable environmental mitigation and compliance with wetland regulations. This process shall be compliant with law and part of the City’s annual Growth Management Act batching process. The City’s consultation with the Port is intended by the parties to be a participatory process of each party with the goal of developing jointly proposed new comprehensive policies and development regulations for the Anacopper Future Process Area.
### IV. AIRPORT ZONING

#### CHAPTER XXXX AERONAUTICAL ZONE DISTRICT (AZ)

- **17.XX.010** PURPOSE
- **17.XX.020** PERMITTED USES
- **17.XX.030** PERMITTED ACCESSORY USES
- **17.XX.040** CONDITIONAL USES
- **17.XX.050** MINIMUM LOT SIZE
- **17.XX.060** MINIMUM SETBACK REQUIREMENTS
- **17.XX.070** MAXIMUM DENSITY
- **17.XX.080** MAXIMUM LAND COVERAGE
- **17.XX.090** MAXIMUM BUILDING HEIGHT
- **17.XX.100** OFF-STREET PARKING REQUIREMENTS
- **17.XX.110** SPECIAL REQUIREMENTS
- **17.XX.120** CUMULATIVE IMPACT
- **17.XX.130** BINDING SITE PLAN FLEXIBILITY

### 17.XX.010 PURPOSE

The geographical area of this zone shall consist of all property owned by the Port of Anacortes at the Anacortes Airport as of the date of adoption of this Ordinance. If any Port of Anacortes property lines do not coincide with existing zone boundaries, any land outside said Port property lines shall become part of the adjacent zone.

The AZ (Aeronautical Zone) is designed to provide for a Public Use Airport, which is owned and operated by the Port of Anacortes. The purpose of the AZ Zone is to also ensure that the siting and development of the Anacortes Airport and aeronautical related facilities and uses are an Essential Public Facility, as defined in Chapter 36.70A RCW.

To regulate the location and extent of improvements in a manner that acknowledges both the Port’s authorities to engage in and maintain aeronautical uses and aeronautical related uses, including maintenance of the same and protection of the airspace from intrusions and other hazards, and the City’s authority to impose reasonable mitigation for the impacts of the development of Port Property, as allowed by law.

### 17.XX.020 PERMITTED USES

(A) Airport operational facilities, fueling facilties, hangars, airport terminal facilities, fencing structures up to 8 ft, and buffers. In addition, any light manufacturing use or uses involving processing or storage of goods provided the processes or equipment employed, or goods stored, processed, or sold shall be limited to those uses which are not
objectionable by reason of hazards, odor, dust, smoke, cinders, fumes, noise, vibration, glare, refuse matter, or water carried waste.

(B) “AERONAUTICAL USE”, which is defined and shall mean those uses such as (i) aircraft hangars, (ii) aircraft tie-downs, (iii) aircraft parking areas, taxi areas, and maneuver areas, (iv) aircraft storage, (v) light manufacturing, as defined in the Anacortes zoning code, provided such individual facilities do not exceed 12,500 square ft of interior floor area, (vi) aircraft related businesses, (vii) offices use, bathrooms, parking, and other such uses in support of the aeronautical uses, provided that any of the structures that may house any of the foregoing uses shall not exceed 35 ft in height, and, in addition, (viii) maintenance of any of the foregoing uses and related facilities and improvements, including paved areas, drainage ways, etc. This term shall not include any living or sleeping quarters. All aeronautical uses shall be a permitted use within the Aeronautical Area (as the term is defined in the Development Agreement) without further mitigation or approval, except as may be specified in the Development Agreement.

(C) Removal of any obstruction for compliance with FAR Part 77 requirements.

(D) Aircraft operations on the ground and in the air, including takeoff, landing, flight patterns, air traffic corridors, volume of air traffic, altitudes of air traffic, flight schedules, types, sizes and purposes of aircraft and related issues. Such uses shall not be subject to any City mitigation requirements, not withstanding any other provisions of the Anacortes Municipal Code.

Other than the Port’s Perimeter Fence and Operational Safety Fence, to be located as shown on Exhibit “A” of the Development Agreement, and the removal of FAR Part 77 obstructions, as shown on Exhibits “C” of the Development Agreement, there shall be no permitted uses allowed within the Anacopper Future Process Area, except through the conditional use process until after completion of the planning process for that area. The construction of the fences and the FAR Part 77 obstruction removals in the Anacopper Future Process Area, shall be subject to the landscaping and wetland mitigation contained in the Development Agreement, or plans approved by the City.

17.XX.030 PERMITTED ACCESSORY USES

Any use customarily incidental to the permitted principal use. No residential use is permitted, except for caretaker quarters through the conditional use process.

17.XX.040 CONDITIONAL USES

(A) Buildings and structures over 35 ft in height, but 50 ft or less in height; caretaker units.

(B) Overnight facilities for use by pilots.

(C) Restaurants.

(D) Light manufacturing exceeding 12,500 square ft of interior floor area per use.
(E) Any building or structure excluded from being located within the Rockwell Reserve and Panhandle Reserve Areas, provided that the City may deny such permit if the criteria for a conditional use permit are not met.

(F) Within the Anacopper Future Process Area, as defined in the Development Agreement, any use that is listed as a permitted use within the Aeronautical Area as defined in the Development Agreement shall be a conditionally permitted use within the Anacopper Future Process Area, subject to the imposition of reasonable mitigation and compliance with wetland regulations.

(G) Within the North Aviation Area, as defined in the Development Agreement, any use (other than ongoing airport operations) that is listed as a permitted use within the Aeronautical Area as defined in the Development Agreement shall be a conditionally permitted use within the North Aviation Area.

**17.XX.050  MINIMUM LOT SIZE**

No minimum.

**17.XX.060  MINIMUM SETBACK REQUIREMENTS**

Within the AZ Zone, all structures shall be set back as follows:

(A) Aeronautical Area, as defined in the Development Agreement: No setback from the buffer areas. Due to the proximity of the aircraft operations areas to the existing property line of the Anacortes Airport, a 10 ft setback on all other parts of the Aeronautical Area. If additional property is added to the Aeronautical Area, then the setback will be subject to change.

(B) Anacopper Future Process Area and North Aviation Area, as defined in the Development Agreement; the setback will be determined as part of the conditional use process.

Notwithstanding the foregoing, within the Rockwell Reserve and Panhandle Reserve Areas, airport and aeronautical/aviation safety features, walking trails, and landscaping are permitted; Within the 10 ft setback area, airport and aeronautical/aviation safety features, fencing structures up to 8 ft, and landscaping uses are permitted. Provided further, within the Anacopper Future Process Area and the North Aeronautical Area airport and aeronautical/aviation safety features, fencing structures up to 8 ft and landscaping, uses are permitted subject to the mitigation contained in the Development Agreement.

The exception set forth above for fences should be interpreted to mean that fences (along with landscaping) are permitted within the setback. Even if a fence is considered a "structure" under the Building Code due to a height over 6 ft, it is still a "fence" under the exception and could be placed within the setback without a variance, conditional use permit, or any other discretionary permit required; provided, however, that compliance with an approved mitigation plan, required under section 17.110 (E), shall be required. For example, airport property and/or facility security fencing over 6 ft in height may be located along the perimeter of the property, or where
deemed necessary by the entity operating an airport, to ensure adequate security of airport premises, but shall be subject to mitigation as provided herein.

This setback or buffer area is mitigation for development outside of the setback/buffer area, in addition to wetland and land clearing mitigation requirements.

17.XX.070 MAXIMUM DENSITY

No maximum.

17.XX.080 MAXIMUM LAND COVERAGE

The maximum land coverage by buildings shall be 60% of the parcel size, as identified by the Port, with such parcel size including any buffer or setback area not already allocated to another parcel. For the purposes of calculating the buildable area as required (open space requirement), the Port may allocate any portion of the 75 ft buffer area within the Rockwell Reserve and Panhandle Reserve Areas that has not already been allocated to any portion of the Aeronautical Area being developed.

17.XX.090 MAXIMUM BUILDING HEIGHT

The maximum building height is 35 ft; provided, however, that buildings over 35 ft, but less than 50 ft or under, shall be subject to approval through the conditional use process and related criteria. Buildings above 50 ft are prohibited.

17.XX.100 OFF-STREET PARKING REQUIREMENTS

Off-street parking shall be provided in accordance with specifications in section 17.46, "Parking". This requirement can be reduced or waived upon approval of the City Planning Director where evidence shows that fewer spaces are needed because of special circumstances arising from the nature of the proposed use, existing unallocated spaces on airport property, and any other special circumstance.

17.XX.110 SPECIAL REQUIREMENTS

(A) For uses other than Aeronautical uses (aircraft operations, repair and related activities), odor, dust, smoke, cinders, fumes, noise, vibration or light shall be investigated by the City based on a complaint or when detected by appropriate and certified test equipment approved by the City and the Port when operated by a technician certified to use such equipment located in an adjacent residential zone.

(B) Any uses that are legally permitted by the City and specifically allowed by the airport sponsor on the date of the adoption of this zoning, which become non-conforming uses upon adoption of this chapter, shall be "grandfathered" until such time as the use is abandoned by the operator. Any non-conforming structure shall be "grandfathered" until such time as the structure is abandoned by the owner of the structure or that such structure is destroyed by fire, storm, or "act of God" (more than 75% of the occupied space of the structure is no longer capable of re-occupancy for the use and purpose prior
to the act causing the destruction) and is not repaired within one year of destruction. Any destruction of a structure that is proximately caused as a result of any act that would be considered a crime, such as arson, malicious mischief, or other crimes, shall not be considered destroyed for these purposes, unless such structure is not repaired or replaced within two (2) years of destruction. Upon any of those such occurrences that cause the use and/or structure to no longer be of legal non-conforming use, the use shall no longer be allowed and any such structure shall be brought into conformity with this chapter, including compliance with the requirements of any applicable development agreement; or if no such agreement is applicable, then the then published setbacks and all other limitations, except that runways, taxiways, navigational aids and lighting shall not become non-conforming under any circumstance other than through changes to FAR regulations.

(C) All development at the Anacortes Airport is subject to all applicable impact fees and general facility charges at the time of building permit issuance.

(D) Fences: Because of the special security needs to prevent accidents to children, pedestrians, pilots, passengers, and animals, fencing of types and at locations as required by FAA regulations, or as determined necessary by the Port, are hereby authorized subject to mitigation as required in the Development Agreement.

(E) Landscaping: Due to establishment of the Rockwell Reserve and Panhandle Reserve Areas as defined in the Development Agreement, landscaping shall not be mandatory or required within the Aeronautical Area of the Development Agreement. The City Planning Director allow for the removal of loose debris, including trash, leaves, twigs, and other foreign objects which are prone to being spread by the wind, without mitigation. All landscaping within the sub-area shall be required to be designed to minimize hazards. It is the intent of this section to allow the Port significant flexibility in complying with City landscaping requirements.

17.XX.120  CUMULATIVE IMPACT

The cumulative impact of development of the property within the sub-area shall be reviewed through the SEPA processes related to such development. This SEPA review process may be phased, focusing only on one developable area at a time, deferring areas identified as future process areas to later SEPA review.

17.XX.130  BINDING SITE PLAN FLEXIBILITY

Reserved.

NEW ZONING/SUBDIVISION LANGUAGE (Airport)

17.41 – Landscaping

Add to 17.41.020(G):

Add the following language prior to the table:

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The requirements of this section shall not apply to the AZ zone, which shall be governed by the applicable Development Agreement between the Port and the City. In the event of the expiration of the Development Agreement, the following shall apply:

AZ Zone to “Zoning Classifications” and 10% to “Percent of Gross Site Area to be landscaped.

Add the following language to the text:

Notwithstanding any other provision of this section in the AZ Zone, these requirements shall not apply if the City has approved a separate landscaping plan submitted by the Port for Port owned property.

No landscaping, screening or fencing, except for security fencing, shall be located within the runway object free area, the taxiway object free area, the runway protection zone, or the taxiway/taxiway run-up turnout.

No landscaping, screening or fencing, except for security fencing, shall be located such that it intrudes into either the approach surface or the transitional surface, or otherwise interferes with aircraft operation either on the ground or in the air, or creates any hazard to such operating aircraft.

The height of the landscaping, screening or fencing shall not penetrate the FAR Part 77 Surface, shall not interfere with the Precision Approach Path Indicators, and the screening itself shall be adjusted to accommodate the segmented circle.

Add to 17.41.040(A):

Add the following language prior to the table:

The requirements of this section shall not apply to the AZ Zone, which shall be governed by the applicable Development Agreement between the Port and the City. In the event of the expiration of the Development Agreement, the following shall apply:

Add to 17.41.040:

Add the following language to the text prior to Subsection (A):

Notwithstanding any other provision of this section in the AZ Zone, these requirements shall not apply if the Port records a Native Growth Protection easement in a form approved by the City; no screening
requirements shall be required other than the landscaping requirements set forth in AMC 17.41.020.

No landscaping, screening or fencing, except for security fencing, shall be located within the runway object free area, the taxiway object free area, the runway protection zone, or the taxiway/taxiway run-up turnout.

No landscaping, screening or fencing, except for security fencing, shall be located such that it intrudes into either the approach surface or the transitional surface, or otherwise interferes with aircraft operation either on the ground or in the air, or creates any hazard to such operating aircraft.

The height of the landscaping, screening or fencing shall not penetrate the FAR Part 77 Surface, shall not interfere with the Precision Approach Path Indicators, and the screening itself shall be adjusted to accommodate the segmented circle.

Add a section C to 17.41.040:

Tree topping and/or tree clearing within the Rockwell Reserve and Panhandle Reserve Areas, wetland, and wetland buffer areas and the Anacoper Future Process Area to satisfy FAR Part 77 requirements, is permitted and approved, provided that such tree topping and/or tree removal is subject to the mitigation requirements set forth in the Development Agreement and wetland mitigation for activity in wetland areas. Land clearing outside of the Rockwell Reserve and Panhandle Reserve Areas is allowed, subject to any mitigation requirements applicable to land clearing in that area set forth in the Development Agreement or an approved mitigation plan.

Existing trees and shrubs within the entire AZ Zone, except for hazard trees, as determined by the Port, that interfere with safe aircraft operation, and invasive species, shall be retained until such time as a building permit or clearing permit is issued for development in a specific area, and then only the area reasonably required for the specific project, as determined by the project proponent, shall be cleared; but shall be subject to the replacement requirements above, or an alternative plan approved by the City Planning Director.

ADD TO 16.10.010 OF THE SUBDIVISION CODE:

Airport Zone add “Binding Site Plans Allowed”.

Anacortes Airport Sub-Area Plan
March 29, 2005
Page 14 of 14
Affidavit of Publication

The Matter Of: A4576-ORD 2707
CITY OF ANACORTES

In the Superior Court of the State of Washington in and For Skagit County

STATE OF WASHINGTON
County of Skagit

The undersigned, being first duly sworn on oath deposes that he/she is principal clerk of the Anacortes American, a weekly newspaper. That said newspaper has been approved as a legal newspaper by the Superior Court of Skagit County and it is now and has been for more than six months prior to the publication hereinafter referred to, published in the English language continually as a weekly newspaper in Skagit County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of said newspaper.

That the annexed is a true copy of an advertisement with publication dates, as it was published in regular issues (and not in supplemental form) of said newspaper commencing with the issue of June 15, 2005 and ending with the issue of June 15, 2005.

That such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing is the sum of $31.02.

Subscribed and sworn to before me this 1st day of July, 2005.

John C. Darnton,
Notary Public and for the State of Washington

Wanda Johnson,
City Clerk Treasurer

PUBLISHED:
June 15, 2005
A4576
Appendix A

Development Agreement
DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is entered into by and between the City of Anacortes (the "City") and the Port of Anacortes (the "Port") pursuant to the authority granted by RCW 36.70.170 through 210, to promote the development of certain real property located within the City upon the following terms and conditions set forth herein.

WHEREAS, the Port owns certain property identified in Exhibit A (the "Property") wherein the Anacortes Airport, a Public Use Airport and Essential Public Facility, is located within the city limits of the City and upon which is also located certain airport, aviation, and airport related uses, and other land uses in support of such uses, as well as land available for similar development; and

WHEREAS, the Property for the Anacortes Airport was purchased with grants from the Federal Aviation Administration (the "FAA"). The grants contain assurance required of and from the Port requiring that the airport be available for public use for aviation purposes; and

WHEREAS, there are FAA regulations concerning safety and operational issues at the Anacortes Airport; and

WHEREAS, over the past decade, the Port and the City have been engaged in discussions concerning the appropriate balance between the (i) safety of airport users and the public, (ii) the needs of the surrounding community, (iii) the development and operation of the Anacortes Airport, and (iv) compliance with Federal Aviation Regulations, including but not limited to, Part 77 relating to obstructions on and off the Anacortes Airport. The Port and the City have been unable to agree on a land use plan and an obstruction removal plan that meets the requirements of the Port, the FAA, and the City; and

WHEREAS, in Port of Anacortes, et al v. City of Anacortes et al, Skagit County Cause Number 01-2-00634-2, the City and the Port litigated issues similar to those being addressed and resolved herein; and

WHEREAS, on September 28, 2004, the Parties entered into an Interlocal Agreement entitled "Interlocal Agreement Regarding Permitting and Mitigation for the Anacortes Airport Fencing Project" which addressed issues surrounding the Port’s application to build, at the expense of the Port, a safety fence that meets the FAA minimum standards for a safety fence. Based upon that agreement, the City issued a fence Commercial Building Permit and a Land Clearing Permit. The Port’s State Environmental Policy Act (“SEPA”) action and the City’s permits have been appealed (the "Permit Appeals"); and

WHEREAS, recently, the Port has consulted with the FAA concerning the construction of that safety fence at FAA expense and a global resolution of the land use and development issues at Anacortes Airport. In those discussions, the FAA agreed to consider a proposal that

Anacortes Airport Development Agreement
March 29, 2005
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would provide funding for the safety fence and global resolution of the development and land use issues at the Anacortes Airport (the “Healey Proposal”); and

WHEREAS, the City and the Port seek to provide for (i) the protection of the Anacortes Airport and aviation related uses thereon as required by FAA grant assurances, (ii) provide for a reasonable buffer along a portion of the Anacortes Airport perimeter, (iii) provide for other reasonable and appropriate mitigation as defined herein and (iv) adopt certain and predictable development standards for the Anacortes Airport; and

WHEREAS, the Port desires and is required by FAA regulations to construct certain fencing and perform certain tree clearing for the safety and protection of the uses of the Anacortes Airport; and

WHEREAS, on November 24, 2004, the Parties entered into an Interlocal Agreement entitled “Interlocal Agreement Regarding Consideration of a Sub-Area Plan and Associated Permits for the Anacortes Airport” which provided for the City and the Port to jointly prepare a Sub-Area Plan and related development regulations applicable to the Property that would be adopted and become part of the City Comprehensive Plan and Development Regulations, respectively, contemporaneously with the approval of this Agreement; and

WHEREAS, the Parties agree that a fundamental purpose of this Agreement is to assure, among other things, the following:

a. That the Operational Safety Fence and Perimeter Fence will be timely completed;

b. That all FAR Part 77 penetrations are removed from all the current airport property;

c. That the entire airport is zoned for aeronautical use;

d. That the Port and the City approve the vested right for the uses allowed herein, subject to the mitigation requirements set forth herein; and

e. That the environmental impacts are reasonably and appropriately mitigated as provided for herein.

WHEREAS, by this Agreement the Parties recognize and agree that, under current law, this Agreement may not limit or regulate in any manner any aviation operations, including aircraft operation, and further agree that, under current law, the City has no right or authority to regulate, limit or control such aviation operations; and

WHEREAS, nothing herein shall preclude the City from commenting or objecting to any proposed development on the Airport subject to the terms and conditions of this Agreement.

WHEREAS, the Port has obtained an Agreement with the FAA to conduct a process to seek approval to relieve certain portions of the Property, hereinafter referred to as the Panhandle
Reserve and the Rockwell Reserve, from the requirement mandating that the Property be held and
developed for aeronautical and aviation related uses (the "de-obligation process"); and

WHEREAS, the City and the Port recognize the benefit from the development of light
manufacturing and/or light industrial and related uses on the Property; and

WHEREAS, the City and the Port acknowledge that the ability of either party to limit or
control off-airport impacts arising from aeronautical/aviation activities is limited by current
applicable federal regulation and law; and

WHEREAS, the City and the Port recognize the mutual benefit arising from this
Agreement providing that certain uses are vested as set forth herein shall be allowed without
further approval or review, (other than building permit review for the purposes of compliance
with building code requirements, and for compliance with any terms and conditions of this
Agreement); and

WHEREAS, the City and the Port recognize the mutual benefit arising from providing a
permanent buffer (with limitations on development or land alterations within the buffer) in certain
areas identified herein to separate the areas used for aeronautical purposes from the adjacent
residential neighborhoods; and

WHEREAS, the City Council of the City of Anacortes by Ordinance as authorized by
RCW 36.70B.170 - 210 has authorized and directed the Mayor of the City of Anacortes to
execute this Agreement on behalf of the City, and the Port Commission of the Port of Anacortes
has also by Resolution authorized and directed its Executive Director to execute this Agreement
on behalf of the Port; and

WHEREAS, the City and the Port jointly issued a Determination of Non-significance on
March 4, 2005; and

WHEREAS, following public notice provided in a manner consistent with the City
requirements a public hearing was held by the City Planning Commission on March 9th, 2005
and by the City Council with regard to this Development Agreement on March 21st, 2005.

NOW THEREFORE, in consideration of the mutual promises and covenants contained
herein, the City and the Port agree as follows:

1. **Purpose of Agreement.** The purpose of this Agreement is to establish, permit and mitigate
for certain land uses and land disturbance activities, together with a comprehensive
mitigation plan applicable to certain land uses, and to certain land disturbance activities,
such as tree removal and land clearing, and the removal of the FAR Part 77 obstructions.

2. **Exhibits.** The following Exhibits are incorporated into this Agreement.

<table>
<thead>
<tr>
<th>Exhibit “A”</th>
<th>Airport Property, Land Use, and Zoning</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>This exhibit displays the various land use areas described in this Agreement and the location of both the Operational Safety Fence and the Perimeter Fence.</td>
</tr>
</tbody>
</table>

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March 29, 2005
Page 3 of 12
<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>“B”</td>
<td>Fence Alignment Detail</td>
</tr>
<tr>
<td></td>
<td>This exhibit displays the alignment detail for construction of the Operational Safety Fence and the Perimeter Fence.</td>
</tr>
<tr>
<td>“C”</td>
<td>Part 77 Tree Removal</td>
</tr>
<tr>
<td></td>
<td>This exhibit identifies some of the trees that protrude into Part 77 airspace.</td>
</tr>
<tr>
<td>“D”</td>
<td>Landscape and Wetland Mitigation Plan</td>
</tr>
<tr>
<td></td>
<td>The Landscape and Wetland Mitigation Plan describes both the mitigation by area for tree removal and also outlines a preliminary wetland mitigation plan. Exhibit “D: Figure 1” displays the five areas. Exhibit “D: Figure 2” depicts the plant type, and spacing for the Operational Safety Fence. Exhibit “D: Figure 3” of the exhibit depicts proposed replacement shrubs for Part 77 tree removal. Exhibit “D: Figure 4” depicts a proposed offsite mitigation area at Ship Harbor or alternative location.</td>
</tr>
<tr>
<td>“E”</td>
<td>Outright Permitted and Vested Land Uses</td>
</tr>
<tr>
<td></td>
<td>This Exhibit describes the outright permitted uses that are also vested in the Aeronautical Zone.</td>
</tr>
<tr>
<td>“F”</td>
<td>Development Standards</td>
</tr>
<tr>
<td></td>
<td>This Exhibit describes the development standards. Exhibit “F: Figure 1” is a Preliminary Stormwater Analysis report. Exhibit “F: Figure 1” depicts a conceptual stormwater plan. Exhibit “F: Figure 2” shows the design of the proposed screening berm. Exhibit “F: Figure 3” shows a cross section of the screening berm. Exhibit “F: Figure 4” shows the location of alternate run-up apron.</td>
</tr>
<tr>
<td>“G”</td>
<td>Anticipated Development Phasing</td>
</tr>
<tr>
<td></td>
<td>This exhibit displays the anticipated development phasing inside the Aeronautical Area.</td>
</tr>
<tr>
<td>“H”</td>
<td>Conditionally Permitted Uses</td>
</tr>
</tbody>
</table>

3. Property. The Property subject to this Agreement is depicted on Exhibit “A” and includes the following designated areas:

a. The Aeronautical Area;
b. The Panhandle Reserve Area;
c. The Rockwell Reserve Area;
d. The Anacopier Future Process Area; and
e. The North Aeronautical Area.
These areas each have distinctive rights and restrictions with regard to (i) development rights, (ii) tree removal and (iii) mitigation requirements. Exhibit “A” depicts those various areas and this Agreement describes the rights in each area.

4. **Fencing.** Exhibit “A” also depicts the location of the Operational Safety Fence that will be constructed by the Port, to FAA specifications, on the Property. In addition, Exhibit “A” depicts the location of the Perimeter Fence that will be constructed by the Port on the Property. The alignment detail for these fences is depicted on Exhibit “B.”

4.1 **Vested Permits.** Subject to the requirements of this herein, this Agreement shall be deemed the final land use, critical areas, construction and related land disturbance permit/approval for the construction of these fences.

4.2 **Fence Mitigation.** Mitigation for the Operational Safety Fence is set forth in Exhibit “B” and “D.” There is no mitigation required for the Perimeter Fence. The plants required, the spacing of the plants and the location of the screening required as mitigation for the Operational Safety Fence is depicted on Exhibit “D.” Subject to reasonable approval by the City, the Port may substitute different species of plants if the United States Department of Agriculture (“USDA”) determines that the selected species may attract birds to the Anacortes Airport. The mitigation described herein may not be eligible for FAA grant funding; however, the lack of grant funding shall not relieve the Port of this obligation. In addition, the Port and the City may agree on different species of plants that would accomplish the purpose of screening the fence.

4.3 **West Side Operational Safety Fence Coating.** The parties recognize that the plantings used to screen the Operational Safety Fence will take several years to grow to maturity, therefore, the chain link of the Operational Safety Fence along the west side of the Anacortes Airport will be black vinyl coated to reduce its visual impact as the plants mature.

5. **Part 77 Obstruction Removal.** The Port and the City recognize that FAA regulations require that a certain airspace above and adjacent to the Anacortes Airport be kept free of obstructions. The lower edge of the approach and transitional surfaces is known as the “Part 77 surface.” Certain trees on the property intrude into the Part 77 surface. This Agreement permits topping or removal of all trees that now or for the duration of this Agreement protrude into the Part 77 surface subject to the mitigation requirements specified herein. Exhibit “C” depicts the trees that protrude into the Part 77 surface as of a 2003 survey. The Port and the City recognize that additional trees may protrude into the Part 77 surface. This Agreement shall be deemed the final land use, critical areas and related land disturbance permit/approval for the removal of all trees that now, or for the duration of this Agreement, intrude into the Part 77 surface.

5.1 **Tree Topping.** The Port and the City agree that, except for wetland and wetland buffers, there is no permit required to top trees to comply with Part 77 on the Property. For the purposes of this Agreement, topping is allowed to occur at a reasonable distance below the Part 77 surface to prevent short term growth of the trees that would intrude into the Part 77 surface.

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5.2 Tree Removal Mitigation. The Port and the City have agreed to a mitigation plan for tree removal. The Property is divided into the following areas depicted on Figure 1, Exhibit "D" and subject to the Landscape and Wetland Mitigation Plan described in Exhibit "D". Subject to reasonable approval by the City, the Port may substitute different species of plants if the USDA determines that the selected species may attract birds to the Anacortes Airport. In addition, the Port and the City may agree on different species of plants that would accomplish the purpose of mitigation. The mitigation described herein may not be eligible for FAA grant funding; however, the lack of grant funding shall not relieve the Port of this obligation.

<table>
<thead>
<tr>
<th>Designation</th>
<th>Description</th>
<th>Mitigation Required</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area 1</td>
<td>Non-wetland/non-wetland buffer clearing area inside Operational</td>
<td>Mitigation provided by creation of reserve areas.</td>
<td>Exhibit &quot;D&quot;: Figure 1&quot;</td>
</tr>
<tr>
<td></td>
<td>Safety Fence.</td>
<td>No additional mitigation required.</td>
<td></td>
</tr>
<tr>
<td>Area 2</td>
<td>Wetland and wetland buffer inside Operational Safety Fence and in the North</td>
<td>Replacement of plants per the Landscape and Wetland</td>
<td>Exhibit &quot;D&quot;: Figure 1&quot;</td>
</tr>
<tr>
<td></td>
<td>End Aeronautical Area.</td>
<td>Mitigation Plan.</td>
<td></td>
</tr>
<tr>
<td>Area 3</td>
<td>Non-wetland/non-wetland buffer areas inside the Panhandle Reserve and the</td>
<td>Replacement of plants per the Landscape and Wetland</td>
<td>Exhibit &quot;D&quot;: Figure 1&quot;</td>
</tr>
<tr>
<td></td>
<td>Rockwell Reserve and a portion of the North End Aeronautical Area.</td>
<td>Mitigation Plan.</td>
<td></td>
</tr>
<tr>
<td>Area 4</td>
<td>Wetland and wetland buffer inside Panhandle Reserve and Rockwell Reserve</td>
<td>Replacement of plants per the Landscape and Wetland</td>
<td>Exhibit &quot;D&quot;: Figure 1&quot;</td>
</tr>
<tr>
<td></td>
<td>and Anacoper Reserve.</td>
<td>Mitigation Plan.</td>
<td></td>
</tr>
<tr>
<td>Area 5</td>
<td>Non-wetland and non-wetland buffer inside Anacoper Road Area and a portion</td>
<td>Screening plants in the location shown on Exhibit</td>
<td>Exhibit &quot;B&quot; and Exhibit &quot;D&quot;: Figure 1&quot;</td>
</tr>
<tr>
<td></td>
<td>of the North End Aeronautical Area.</td>
<td>&quot;B&quot;.</td>
<td></td>
</tr>
</tbody>
</table>

5.3 Vested Permits and Rights. Subject to the requirements of this herein, this Agreement shall be deemed the final land use, critical areas and related land disturbance permit/approval for the removal of all trees on the Property penetrating the Part 77 surface during the term of this Agreement. The topping or removal of trees as provided herein and subject to the terms of this Agreement shall be an outright permitted and vested land use on the Property.

5.4 Notification to City. Prior to commencement of any activity permitted by this Agreement, the Port shall notify the City Planning Director in writing of the date of the commencement of any such activity, provide a description and scope of the activity planned.

6. Aeronautical Area. This area is depicted on Exhibit "A" and represents the area that is available for aeronautical uses.
6.1 **Vested Rights.** The permitted land uses and conditional land uses identified in Exhibit "E" are entitled to and vested on the Aeronautical Area of the Property and shall be subject only to those rules, requirements and mitigation set forth in this Agreement; provided, however that any structure shall be subject to the applicable building code requirements. The uses allowed in the Aeronautical Area are not limited by dimension or location, except as required by any setback, buffer, or height limitations set forth herein. The Port shall, in its sole discretion, subject to these limitations, have full discretion without any requirement of further mitigation or condition, to configure the layout of structures for such uses as it determines.

6.2 **Conditional Uses.** The Port or its tenants shall follow the process set forth in the Anacortes Municipal Code (AMC) Section 17.10 et seq., to seek a conditional use.

6.3 **Variances.** Nothing herein shall limit or prohibit the Port or its tenants from seeking a variance from any of these standards pursuant to the variance criteria set forth in the AMC Section 17.10.040.B, and the process set forth in AMC Section 17.10.040.B.

6.4 **Open Space Requirements.** For the purposes of calculating the buildable area as required for land development authorized by this Agreement, the requirements set forth in the AMC Section 17.80.080 (open space requirement), shall apply. In satisfying these open space requirements, the Port may allocate any portion of the Panhandle Reserve or Rockwell Reserve Areas to any portion of property within the Aeronautical Area in its discretion in order to meet the open space requirements of this section.

6.5 **Anticipated Development Phasing.** Exhibit "G" depicts three development areas within the Aeronautical Area. The Port anticipates that it will conduct development in accordance with the three development areas starting with Area 1, then Area 2 and then Area 3. However, nothing herein shall preclude the Port from deviating from the development phasing described herein, or redeveloping existing developed areas of the Aeronautical Area to comply with FAA regulations or meet the needs of those seeking property for aeronautical development. The Port, in its own discretion and without obligation, may further review and mitigate any impacts from development of these areas, regardless of their significance.

6.6 **Areas Outside the Development Phasing Areas.** Nothing herein precludes the Port, subject to the limitations and conditions in this Agreement and applicable wetland regulations, from (i) clearing any area within the Aeronautical Area or (ii) using any property within the Aeronautical Area for development.

7. **Panhandle Reserve and Rockwell Reserve Areas.** These areas are depicted on Exhibit "A" and represent areas that will be left undeveloped except as provided herein. The primary purpose of these areas will be to locate mitigation of impacts arising from development occurring within the Aeronautical Area. Notwithstanding the foregoing, the Port may top or remove trees to comply with Part 77 subject to the mitigation required herein.
7.1 No Uses Incompatible with Aeronautical Uses. The Panhandle Reserve and/or Rockwell Reserve Areas may not be used for any use that is incompatible with aviation and or aeronautical uses at the Anacortes Airport.

7.2 Native Growth Protection Easement. A Native Growth Protection Easement shall be established by the Port for the Panhandle Reserve and Rockwell Reserve Areas shown in Exhibit "A" within a reasonable timeframe, recognizing and subject to the processes required by the FAA to de-obligate the Panhandle Reserve and Rockwell Reserve Areas from restrictions contained in the FAA grant assurance made by the Port when the Panhandle Reserve and Rockwell Reserve Areas were acquired. Subject to reasonable approval by the City, the Port may remove native plants and substitute different species of plants if the USDA determines that the selected species is encouraging birds at the Anacortes Airport. The replacement plants will provide equal or better mitigation. The mitigation described herein may not be eligible for FAA grant funding; however, the lack of grant funding shall not relieve the Port of this obligation.

8. Anacoper Future Process Area. This area is available for aeronautical uses; however, no development within the Anacoper Future Process Area is anticipated to occur until the City and the Port complete a future land use planning process, including the adoption of reasonable zoning entitlements for aviation and aeronautical related uses, reasonable mitigation (including wetland mitigation), development standards/regulations and approval processes. In order to assure that this process occurs and is completed prior to development pressures occurring, the parties agree that, upon the request of the Port, the City shall, in consultation with the Port, initiate and reasonably conclude a comprehensive plan and development regulation adoption process, to allow reasonable aviation/aeronautical and related land uses within the Anacoper Future Process Area. This process shall be compliant with law and part of the City's annual Growth Management Act batching process. The City's consultation with the Port is intended by the Parties to be a participatory process of each party with the goal of developing jointly proposed new comprehensive policies and development regulations for the "Anacoper Future Process Area" consistent with law and FAA regulations.

8.1 Aeronautical Uses Pending Completion of the Process. Until such time as the planning process is complete, aeronautical use, aviation related uses only shall be permitted as a conditional use following the process set forth in the AMC Section 17.10.069.100 -.105, to seek a conditional use and subject to the imposition of reasonable mitigation and compliance with wetland regulations.

9. North Aeronautical Area. This area is available for aeronautical uses; however, because of its location under the runway protection zone and its elevation, development is unlikely in this area.

9.1 Aeronautical Uses. Aeronautical use, aviation related uses and other uses shall be permitted only as a conditional use following the process set forth in the AMC Section 17.10.069.100 -.105, to seek a conditional use and subject to the imposition of reasonable mitigation and compliance with wetland regulations.

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10. **Off Site Mitigation.** In developing a plan for the Anacortes Future Process Area or other wetland mitigation as required, the Port and the City may work cooperatively to utilize the Proposed Off Site Mitigation Area as described in Exhibit "D" and depicted in Exhibit "D: Figure 4". Other approved off site mitigation locations, as mutually agreed upon, could also be considered in replacement of the one shown in Exhibit "D: Figure 4".

11. **SEPA Review.** The State Environmental Policy Act (SEPA) review conducted for this Agreement was done considering a defined potential impact or impact ceiling within which the Port or its tenants may engage in the land uses authorized herein and construct the structures subject to the conditions set forth herein, without further SEPA review required. By way of example only, the SEPA review has considered the capacity of the existing stormwater system and has defined, as a result, the amount of impervious surfaces that can be added to the Port's property without development of additional facilities subject to modification as may be required by a change in federal stormwater regulations. That capacity limitation, in terms of area of square footage of impervious surfaces, is defined herein. If the Port were to propose additional impervious surfaces, further stormwater facilities would be required to be designed and approved by the City of Anacortes. By way of further example, the Port has developed a tree removal Landscape and Wetland Mitigation Plan that shall apply for the duration of this Agreement as it applies to tree/obstruction removal on the Port's property without further review or approval of the City.

12. **Impact Fees/Latecomer Agreements.** Impact fees applicable to any project on the Property shall be limited to those impact fee types and latecomer agreements in effect as of January 1, 2005.

13. **Lot Line Adjustment/Land Divisions.** It is anticipated that lot line adjustments and/or land divisions, including condominiums will be required over the life of this Agreement. The Parties agree that such applications shall be deemed vested in the use of the rules set forth in this Agreement, subject only to the procedural requirements set forth in the Anacortes Municipal Code implementing RCW 58.17 et seq.

14. **Recording.** This Agreement shall, when approved by the City Council and executed by the Parties hereto, be filed as a matter of public record in the office of the Skagit County Auditor and shall be in the nature of a covenant running with the Property. It is the intent to have this Agreement, so long as it is in force, to be considered, interpreted, and regarded as a covenant running with the land as to the Port's Property.

15. **Applicability of RCW 36.70B.170 - .210.** Any provision of RCW 36.70B.170-.210 in existence as of the date of recordation of this Agreement shall govern the interpretation of this Agreement.

16. **Dispute Resolution.** In the event of any dispute as to the interpretation or application of the terms or conditions of this Agreement, the Port and the City, through their designated representatives, shall meet within ten (10) days after the receipt of a written request from any party for the purpose of attempting in good faith to resolve the dispute. Such a meeting may be continued by mutual agreement to a date certain to include other persons or parties, or to obtain additional information.
16.1. **Mediation.** In the event that such a meeting does not resolve the dispute and prior to commencing any litigation except for a request for a temporary restraining order and preliminary injunction, the Parties shall first attempt to mediate the dispute. The Parties shall mutually agree upon a mediator to assist them in resolving their differences. If the Parties are unable to agree upon a mediator, a list of seven mediators with experience in land use matters and applicable Washington State land use law shall be requested from the Skagit County Superior Court Presiding Judge. Each party shall take its turn in striking one name from the list until one name remains. A flip of a coin shall determine which party strikes the first name. Any expenses of the mediator shall be borne equally by the Parties. However, each side shall bear their own costs and attorney fees arising from participation in the mediation.

17. **Applicable Law.** This Agreement shall be governed by and be interpreted in accordance with the laws of the State of Washington.

18. **Binding Effect.** This Agreement shall be binding upon the City, the Port and any Port tenants on the Airport. The Port will be responsible to insure that its tenants comply with this Agreement. The Parties acknowledge that the Port shall have the right to lease, divide, assign, or transfer all or any portion of the interests, rights and obligations under this Agreement to other parties acquiring an interest or estate in the property. Consent by the City shall not be required for any such lease, assignment, transfer or rights pursuant to this Agreement.

19. **Severability.** If any provision of this Agreement is determined to be unenforceable or invalid by a court of law, then this Agreement shall thereafter be modified to implement the intent of the Parties to the maximum extent allowable under law.

20. **Modification.** This Agreement shall not be modified or amended except in writing signed by the City and the Port or their respective successors in interest.

21. **Further Good Faith Cooperation.** Each party hereto shall cooperate with the other in good faith to achieve the objectives of this Agreement. The Parties shall not unreasonably withhold requests for information, approvals or consents provided for, or implicit, in this Agreement.

22. **No Presumption Against Drafter.** This Agreement has been reviewed and revised by legal counsel for all Parties and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

23. **Notices.** All communications, notices, and demands of any kind which a party under this Agreement is required, or desires to give to any other party, shall be in writing and be either (1) delivered personally, (2) sent by facsimile transmission with an additional copy mailed first class, or (3) deposited in the U.S. mail, certified mail postage prepaid, return receipt requested, and addressed as follows:

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Notice by hand delivery or facsimile shall be effective upon receipt. If deposited in the mail, notice shall be deemed received 48 hours after deposit. Any party at any time by notice to the other party may designate a different address or person to which such notice shall be given.

24. **Duration.** This Agreement and the rights and obligations set forth in this Agreement shall be for a period of twenty (20) years.

24.1 **Inability to Obtain De-obligation.** The Port fully anticipates that the FAA will approve de-obligation of the Panhandle Reserve and the Rockwell Reserve Areas thereby permitting the Port to recoup a native growth protection easement. In the unlikely event that the FAA is unable or unwilling to approve the de-obligation then the Port and the City will meet and confer concerning the effect of the FAA’s inability to de-obligate. These discussions will include, but not be limited to, (i) termination of this Agreement, (ii) reduction in the Agreement term, (iii) reduction of future vested development rights in the Aeronautical Area and/or (iv) addition of other reasonable mitigation requirements.

24.2 **Airport Additional Attributes.** Within three (3) years of the execution of this Agreement the Port shall install and thereafter maintain the facilities set forth in Exhibit "F: Figure 4", or an alternative facility that achieves the same off-airport noise attenuation effect, subject to final design by an engineer qualified to design these structures. The Port acknowledges that the construction of the facilities mentioned herein may not be eligible for FAA grant funding.

24.3 **Tree Removal Term.** Notwithstanding this term limitation, all tree and other obstruction removal and clearing shall be vested and be subject to the terms and condition of this Agreement for the period of thirty (30) years.

25. **Effective Date.** The Effective Date of this Agreement for the purposes of vesting shall be the date noted below. Any rule or requirement of the City of Anacortes or other applicable jurisdiction that is inconsistent with or more stringent than any term or condition of this Agreement shall not apply or bind the Port for the term of this Agreement.

26. **Entire Agreement.** This Agreement represents the entire agreement of the Parties with respect to the subject matter herethof. There are no other agreements, oral or written, except as expressly set forth herein. This Agreement supercedes all previous understandings or agreements between the parties concerning the subject matter of this Agreement.
IN WITNESS WHEREOF, the Port and the City have caused this Agreement to be executed in their names and to be attested by their duly authorized officers this 29th day of March 2005.

PORT OF ANACORTES

By: [Signature]
Dan Stahl, Executive Director

Date: 29 March 05

CITY OF ANACORTES

By: [Signature]
Dean Maxwell, Mayor

Date: 3/29/05

SUBSCRIBED AND SWORN to before me this 29th day of March 2005

[Signature]
Notary Signature

[Signature]
Notary Printed Name

Notary Public in and for the State of Washington
Residing at Anacortes
My commission expires 07-24-08

SUBSCRIBED AND SWORN to before me this 29th day of March 2005

[Signature]
Notary Signature

[Signature]
Notary Printed Name

Notary Public in and for the State of Washington
Residing at Mount Vernon
My commission expires 10-19-06

Anacortes Airport Development Agreement
March 29, 2005
Page 12 of 12
ANACORTES AIRPORT
CORRECTION TO
DEVELOPMENT AGREEMENT

MAY 10, 2005
CORRECTION TO DEVELOPMENT AGREEMENT

This Correction to Development Agreement is entered into by and between the City of Anacortes (the "City") and the Port of Anacortes (the "Port") pursuant to the authority granted by RCW 36.70B.170. The purpose of this Correction to Development Agreement is to correct an error in Table 1 of Exhibit D to that certain Development Agreement by and between the City and the Port dated March 29, 2005 and recorded under Skagit County Auditor's File No. 200504210031 (the "Development Agreement").

WHEREAS, on February 28, 2005, the Port and the City issued a joint SEPA checklist for the then proposed Development Agreement and Anacortes Airport Sub-Area Plan. On March 4, 2005, the Port and the City issued a SEPA Determination of Non-Significance (the "DNS") for the then proposed Development Agreement and Anacortes Airport Sub-Area Plan. The SEPA checklist and the DNS are collectively the "Environmental Documents";

WHEREAS, the Port and the City entered into the Development Agreement on March 29, 2005; and

WHEREAS, the Table 1 of Exhibit D to the Development Agreement contained several errors and was therefore not in conformity with the balance of Exhibit D, the Development Agreement, the Environmental Documents or the understanding of the City and the Port.

NOW THEREFORE, based upon the foregoing recitals which are incorporated herein and in consideration of the mutual promises and covenants contained in the Development Agreement, the City and the Port agree as follows:

1. Substitution of Corrected Table 1 to Exhibit D. The corrected Table 1 of Exhibit D is attached hereto as Exhibit "A". The corrected Table 1 to Exhibit D shall be substituted for the Table 1 to Exhibit D of the Development Agreement. All other terms and conditions of the Development Agreement remain unchanged.

IN WITNESS WHEREOF, the Port and the City have caused this Agreement to be executed in their names and to be attested by their duly authorized officers this 27th day of May, 2005.
PORT OF ANACORTES

By: 
Dan Stahl, Executive Director
Date: 10 May 2005

CITY OF ANACORTES

By: 
Dean Maxwell, Mayor
Date: 5/10/05

SUBSCRIBED AND SWORN to before me this 10th day of May, 2005

Julianne M. Lindsay
Notary Signature
Notary Printed Name
Notary Public in and for the State of Washington Residing at Anacortes, My commission expires: 07-24-07

SUBSCRIBED AND SWORN to before me this 10th day of May, 2005

Cheri L. Kahn
Notary Signature
Notary Printed Name
Notary Public in and for the State of Washington Residing at Mount Vernon, My commission expires: 10-17-06

Page 2 of 2
CORRECTION TO DEVELOPMENT AGREEMENT
### EXHIBIT D - TABLE 1:
PLANT REPLACEMENT SCHEDULE

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PLANT REPLACEMENT SCHEDULE

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**Landscape and Wetland Mitigation Plan**
Corrected Exhibit D - Table 1
May 9, 2005

**Skagit County Auditor**
5/23/2005 Page 7 of 7 11:23AM
Return Address:

Port of Anacortes
P.O. Box 397
Anacortes, WA 98221

City of Anacortes
P.O. Box 547
Anacortes, WA 98221

Document Title:
Anacortes Airport
Correction to Development Agreement
May 19, 2005

Reference Number:
N/A

Grantor(s):
1. City of Anacortes
2. Port of Anacortes

Grantee(s):
1. Public

Abbreviated Legal Description:
N/A

AssessorParcel/Tax ID Number:
N/A
Appendix B

SEPA Review
STATE ENVIRONMENTAL POLICY ACT (SEPA) CHECKLIST

A. BACKGROUND

1. Name of proposed project, if applicable:

   1) City of Anacortes Adoption of 2005 Anacortes Airport Sub-Area Plan and Associated Zoning and Development Regulations Pursuant to RCW 36.70A, et seq.

   2) Port of Anacortes Development Agreement—Pursuant to RCW 36.70B.170-210—to be approved and executed by the City of Anacortes and the Port of Anacortes

2. Name of applicant:

   1) City of Anacortes for the Adoption of 2005 Anacortes Airport Sub-Area Plan and Associated Zoning and Development Regulations Pursuant to RCW 36.70A, et seq.

   2) City of Anacortes and the Port of Anacortes for the Port of Anacortes Development Agreement—RCW 36.70B.170-210

3. Address and phone number of applicant and contact person:

   Applicant:

   Dan Stahl
   Executive Director
   Port of Anacortes
   P.O. Box 297
   Anacortes, Washington 98221
   (360) 293-3134

   Imam Munsie
   Director of Planning & Community Development
   City of Anacortes
   P.O. Box 547
   Anacortes, Washington 98221
   (360) 299-1942

4. Date checklist prepared:

   February 28, 2005

5. Agency requesting checklist:

   The City of Anacortes (City) and the Port of Anacortes (Port) are joint SEPA lead agencies for this proposal.

6. Proposed timing or schedule (including phasing, if applicable):
Two separate documents are proposed by the applicants. This joint SEPA process conducted by the City and the Port is prepared and conducted in partnership of the parties.

The City proposes a 2005 Anacortes Airport Sub-Area Plan and associated Zoning and Development Regulations ("Sub-Area Plan") (refer to Appendix B) setting forth planning policies, zoning designations and development regulations that apply within the geographical area of the Sub-Area. This Sub-Area Plan and associated Development Regulations are adopted pursuant to RCW 36.70A et seq. By prior agreement of the Port and the City, the Sub-Area Plan and associated Zoning and Development Regulations are to be adopted contemporaneously with the adoption of a Development Agreement ("Development Agreement"), refer to Appendix C) adopted pursuant to RCW 36.70B.170-210. Both documents are intended to be adopted by late March 2005 following public hearings held on both proposals, each by separate ordinances.

The Development Regulations associated with the Sub-Area Plan would only apply after the effective term of the Port of Anacortes Airport Development Agreement. If the Development Agreement as approved by the Port is not adopted and approved by the City, then by prior Intergal Agreement, the parties will withdraw the request for approval of the Sub-Area Plan and associated Development Regulations, and the City shall not adopt the Sub-Area Plan and associated Development Regulations. Accordingly, the proposed measures set forth herein as they relate to the Sub-Area Plan and associated Development Regulations only apply after the expiration of the Development Agreement.

The rights and mitigation set forth in the Development Agreement by statute would be in effect for the period defined in the Development Agreement, and the uses approved therein are subject to further SEPA review. This SEPA checklist reviews the Development Agreement as if it had a full term of thirty (30) years for all rights and required mitigation in the event that the proposed Development Agreement was extended later by the further agreement of the Parties or was approved for a longer period than is in its current proposed form.

The City and Port staff, at the time this SEPA checklist is being issued, have negotiated that the Development Agreement would be in effect for a minimum of 10 years from the date of the Development Agreement. The Development Agreement as negotiated also allows for an extension of an additional 5 years provided certain conditions therein are met at the discretion of the Port. The legislative bodies of both parties may jointly decide to provide for a longer term. Further the Port’s rights and entitlements under the Development Agreement related to FAA Part 77 obstruction removal and clearing provisions will be in effect for a period of 30 years, together with the mitigation requirements for such activity as provided for in the Development Agreement.

As to the phasing of development allowed in the Development Agreement, the Development Agreement establishes priority areas for development and phases of development within the defined Aeronautical Area. The area identified for the first phase of development is approximately 5.9 acres in two parcels to the east and west of existing Hangar No. 5. The Development Agreement provides that this area shall be entitled to be fully developed within the limits of lot coverage and other mitigation requirements set forth in the Development Agreement before development would occur in the area identified for the second phase. The Phase 2 area would be within the Aeronautical Area to the east of Phase 1 area and Hangar No. 5 and inside the property line and 75’ buffer. Similarly, the Phase 2 area would be fully developed before development in the area identified for Phase 3, which is south of the Phase 1 area along side the buffer area south of the areas identified for Phase 1. The anticipated development phasing is shown in Exhibit "G"
of the Development Agreement. Timing of development will depend on demand for facilities and operations at the airport as determined by the Port in its sole discretion.

The Development Agreement provides for a change in the location of the Operational Safety Fence from the location reviewed in the Revised DNS and Revised SEPA checklist for the Airport Safety Fence Improvements Project dated August 24, 2004 and August 19, 2004 respectively.

The 2005 Anacortes Airport Sub-Area Plan and the Port of Anacortes Airport Development Agreement will each be adopted by separate ordinances. It is expected that the 2005 Anacortes Airport Sub-Area Plan will be adopted by an interim ordinance, while the Port of Anacortes Airport Development Agreement will be adopted by a separate ordinance as provided by RCW 36.70B.170-210 and be effective immediately upon approval by both the Port and the City and subsequent recording with the Skagit County Auditor.

The area defined as the Anacortes Future Process Area in both documents shall be subject to future land use planning, development regulations adoption, including SEPA review, except for FAA Part 77 obstruction removal and Operational Safety Fence construction which would be approved by the adoption of the Development Agreement.

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

No.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.

9. Letter from Clumelik Sitkin and Davis to the FAA dated August 12, 2004

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.

The Port has already received the City building and clearing permits to construct the 2004 Airport Safety Fence Improvements (Operational Safety and Perimeter Fences as defined in the Revised DNSS and Revised SEPA checklist for the Airport Safety Fence Improvements Project dated August 24 and 19 respectively). The revised location of the Operational Safety Fence, as determined by the Port, is shown in Exhibit “A” of the Development Agreement.

10. List any government approvals or permits that will be needed for your proposal, if known.

1. City of Anacortes Building Permit for proposed new buildings, a building permit will not be required for the Operational Safety Fence to be constructed by the Port as approved by the Development Agreement.

2. Approval of the Development Agreement by the City and Port (which will be the City’s land clearing and wetland permits for Part 77 obstruction removal and other uses vested and permitted in the Development Agreement).

3. City of Anacortes Land Division approval and/or lot line adjustments for any lot line adjustments or land divisions proposed by the Port within the Aeronautical Area as defined in the Development Agreement.

City of Anacortes Land Clearing Permit for any uses not vested and permitted in the Development Agreement.

4. City of Anacortes Wetland Special Use Permit (if necessary) for other uses not vested and permitted in the Development Agreement.

5. City of Anacortes Conditional Use Permit for any development activity, other than FAA Part 77 obstruction removal and Operational Safety or Perimeter Fence installation and related clearing thereon within the Anacortes Future process area as such area is defined in the Development Agreement.

6. Any Forest Practices Rules that apply per communications with the Washington State Department of Natural Resources (if necessary).

7. U.S. Army Corps of Engineers Section 404 Permit (if necessary).

9. Federal Aviation Administration (FAA) Form 7460 Approval: Notice of Construction or Alteration.

10. De-obliteration from FAA grant assurances of the 75’ buffer area in the Rockwell and Panhandle Reserve Areas as more particularly identified in the Development Agreement (if necessary).

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page.

I. PUBLIC PROCESS OVERVIEW:

Over the past several years, the Port and the City have participated in lengthy planning processes related to the Anacortes Airport. These efforts have included extensive participation by interested citizens and public officials and included the multi-year efforts by the Airport Citizens’ Advisory Committee (CAC) which addressed airport planning issues including the formulation of interim airport zoning proposals. These discussions attempted to find the appropriate balance between airport safety for neighbors and aircraft operators, the needs of the surrounding community, development activities at the airport, and compliance with Federal Aviation Administration (FAA) regulations. In response to a proposal formulated by Port Commissioner Steve Hopley, the Port and the City entered into an Interlocal Agreement in September 2004 which addressed the issues surrounding the construction of a safety fence that meets FAA minimum standards. In the November and December of 2004, the Port and City held a series of four joint community meetings regarding the agreement, and took public comments from members of the public regarding airport planning issues. The currently proposed Airport Sub-Area Plan and Airport Development Agreement are the result of these planning efforts and community input.

These two separate actions are the result of a negotiated process between the Port and the City. The rights and conditions proposed to be granted and vested with the Port as contained in both actions are not intended to be indicative of an agreement by the Port that the uses proposed in either proposed action would cause a significant adverse environmental impact to the environment warranting any mitigating conditions. The terms and conditions of the development regulations associated with the Sub-Area Plan, and those contained in the Development Agreement are the result of a negotiated proposal intended to facilitate the Port proceeding with the Development Rights contained in the Development Agreement as expeditiously as possible, including the removal of the FAA Part 77 obstructions, the vesting of the rights to develop the aeronautical area and the construction of the Operational Safety Fence.

II. DEVELOPMENT AGREEMENT:

The Development Agreement is a project action under SEPA. Because the area that is subject to the Development Agreement Sub-Area Plan and associated Development Regulations is identical to the area that is subject to the Development Agreement, this SEPA checklist addresses both proposals. No further SEPA review will be required for the uses and activities authorized and permitted therein.

The City of Anacortes and the Port of Anacortes propose to establish certain vested land uses and related activities, including zoning related to aeronautical uses on Port property at the Airport, subject to the terms and conditions set forth in a formal Development Agreement between the City and the Port. In addition and separately, the City proposes to adopt and implement a Sub-Area
Plan for the Port of Anacortes property surrounding the Port of Anacortes Airport, and development regulations for land within the area. The Development Agreement establishes, permits, and mitigates for certain land uses and land disturbance activities, and provides a comprehensive mitigation plan applicable to certain land uses and to certain land disturbance activities such as tree removal, land clearing, and removal of Part 77 FAA obstructions.

The Development Agreement establishes certain vested rights to certain rules and regulations as defined in the Development Agreement, including permitted uses, conditionally permitted uses and mitigation for development and other land disturbance and/or FAA Part 77 obstruction removal within airport properties. The defined areas set forth in the Development Agreement, shown on Exhibit "A" of the Development Agreement, are:

- Panhandle Reserve Area
- Rockwell Reserve Area
- Anacortes Future Process Area
- Aeronautical Area

No development activity is planned or permitted within the Anacortes Future Process Area as part of the Development Agreement, except for the removal of FAA Part 77 obstructions and the construction of the Operational Safety Fence which are permitted and approved as part of the Development Agreement.

Further, as the Sub-Area Plan and associated Development Regulations applies to the Anacortes Future Process Area only, those planning and zoning documents provide that uses, other than maintenance and removal of the Part 77 obstructions are conditionally permitted uses.

In summary, and without modification of the terms of the Development Agreement, the land uses, activities, and agreed upon mitigation identified as subject to the Development Agreement are:

1. **Installation of Operational Safety Fence:** Approximately 6,600 linear feet of 8 foot high galvanized chainlink fencing and 4,205 linear feet of 6 foot high galvanized chainlink fencing is proposed to be installed around the airport’s operational areas. It is anticipated that an area fifteen (15) feet wide, on the airport side of the fence, will be cleared to allow future maintenance of and security access to the Operational Safety Fence. This is shown in Exhibit “T” of the Development Agreement. Up to 15 gates in the Operational Safety Fence will be installed to provide access to the Aeronautical Area for emergency and/or maintenance vehicles and equipment. The approximate location and detail of the Operational Safety Fence is depicted in Exhibit “A” of the Development Agreement.

2. **Removal of FAR Part 77 obstructions:** The Port will remove Part 77 obstructions and/or penetrations from current airport properties to comply with FAA safety regulations. In limited circumstances, trees may be topped instead of removed, at the discretion of the Port. Part 77 is a Federal Aviation Administration (FAA) safety regulation which establishes standards for determining obstructions (trees, antennas, or any other natural or manmade objects) in navigable airspace. Numerous trees on airport property may be removed or topped to comply with these mandatory FAA safety regulations. The Aeronautical Area, Panhandle Reserve, Rockwell Reserve, and Anacortes Future Process Areas may be cleared of Part 77 obstructions subject to the terms and conditions of the Development Agreement. Areas where trees are anticipated to be removed are identified in Exhibit “H” of the Development Agreement.
3. Permitted and vested land uses in Aeronautical Area: Aeronautical uses, as defined in the Development Agreement, and Part 77 obstruction removals are permitted outright and identified as vested land uses (refer to Exhibit "E" of the Development Agreement). Development standards related to uses, yards, traffic, building heights, parking, landscaping, lighting, open space, signage, stormwater management, compliance with city codes, and native growth protection easements are also set forth in the Development Agreement. The Development Agreement establishes a ceiling of building development at 150,000 square feet and 12,500 square feet for each light manufacturing use, before a conditional use permit approval would be required. Conditionally permitted uses are also set forth in the Development Agreement.

4. Native Growth Protection Easements: Certain areas identified in the Development Agreement will be subject to a Native Growth Protection Easement (refer to Exhibit "C" of the Development Agreement). The Port has tentatively reached an agreement with the FAA to deobligate portions of the Rockwell and Panhandle Reserve Areas from the federal requirement that they be available for aeronautical and aviation related uses. The areas that would be de-obligated consist of approximately 4.8 acres. This area is a 75’ buffer within the Rockwell and Panhandle Reserve Areas, and is more particularly defined in the Development Agreement. This deobligated area of may be permanently set aside as agreed upon mitigation for impacts related to development and other activities within the Aeronautical Area.

5. Landscape and Wetland Mitigation Plan: A Landscape and Wetland Mitigation Plan included in the Development Agreement (refer to Exhibit "D" of the Development Agreement) has been developed that identifies agreed upon mitigation. Part 77 obstruction removal, construction of safety fencing (Operational Safety Fence), development of uses identified within the Aeronautical Area, and any other action necessary to ensure the safety of airport operations will be allowed within the buffer areas, subject to mitigation measures identified in the Landscape and Wetland Mitigation Plan. The plan identifies specific vegetation replacement and buffer maintenance measures.

Additional attributes to Development Agreement:

Added run-up apron and south run-up apron screening berm: As airport amenities, the Port, in its’ sole discretion may construct an alternate run-up apron in the location shown in the Development Agreement. Further, the Port in its discretion may construct an 8-10’ high earth berm adjacent to and east the existing south run-up area on Taxiway A, next to the south end of the runway. If both of these features are constructed by the Port, then the term of the Development Agreement will extend to 15 years, except for right to engage in the removal of FAA Part 77 obstructions which has a term of 30 years, subject to certain mitigation defined in the Development Agreement.

However, although the parties have only agreed to the term of the agreement as set forth above, this SEPA checklist is submitted, however considering that the Development Agreement as a whole and all terms therein having a term of thirty years. Accordingly, this SEPA checklist is submitted in relation to the Development Agreement as if it had a full term of thirty (30) years for all rights and required mitigation contained therein in the event that the proposed Development Agreement was extended later by the further agreement of the Parties or is initially approved for a longer period than is in its current proposed form.
The placing of the development of the Aeronautical Area is for the convenience of the Port only in terms of its planning, and is not considered to be a significant aspect nor a condition related to the Port’s proposal.

III. SUB-AREA PLAN:

The Sub-Area Plan and associated Development Regulations are a non-project action under SEPA. Supplement D (refer to Appendix A) accompanies this checklist in relation to the Sub-Area Plan and associated Development Regulations only. Because the area that is subject to the Sub-Area Plan and associated Development Regulations is identical to the area that is subject to the Development Agreement, this SEPA checklist addresses both proposals.

The Sub-Area Plan and associated Development Regulations establish certain City land use policies and development regulations as it relates to the Port of Anacortes Airport uses and development requirements for the areas, shown on Exhibit “A” of the Sub-Area Plan and Development Agreement. These areas are:

- Panhandle Reserve Area
- Rockwell Reserve Area
- Anacoppea Future Process Area
- Aeronautical Area

Upon adoption of the Development Agreement, the terms and conditions of the Development Agreement will control development on the Airport property during the term of the Development Agreement, and not the Development Regulations associated with the Sub-Area Plan. Accordingly, further SEPA review for actions allowed in the Development Agreement will not be required. However, after the expiration of the Development Agreement the Development Regulations associated with the Sub-Area Plan shall apply. Projects proposed after the expiration of the Development Agreement may require further SEPA review at that time.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.

The Anacortes Airport is located at 4000 Airport Road, Anacortes, Skagit County, Washington 98221 in the SE ¼ of Section 22 and the NE ¼ of Section 27, Township 35N, Range 01E.
B. ENVIRONMENTAL ELEMENTS

1. EARTH

a. General description of the site (circle one): Flat, rolling, hilly, steep slopes, mountainous, other

The site is generally flat. Along a portion of the airport perimeter, the airport has slight rolling hills.

b. What is the steepest slope on the site (approximate percent slope)?

Safe airport and aircraft operations require that the entire site be flat. The steepest existing slopes located on the airport range from a 3:1 to 4:1 gradient.

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classifications of agricultural soils, specify them and note any prime farmland.

The native material is silty sand, gray to tan in color, mottled, and exhibits dense to very dense consistency.

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe.

No.

e. Describe the purpose, type, and approximate quantities of any filling or grading proposed. Indicate source of fill.

In relation to activity to be approved in the Development Agreement, approximately 2,000 yards of select fill would be placed in order to construct the screening berm. Approximately 800 cubic yards (cy) of material will be excavated for the installation of the Operational Safety Fence. Native materials excavated for the Operational Safety Fence buried skirt will be placed back in the trench.

Grading may also be required construction of the future development areas as shown in Exhibit "G" of the Development Agreement. The exact quantities will depend on the layout and scale of developments in this area.

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe.

In relation to activity to be approved in the Development Agreement, minor erosion could occur during grading and fence installation activities. With the erosion control measures required (see subsection B.1.b below), potential erosion and sedimentation reaching off-site drainage ways would be eliminated or reduced.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.
g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings?)

The Development Agreement anticipates approximately 8.5 acres of new impervious surface associated with new buildings and/or paved areas within the Aeronautical Area. This will result in a total of 26% impervious surfaces within airport property.

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any.

In relation to activity to be approved in the Development Agreement, temporary erosion control measures, such as fabric filter fences, straw bales, interceptor swales, and check dams, would be used during construction activities. Temporary Erosion and Sedimentation Control Best Management Practices (BMPs) would be followed at all times while construction activities are occurring at the Airport.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

2. AIR

a. What types of emissions to the air would result from the proposal (i.e., dust, automobile, odors, industrial wood smoke) during construction and when the project is completed? If any, generally describe and give approximate quantities if known.

In relation to activity to be approved in the Development Agreement, short-term exhaust emissions from equipment could occur during the construction phase. Dust associated with the limited grading operations may also occur during construction activities, but it would be controlled with water as needed. The construction activities would only be temporary and are therefore not expected to significantly affect air quality.

In relation to activity to be approved in the Development Agreement, long-term air quality impacts are not expected. There will be no significant long-term air quality impacts due to air pollution from increased automobile and airplane traffic. The proposed project would not generate significant automobile traffic to affect intersections or cause congestion on nearby roads. The addition of approximately 155 peak hour trips on State Route 20 would have no significant impact on traffic congestion (see traffic section 14.1 below) and also would not have a significant impact on air quality. Air pollution generated by aircraft engine exhaust will occur on the taxi lanes and hangar aprons. A significant effect on nearby ambient air quality at the Anacortes Airport is not expected.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe.
In relation to activity to be approved in the Development Agreement, there are no known off-site sources of emissions or odors that may affect this proposal.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

c. Proposed measures to reduce or control emissions or other impacts to air, if any:

In relation to activity to be approved in the Development Agreement, construction equipment would be properly maintained, and watering of construction areas would be used to reduce airborne dust during construction. Street cleaning will be used to prevent dirt, mud, and other debris deposits on paved roadways open to the public.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

3. WATER

a. Surface:

i) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names, if appropriate, state what stream or river it flows into.

Within approximately one mile of the Airport is Goomes Channel to the north, an unnamed pond to the east, Cranberry Lake to the east, Rosario Strait to the west, and Burrows Bay to the south.

There are also some isolated wetlands on Airport property. A Wetland Delineation Report and Addendum were completed by Pentec Environmental for the Port and the FAA in 2001 (incorporated by reference), and an Addendum Wetland Delineation and Classification Report was completed by Grette Associates for the Port in 2004. A recent U.S. Supreme Court decision limits the Corps of Engineers’ jurisdiction over isolated wetlands. The wetlands affected by the proposed Operational Safety Fence are outside of the regulatory jurisdiction of the Corps of Engineers, but approvals from the City of Anacortes and/or the Washington Department of Ecology may need to be obtained for activities within a designated wetland and/or its buffer. The Development Agreement provides the City of Anacortes approval and the related required mitigation.

Most of the wetlands at the Airport have limited functional and habitat value. It is generally not desirable to enhance wetland habitat on airport property because of the potential for bird strikes and other wildlife interference with aircraft operations. The wetlands function primarily as stormwater conveyances. For example, the wetlands adjacent to the west side of the runway are artificial wetlands that were originally constructed as stormwater ditches. The only Category II wetland (as defined using the Department of Ecology’s rating system), or priority wetland habitat, at the Airport is Wetland B. All of the other wetlands are Category III.
In relation to activity to be approved in the Development Agreement, all fence installation within the Airport wetlands, or their buffers, shall be accomplished using hand held equipment only. At the completion of the fence installation within wetlands, native plants will be replanted as described in the landscape mitigation plan.

2) Will the project require any work over, in, or adjacent to (within 200 feet) the described water? If yes, please describe and attach available plans.

Operational Safety Fence: The Operational Safety Fence approved in the Development Agreement will cross some of the wetlands. This is shown in Exhibit “IF” of the Development Agreement.

Part 77 Tree Removal: Existing trees in wetlands and wetland buffers may be removed or topped below the Part 77 surface. The specific methods and locations are described in the Landscape and Wetland Mitigation Plan, Exhibit “D” of the Development Agreement.

Screening Berm: A screening berm may be constructed in the wetland buffer located at the southeast end of Taxiway A. This is shown in Exhibit “L” and “M” of the Development Agreement.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material.

In relation to activity to be approved in the Development Agreement, no fill or dredge material will be removed from surface water or wetlands.

Operational Safety Fence: During the installation of the buried chainlink skirt for the Operational Safety Fence, excavated materials (with hand held equipment) will be stored on a tarp, or on a truck outside the wetland, and will be placed back in the trench once the skirt is installed.

Screening Berm: Installation of the screening berm adjacent to the south run up area may require grading and filling of approximately 500 cy within the wetland buffer of the adjacent wetland. The source of the fill material will be determined during the design process.

4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known.

The uses approved in the Development Agreement will not require surface water withdrawals or diversions.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.
The subject property does not lie within a 100-year floodplain.

6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge.

The uses approved in the Development Agreement do not involve discharge of waste materials to surface waters.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

b. Ground:

1) Will ground water be withdrawn, or will water be discharged to ground water? Give general description, purpose, and approximate quantities if known.

No withdrawal or discharge of groundwater is proposed or required for the uses approved in the Development Agreement.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals . . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve.

There would be no waste material discharged into the ground in relation to the uses approved in the Development Agreement.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

c. Water Runoff (including storm water):

1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe.

In relation to activity to be approved in the Development Agreement, runoff from the project area will be managed with BMPs and directed to the Airport stormwater system. Surface runoff from the existing runway is directed to grass lined drainage swales that parallel the length of the runway. Runoff is collected in these swales and then discharged off the airport property into a regional storm drainage system. This stormwater is directed to the drainage system and be released via pipes to an existing drainage swale on both sides of the runway.

Surface water runoff from future new hanger areas, and rooftop runoff collected by gutters and downspouts, will be drained the existing conveyance system. The Aeronautical Area slated for future development contains small swales that drain stormwater generally west to the existing
underground pipe conveyance system. A preliminary storm drainage conveyance and detention analysis for the Aeronautical Area has been prepared and is attached as Exhibit “K” of the Development Agreement.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

2) Could waste materials enter ground or surface waters? If so, generally describe.

No. In relation to activity to be approved in the Development Agreement, although small amounts of waste material from accidental spills from construction equipment could enter ground or surface waters, the Airport’s runways, taxiways, and operations areas are paved, minimizing the potential for waste materials to enter ground water. The Airport’s storm water drainage system includes an oil/water separation function to provide water quality treatment. During fence installation, temporary erosion control measures and BMPs will be employed to contain sediments (see subsection 3.C.2.d below).

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

d. Proposed measures to reduce or control surface, ground, and runoff water impacts, if any.

In relation to activity to be approved in the Development Agreement, the following measures are proposed:

**Surface Waters (Wetlands):** Fencing locations have been selected as to avoid wetlands and wetland buffers to the extent feasible. Where it is infeasible to avoid wetlands and wetland buffers, construction methods have been developed to minimize impacts. All fence installation within wetlands and wetland buffers shall be accomplished using hand held equipment only. No mechanized equipment will be allowed within the wetlands or wetland buffers. Within the wetlands or wetland buffers, the fence posts shall be driven 3-4 feet into the soil and no concrete footings will be used. Development of hangars or light industrial uses within the Aeronautical Area will not require work within wetlands.

**Runoff:** Temporary construction-related water quality impacts related to construction would be controlled through the use of temporary erosion control measures such as filter fabric fencing, hydroseeding, and other BMPs associated with construction activities. Runoff will be directed to the Airport stormwater system. Surface water runoff from the Airport is collected in the Airport’s drainage system and drains principally to the north, via grassy swales to wetlands or the City’s Storm Water System. The stormwater system’s grass-lined swales and oil/water separators will treat stormwater from the Airport’s paved surfaces.

A stormwater site plan and report will be prepared as part of any land division and/or lot line adjustment application as required by the Anacortes Municipal Code. In the event of development on an existing lot that is not served by the existing stormwater system, the building and grading permit submittals for such
individual development proposals such as buildings or paving within the Aeronautical Area, will be accompanied by a stormwater site plan and report as required by the Anacortes Municipal Code. A stormwater analysis will be prepared in accordance with the 2001 Washington State Departmen of Ecology Stormwater Management Manual. Depending on the specifics of the proposal, detention and/or treatment may be provided.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

4. PLANTS

a. Check or circle types of vegetation found on the site:
   - deciduous tree: alder, maple, aspen, other
   - evergreen tree: fir, cedar, pine, other
   - shrubs
   - grass
   - posture
   - crop or grain
   - wet soil plants: cattail, buttercup, bulrush, skunk
   - cabbage, other
   - water plants: water lily, eelgrass, milfoil, other
   - other types of vegetation

The Natural Heritage Information System currently has no records of rare plants or high quality native wetlands in the vicinity of the airport. The Washington Department of Fish and Wildlife Priority Habitats and Species (PHS) maps of the area were reviewed to determine if Federal or State-listed species, or their habitats, occur near the airport. Wetland B was depicted as a priority wetland habitat.

b. What kind and amount of vegetation will be removed or altered:

A mixture of trees and shrubs currently surround the Anacortes airport.

In relation to activity to be approved in the Development Agreement, installation of the Operational Safety Fence, removal of Part 77 obstructions, and future development of buildings and associated pavement will impact existing vegetation.

In relation to activity to be approved in the Development Agreement, the following activities are anticipated related to vegetation removal or alteration:

*Operational Safety Fence:* The kind and amount of vegetation removed for the installation of the Operational Safety Fence varies along the proposed fence alignment. Vegetation removal for the various Operational Safety Fence sections was described in detail in the 2004 Airport Improvements Safety Fence SEPA documents, and the Port has received the necessary approvals from the City to
install the fences.

The fence alignment has since been modified in several areas. Along the Panhandle and Rockwell Reserve, approximately 20,000 square feet of clearing is required through existing brush to install the operational area fence. The clearing area is shown in Exhibit "T" of the Development Agreement. A portion of the proposed fence alignment requires installation of the fence in a wetland. All clearing required for installation in the wetland or wetland's buffer shall be accomplished using hand held equipment only. No mechanized equipment will be allowed within the wetlands or wetland buffers.

**Part 77 Obstruction Removal:** Numerous trees on airport property have grown to heights that penetrate the airport’s Part 77 surface, meaning that they must be topped to heights below the Part 77 surface and maintained at that lower height or removed in their entirety.

**Aviation Development:** Areas identified in Exhibit "G" of the Development Agreement may be cleared for hangar or light manufacturing development in the future, subject to the terms and conditions of the Development Agreement. The development area will be cleared in phases, eventually requiring removal of all existing trees. These areas would be subject to the Development Regulations accompanying the Sub-Area Plan in the absence of the Development Agreement.

c. **List threatened or endangered species known to be on or near the site.**

None are known to exist on or near the site.

d. **Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any:**

In relation to activity to be approved in the Development Agreement, the following measures are proposed:

The Port has prepared a Landscape and Wetland Mitigation Plan (refer to Exhibit "D" of the Development Agreement) which describes types and locations of plants to be used in mitigation for the activities as set forth in the Development Agreement. The Landscape and Wetland Mitigation Plan is summarized here:

**Operational Safety Fence:** Clearing and vegetation removal has been avoided and minimized to the extent feasible. All disturbed areas would be reseeded with native grasses for easy maintenance. Where the proposed Operational Safety Fence will be located within 4 feet of the Port's property line, the Port will plant low growth bushes approximately 4 feet on center to provide screening of the fence and airport. The proposed fence screening plants and layout is shown in Exhibit "D" of the Development Agreement.

**Part 77 Obstruction Removal:** The Landscape and Wetland Mitigation Plan provides a replacement ratio for replacing trees removed in order to comply with Part 77 within the 75' buffer areas with shrubs that provide both visual and acoustic screening qualities (refer to Exhibit "D", Table 1 of the Development Agreement). It is assumed that the existing tree mix was ¾ conifers and ¼ deciduous, and the replacement plants will be a mix of evergreen and
deciduous shrubs selected for their preference for site conditions, size at maturity, and low maintenance characteristics. Different shrubs are specified for wetland, wetland buffer, and non-wetland areas. The plan provides that slightly larger replacement shrubs be placed in mitigation areas more than 350’ from the runway (Area 2 Mitigation areas on Exhibit "D": Figure 1 of the Development Agreement) in order to maximize visual screening while preventing future Part 77 obstructions. Loss of vertical habitat structure associated with trees removed within airport wetlands and wetland buffers will be replaced by planting of trees and shrubs on the western and northern edges of the Ship Harbor wetland site, chosen because it is a higher category wetland and needs buffer enhancement. Further, the mitigation plan contemplates mitigation of tree removal from non-wetland areas in the Anacortes Future Process Area by creating a planting strip in areas lacking vegetation along the Port’s exterior property boundary. The long term goal is to replace the trees that now intrude into Part 77 surfaces with slow growing trees or shrubs that will not impact Part 77 at maturity, while providing the surrounding community with continued habitat, and where possible the added value of visual screening.

Vegetated buffer/native growth easement: The Port will maintain a 75 foot forested buffer within the Panhandle Reserve and Rockwell Reserve Areas as shown in Exhibit “C” of the Development Agreement. The primary purpose of this easement is to mitigate for impacts arising from development within the Aeronautical Area. This area will not be available for uses vested under the Development Agreement except for FAA Part 77 obstruction removal as deemed necessary by the Port, and subject to mitigation consistent with the landscape mitigation plan.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

5. ANIMALS

a. Circle any birds and animals which have been observed on or near the site or are known to be on or near the site:
   
   birds: hawk, heron, eagle, songbirds, other;
   mammals: deer, bear, elk, beaver, other: coyote
   fish: bass, salmon, trout, herring, shellfish, other:

b. List any threatened or endangered species known to be on or near the site.

   No threatened or endangered species are found on the site. Several bald eagle nesting territories occur off site, primarily near Fidalgo Bay, West Guemes Channel and Guemes Island. Several osprey nesting territories can also be found in the Anacortes area further inland.

c. Is the site part of a migration route? If so, explain.

   Although the entire Puget Sound area is a migratory route for birds, this particular area is not known to be a significant migratory route for any particular bird species.
d. Proposed measures to preserve or enhance wildlife, if any:

None are necessary or proposed.

6. ENERGY AND NATURAL RESOURCES

a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project’s energy needs? Describe whether it will be used for heating, manufacturing, etc.

Electricity and natural gas will be used for heating and other energy needs. Electrical and gas utilities will be extended underground as necessary to support hangars or light manufacturing uses within the Aeronautical Area. These activities will be fully coordinated with the energy utility providers. Electricity will be used for lighting, heat, and general building needs. Natural gas will be used for heating purposes.

b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe.

Neither the activities approved by the Development Agreement nor the adoption of the Sub-Area Plan and associated Development Regulations would not affect the potential use of solar energy by adjacent properties.

c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any:

In relation to the activities approved by the Development Agreement, fence installation equipment would be properly maintained to ensure efficient use of fluid.

In relation to activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

7. ENVIRONMENTAL HEALTH

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste that could occur as a result of this proposal? If so, describe.

Temporary environmental health risks associated with the activities approved by the Development Agreement would include: increased noise levels due to construction equipment, potential spills of oils, greasest, and lubricants from operation and maintenance of construction vehicles, and dust or erosion from newly regraded areas.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.
1) Describe special emergency services that might be required.

None would be required.

2) Proposed measures to reduce or control environmental health hazards, if any.

In relation to the activities approved in the Development Agreement, construction-related BMPs would reduce the potential for accidental spills from construction equipment. The Airport’s stormwater system includes grass-lined swales, catch basins, and pipes to treat stormwater from the Airport’s paved surfaces. These water quality control facilities would help to remove oils and other materials if an accidental spill occurs.

For activities that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

b. Noise

1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, others)?

In relation to the activities approved in the Development Agreement, existing noise in the area would not affect the proposed project. The dominant element of the existing noise environment in the project area is from general aviation aircraft operations, sounds from flybys by Whidbey Island Naval jets, with sounds from residential activity, distant traffic and the nearby Washington State Ferry System also contributing to the overall noise levels. The noise analysis completed for the October 1994 Airport Master Plan indicates that the greatest noise is generated by aircraft takeoffs and landings on the runway. None of this noise will affect any developments on the property.

As policy and regulatory documents and not a project proposal, noise will not affect the adoption of the Sub-Area Plan and the associated Development Regulations.

2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site.

In relation to the activities approved by the Development Agreement:

Short-Term Noise:

Construction noise will occur associated with a variety of construction equipment. This could include: trucks, generators and other small engines, excavators, backhoes, and other heavy equipment, and chain saws. Construction noise will be limited to daytime hours. The State of Washington’s Noise Code exempts construction activity from its noise level limits during
daytime hours (7 a.m. to 10 p.m.).

Long-Term Noise:

No significant long term noise is anticipated to occur from any of the FAA Part 77 obstruction removal. The use of new hangars or light manufacturing/industrial activity in an area designated as the Aeronautical Area may produce noise not considered to be significant.

Although many raise issues regarding aviation operations at the Port of Anacortes airport, neither the City nor the Port have the authority to regulate aviation operations. Moreover, the Washington State Administrative Code (WAC 173-60-040) clearly exempts aircraft operations, airport operations, and aircraft maintenance from these standards. For information purposes only, it is noted that the 2000 Port noise study concluded that, even by conservative estimates, aircraft taxing from the new hangars would result in no significant noise impacts, noting that the FAA considers residential land uses to be acceptable when sound levels do not exceed 65 LDN. Operations noise from the aircraft housed in the proposed hangar buildings would fall well within the range of impacts identified in the Port’s 2000 noise study. Nevertheless, the Port has agreed to accept certain conditions related to hangar use as set forth below.

As policy and regulatory documents and not a project proposal, no such risks are associated with the adoption of the Sub-Area Plan and associated Development Regulations.

3) Proposed measures to reduce or control noise impacts, if any,

1. Hangar users and airport tenants will be advised to comply with the Port of Anacortes’ Noise Abatement Procedures, which recommend flight paths, flight timing, runway use and other aircraft operations.
2. Hangar tenants will be advised to keep hangar doors closed to limit noise impacts.
3. During construction, noisy activities will be limited to daytime hours (7 a.m. to 6 p.m.).

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

8. LAND AND SHORELINE USE

a. What is the current use of the site and adjacent properties?

The overall site is currently used as an airport facility with airport-related commercial and light industrial uses. Adjacent properties generally consist of residential uses.

b. Has the site been used for agriculture? If so, describe.

The site has not been used for agriculture.

c. Describe any structures on the site.
The overall airport site contains runways, taxiways, airport maintenance buildings, as well as numerous other hangars, tiedown areas, and miscellaneous airport-related buildings.

d. Will any structures be demolished? If so, what?

No structures will be demolished.

e. What is the current zoning classification of the site?

The City of Anacortes current zoning classifications for the site is Interim Airport Zone District (Airport) and Light Manufacturing (LM*). Permitted uses include shipping and terminal facilities. City of Anacortes adopted Ordinance No. 2587 to designate the area within the 2001 rezone parcel ("Scrivener’s Error" area) as LM*.

The Development Agreement would establish allowed and vested uses and be the permit document for a number of land uses and activities on the subject property, and specify the required mitigation for such uses. Only after the expiration of the applicable terms of the Development Agreement would the Development Regulations associated with the Sub-Area Plan apply.

The Sub-Area Plan and associated Development Regulations creates a new airport zone which supersedes prior airport property zoning designations and identifies permitted and vested land uses for the zone. The Sub-Area Plan defines "Aeronautical Use" as: (i) aircraft hangars, (ii) aircraft tie downs, (iii) aircraft parking areas, taxi areas, and maneuver areas, (iv) aircraft storage, (v) light manufacturing as defined in the Anacortes zoning code, provided such facilities do not exceeding 12,500 square feet of interior floor area, (vi) aircraft related businesses, (vii) offices use, bathrooms, parking, and other such uses in support of the aeronautical uses; provided that any of the structures that may house any of the forgoing uses shall not exceed thirty-five (35) feet in height, and in addition (viii) all existing uses, (ix) and maintenance of any of the forgoing uses and related facilities and improvements, including paved areas, drainage ways, etc.

The Sub-Area Plan and associated Development Regulations would also allow the removal of any obstruction for compliance with FAA Part 77 requirements, and aircraft operations on the ground and in the air, including takeoff, landing, flight patterns, air traffic corridors, volume of air traffic, altitudes of air traffic, flight schedules, types, sizes and purposes of aircraft and related issues.

Only after the expiration of the applicable terms of the Development Agreement would the Development Regulations associated with the Sub-Area Plan apply.

f. What is the current comprehensive plan designation of the site?

The Anacortes Airport is classified as an essential public facility under Chapter 36.70 RCW. The City's Comprehensive Plan designates the Anacortes Airport as a major mode of transportation and access to the City of Anacortes. The Plan seeks to encourage and promote the long-term role of the Anacortes Airport as a facility that will help achieve transportation goals of improving air transit in and out of Anacortes. This project is consistent with those goals and policies.
While not a land use planning document, the 1994 Anacortes Airport Master Plan adopted by the Port of Anacortes was developed in accordance with FAA requirements to provide information and guidance for the Port in the future planning and continued development of the facility. The Airport Master Plan covers a 20 year planning period through the year 2012. The 1994 Airport Master Plan includes a Future Facilities Plan that identifies at a conceptual level future development within the Aeronautical Area. The On-Site Land Use Plan (p. 6-1) identifies priorities for allocation of airport land use. After the first priority of runways and taxiways, aircraft support areas are identified as the second highest priority use of airport property. Aircraft support areas are identified as fixed based operator areas, hangars, and other aviation related services.

If applicable, what is the current shoreline master program designation of the site?

N/A.

Has any part of the site been classified as an "environmentally sensitive" area? If so, specify.

No.

Approximately how many people would reside or work in the completed project?

No changes to housing are proposed. Additional employment may be generated if light manufacturing uses locate within the Aeronautical Area. Both the proposed Development Agreement and the proposed Sub-Area Plan and associated Development Regulations prohibit residential uses of hangars.

Approximately how many people would the completed project displace?

None.

Proposed measures to avoid or reduce displacement impacts, if any:

None are proposed.

Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any:

The proposal is consistent with the existing land uses on site and the City Comprehensive Plan.

HOUSING

Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing.

N/A.

Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing.
c. Proposed measures to reduce or control housing impacts, if any.

N/A.

10. AESTHETICS

a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed?

Pursuant to the Development Agreement, buildings are limited to a height of 35 and the operational area fence is proposed to be 8 feet in height.

As policy and regulatory documents and not a project proposal, no structures are proposed for approval as part of the Sub-Area Plan and associated Development Regulations proposal.

b. What views in the immediate vicinity would be altered or obstructed?

As a result of the uses approved in the Development Agreement, views along the Port’s western property line may be slightly altered with the construction of a new chainlink fence and the installation of screening vegetation on the west side of the fence. Other views will not likely be significantly affected by the uses approved in the Development Agreement due to the requirement of the 75' buffer in the Rockwell and Panhandle Areas, as more particularly defined in the Development Agreement, and the landscape mitigation that will provide continued visual screening of airport structures.

As policy and regulatory documents and not a project proposal, the adoption of the Sub-Area Plan and associated Development Regulations would not affect views.

c. Proposed measures to reduce or control aesthetic impacts, if any:

The landscape mitigation plan and 75' buffer in the Rockwell and Panhandle Areas will assure that screening will be maintained when the Operational Safety Fence is installed and trees intruding on the Part 77 surface are removed or topped.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement. Due to the nature of the permanent 75' buffer in the Panhandle and Rockwell areas future mitigation for aesthetic impacts is not anticipated to be required, even if allowed by law.

11. LIGHT AND GLARE

a. What type of light or glare will the proposal produce? What time of day would it mainly occur?
In relation to the activities approved in the Development Agreement, new buildings within the Aeronautical Area will likely be equipped with minimal area lighting such as down-shielded high pressure sodium lights. These lights will have little light and glare impact on the communities to the south and east because views and lights are shielded by an existing slope, the buffer of mature trees and vegetation, and the existing structures to the east.

b. Could light or glare from the finished project be a safety hazard or interfere with views?
No.

c. What existing off-site sources of light or glare may affect your proposal?
None.

d. Proposed measures to reduce or control light and glare impacts, if any:
Compliance with requirements of the Development Agreement.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects nor in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

12. RECREATION

a. What designated and informal recreational opportunities are in the immediate vicinity?
The Port of Anacortes Airport is an aviation facility, which provides services to both aircraft operators and pilots at a convenient air facility. The Airport supports tourism by providing passenger carrier service from Anacortes to the San Juan Islands. There are a variety of other recreational opportunities in the vicinity, including tourism, boating, marine and aviation related activities.

b. Would the proposed project displace any existing recreational uses? If so, describe.
No.

c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any:
None are proposed.

13. HISTORIC AND CULTURAL PRESERVATION

a. Are there any places or objects listed on, or proposed for, national, state, or local preservation registers known to be on or next to the site? If so, generally describe.
None are known.
b. Generally describe any landmarks or evidence of historic, archaeological, scientific, or cultural importance known to be on or next to the site.

None are known.

c. Proposed measures to reduce or control impacts, if any:

None are proposed.

14. TRANSPORTATION

a. Identify public streets and highways serving the site, and describe proposed access to the existing street system. Show on site plans, if any.

Airport access is via Anacortes Road off of State Highway 20 Spur (Oakes Avenue).

b. Is site currently served by public transit? If not, what is the approximate distance to the nearest transit stop?

Skagit Transit (SKAT) serves the site. SKAT bus route 410 provides service on State Route 20 to downtown Anacortes. State Route 20 is approximately three-quarters of a mile from the Airport.

c. How many parking spaces would the completed project have? How many would the project eliminate?

Parking would not be required as a result of the adoption of the Sub-Area Plan and associated Development Regulations.

In relation to the uses approved as part of the Development Agreement, the following is provided:

The Anacortes Airport Master Plan identifies a parking demand rate of approximately one car for every two aircraft. Thus, the up to 74 additional aircraft that could be accommodated by the plan would increase parking demand by a maximum of 37 cars. The project parking demand could be accommodated by the Airport's existing 64 parking spaces and by providing parking adjacent to new hangars or a light manufacturing facility(s). Hangar users could park their vehicle inside the hangar while flying, thus lessening demand for adjacent parking.

d. Will the proposal require any new roads or streets, or improvements to existing roads or streets, not including driveways? If so, generally describe (indicate whether public or private).

None will be required.

e. Will the project use (or occur in the immediate vicinity of) water, rail, or air...
transportation? If so, generally describe.

The activities to be approved in the Development Agreement include safety improvements to an existing airport facility for the purposes of improving safe and efficient use of existing airport facilities by general aviation aircraft traffic.

f. How many vehicular trips per day would be generated by the completed project? If known, indicate when peak volumes would occur.

In relation to the uses approved as part of the Development Agreement, the following is provided:

It is estimated that the completed development project will generate approximately 155 daily vehicle trips. The total estimated volume on Airport Road, even when accounting for airport industrial tenants, is well under 400 vehicles per day. The addition of 155 additional vehicles is not likely to affect level of service or the need for roadway improvements generated by airport development.

Vehicle trip generation for the maximum levels of aviation-related and light manufacturing developments was estimated by Cervid Consulting (refer to Appendix D). The estimate traffic generated for new hangars was based on estimates of aircraft operations and the number of increased based aircraft that would be attributed to the future hangar developments; the actual number of vehicle trips at Anacortes Airport may be considerably fewer. Average daily trips are estimated in the table below.

<table>
<thead>
<tr>
<th>Vehicle Volume Estimate</th>
<th>Current</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based Aircraft</td>
<td>64</td>
<td>135</td>
</tr>
<tr>
<td>Annual Operations</td>
<td>19,500</td>
<td>43,155</td>
</tr>
<tr>
<td>Daily Operations</td>
<td>54</td>
<td>118</td>
</tr>
<tr>
<td>Commuter/Air/Taxi</td>
<td>27</td>
<td>59</td>
</tr>
<tr>
<td>Local</td>
<td>11</td>
<td>25</td>
</tr>
<tr>
<td>Itinerant</td>
<td>16</td>
<td>34</td>
</tr>
<tr>
<td>Ground Vehicle Trips</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commuter/Air/Taxi</td>
<td>41</td>
<td>88</td>
</tr>
<tr>
<td>Local</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Itinerant</td>
<td>16</td>
<td>34</td>
</tr>
<tr>
<td>Total Vehicle Trips</td>
<td>60</td>
<td>128</td>
</tr>
</tbody>
</table>

Under this conservative scenario (i.e. operations may be less than projected here), the 128 daily trips that could be generated by the project would not have a noticeable impact on the adjacent street system.

Similarly, the Development Agreement allow for up to 12,500 square feet of light industrial use before a conditional use permit would be required. Trip generation estimates for this amount of light industrial use are 6.97 daily trips per 1,000 square feet of development or 87 daily trips.

The total estimated volume on Airport Road, even when accounting for airport industrial tenants, is well under 400 vehicles per day. The addition of 155 additional vehicles is not likely
to affect level of service or the need for roadway improvements generated by airport development. Data published by the Washington State Department of Transportation indicates that traffic volumes on SR-20 in the vicinity of Anacortes Road range from 7,000 to 11,000 cars per day. The 155 daily trips generated by the maximum level of development envisioned in the Development Agreement would increase traffic volumes on SR-20 by less than 2 percent. A daily increase of less than 5% is not considered significant.

The 2000 City of Anacortes Transportation Plan provides forecasts for future years 2010 and 2020 which assume that no significant capacity improvements will be constructed. Average daily traffic volumes on SR-20 near Anacortes Road in 2010 at 15,700 cars per day, and in 2020 at 16,000 trips per day. The plan includes a new signal at the intersection of Oakes Avenue with Anacortes Road to be installed by 2020.

As policy and regulatory documents and not a project proposal, the Sub-Area Plan and associated Development Regulations themselves will not add new vehicle trips.

g. Proposed measures to reduce or control transportation impacts, if any:

In relation to the activities approved in the Development Agreement, the proposed measure is compliance with requirements of the Development Agreement. Per the Development Agreement, payment of duly adopted City of Anacortes traffic impact fees for new development activity to contribute the Port’s pro-rated cost of traffic infrastructure improvements related to the new development applicable at the time of building permit issuance.

For activity that might be proposed after the expiration of the applicable term of the Development Agreement, no mitigation measures are necessary here for such future potential projects not in relation to the adoption of the Sub-Area Plan and Associated Development Regulations. Those regulations provide for mitigation and development proposals may undergo project related SEPA review as allowed by law after expiration of the applicable term of the Development Agreement.

15. PUBLIC SERVICES

a. Would the project result in an increased need for public services (for example: fire protection, police protection, health care, schools, other)? If so, generally describe.

The proposed project would need no additional public services.

b. Proposed measures to reduce or control direct impacts on public services, if any.

None are proposed.

16. UTILITIES

a. Circle utilities currently available at the site: electricity, natural gas, water, refuse service, telephony, sanitary sewer, septic system, other.

b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity that might be needed.
Utilities and providers at the site are as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>Puget Sound Energy</td>
</tr>
<tr>
<td>Natural gas</td>
<td>Cascade</td>
</tr>
<tr>
<td>GTE</td>
<td>Telephone</td>
</tr>
<tr>
<td>City of Anacortes</td>
<td>Water, Sewer, Refuse service</td>
</tr>
</tbody>
</table>

Connection to existing services would be required for developments within the Aeronautical Area. Construction activities would consist of trenching for utility connections.

C. SIGNATURE(S)

The above answers are true and complete to the best of my knowledge. I understand that the co-lead agencies are relying on them to make their decision.

Signature(s):

Ian Munce, Executive Director, Port of Anacortes

Ian Munce, Director of Planning & Community Development, City of Anacortes

Date Submitted: February 28, 2005
D. SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS

Because these questions are very general, it may be helpful to read them in conjunction with the list of the elements of the environment.

When answering these questions, be aware of the extent of the proposal, or the types of activities likely to result from the proposal, would affect the item at a greater intensity or at a faster rate than if the proposal were not implemented. Respond briefly and in general terms.

BECAUSE THE PROPOSED SUB-AREA PLAN AND DEVELOPMENT REGULATIONS ARE A NON-PROJECT ACTION, SECTION D: SUPPLEMENTAL SHEET FOR NON-PROJECT ACTIONS IS PREPARED AND SUBMITTED FOR THOSE DOCUMENTS ONLY. BECAUSE THE DEVELOPMENT AGREEMENT IS A PROJECT RELATED SEPA ACTION, THIS SCHEDULE D DOES NOT APPLY TO THE DEVELOPMENT AGREEMENT.

1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves create any form of discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise. Any land uses sought for approval as allowed therein will be subject to SEPA review processes for any projects, related permit review and approval processes and applicable development standards and mitigation requirements the City may lawfully impose such requirements or City approval for such activity is required.

Proposed measures to avoid or reduce such increases are:

Compliance with applicable regulations and conditions of development to the extent that the City has the lawful authority to impose any conditions on such development or activity authorized in the Sub-Area Plan and associated Development Regulations.

2. How would the proposal be likely to affect plants, animals, fish, or marine life?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves likely to affect plants, animals, fish, or marine life. Any land uses sought for approval as allowed therein will be
subject to SEPA review processes for any projects, related permit review and approval processes and applicable development standards and mitigation requirements the City may lawfully impose such requirements or City approval for such activity is required.

Proposed measures to protect or conserve plants, animals, fish, or marine life are:

Compliance with applicable regulations and conditions of development to the extent that the City has the lawful authority to impose any conditions on such development or activity authorized in the Sub-Area Plan and associated Development Regulations.

3. How would this proposal be likely to deplete energy or natural resources?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves likely deplete energy or natural resources. Any land uses sought for approval as allowed therein will be subject to SEPA review processes for any projects, related permit review and approval processes and applicable development standards and mitigation requirements the City may lawfully impose such requirements or City approval for such activity is required.

Proposed measures to protect or conserve energy and natural resources are:

Compliance with applicable regulations and conditions of development to the extent that the City has the lawful authority to impose any conditions on such development or activity authorized in the Sub-Area Plan and associated Development Regulations.

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves likely use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands. Any land uses sought for approval as allowed therein will be subject to SEPA review processes for any projects, related permit review and approval processes and applicable development standards and mitigation requirements the City may lawfully impose such requirements or City approval for such activity is required.

Proposed measures to protect such resources or to avoid or reduce impacts are:
Compliance with applicable regulations and conditions of development to the extent that the City has the lawful authority to impose any conditions on such development or activity authorized in the Sub-Area Plan and associated Development Regulations.

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will be the existing plans and regulations upon adoption to the extent that such policies and regulations are authorized and consistent with law. The Sub-Area Plan and Development Regulation themselves are generally consistent with the existing plans, providing greater certainty and clarity in terms of the allowed development on Port property and the development standards related thereto to the extent the City is authorized to regulate such development to the extent such regulations are consistent with and allowed by law. No shoreline areas will be affected by the land uses allowed herein. The land uses allowed herein will be consistent with the companion Sub-Area Plan.

Proposed measures to avoid or reduce shoreline and land use impacts are:

Compliance with federal, state and local regulations to the extent such regulations are consistent with and within the authority of the applicable government entity.

6. How would the proposal be likely to increase demands on transportation or public services and utilities?

As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves likely increase demands on transportation or public services and utilities. Any land uses sought for approval as allowed therein would be subject to SEPA review processes for any projects, related permit review and approval processes and applicable development standards and mitigation requirements the City may lawfully impose such requirements or City approval for such activity is required.

Proposed measures to reduce or respond to such demand(s) are:

Compliance with applicable regulations and conditions of development to the extent that the City has the lawful authority to impose any conditions on such development or activity authorized in the Sub-Area Plan and associated Development Regulations.

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.
The Sub-Area Plan and associated Development Regulations are designed and intended to be consistent with all local, state, or federal laws or requirements, including such laws or requirements related to the protection of the environment. As policy and regulatory documents, the Sub-Area Plan and Development Regulations will not themselves likely conflict with local, state, or federal laws or requirements for the protection of the environment.

SIGNATURE(S)

The above answers are true and complete to the best of my knowledge. I understand that the co-lead agencies are relying on them to make their decision.

Signature(s):  
Dan Stahl, Executive Director, Port of Anacortes
Ian Munsie, Director of Planning & Community Development, City of Anacortes

Date Signed: February 28, 2005
Appendix C

Adopting Ordinance
ORDINANCE NO. 2707

AN ORDINANCE RELATING TO LAND USE; REPEALING ORDINANCE 2695; NEW PERMANENT ZONING FOR PORT-OWNED PROPERTY AT THE ANACORTES AIRPORT; AND PROVIDING FOR ADDITIONAL LAND USE PLANNING AND DEVELOPMENT REGULATIONS AND PLANNING POLICIES FOR PORT PROPERTY

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ANACORTES DOES HEREBY ORDAIN AS FOLLOWS:

1. SECTION 1. RECITALS AND FINDINGS.

1.1 In 2001 the Port of Anacortes ("Port") sought and secured a Superior Court ruling clarifying the separate responsibilities and jurisdiction of the Port and the City of Anacortes ("City") as to the Anacortes Airport ("Airport"). Order Granting and Denying Motion for Summary Judgment on Preemption ("Preemption Order"); and

1.2 This Preemption Order stated that "The City may not be able to stop or regulate airplane or airport operations, safety design features, or noise emissions. However, the City can use its police powers, particularly its land use controls, to anticipate, abate, mitigate and otherwise respond to the effects of having an airport in its jurisdiction;" and

1.3 This Preemption Order went on to state that "City's authority would include berms, buffers, nuisance abatement structures on the site, and control of incompatible uses on and off the site. The preemption doctrine does not affect a local government's ability to enforce reasonable permitting and mitigation requirements;" and

1.4 The Preemption Order makes it clear that while the City "is preempted from considering the necessity, or the number or the existence" of facilities which are fundamental to airport operations, locating and siting determinations which do not raise operational, safety or noise emission issues, "are within the City's jurisdiction to the extent that they may abate, mitigate or otherwise respond to the effects of such facilities on property inside or outside the airport;" and

1.5 The Preemption Order identifies that "The type, location and width of vegetative buffering adjacent to neighboring properties is within the City's jurisdiction, provided that it does not preclude airport operations. It is subject, however, to the rule of RCW 14.12.050, that if any such vegetation creates a hazard to aircraft operation, the jurisdiction with the strictest standards shall prevail," and
1.6 The City Council takes cognizance of the FAA's recent decision in *Marilyn v. Port of Anacortes*, United States Department of Federal Aviation Administration, Washington DC, Docket No. 16-02-03 (April 14, 2003) that the Port's 75' landscape buffer proposal to the FAA addresses the legitimate concerns of the local community under Federal Grant Assurance No. 7; and

1.7 The City Council established a 37 member Citizens Advisory Committee ("CAC") on May 20, 2002 by Resolution #1596 to work on airport planning policy and airport zoning proposals; and

1.8 The CAC held numerous public meetings during 2002 and 2003, Port and public involvement in the land use planning process was requested, and the Port provided information at the City's request, but did not submit a buffer/screening proposal to the City; and

1.9 The City Council adopted an Interim Airport Zoning Ordinance (Ordinance #2620) on June 2, 2003 and amended this Ordinance after public comment (Ordinance #2627) (August 4, 2003); and

1.10 The City Planning Commission held a public hearing on September 17, 2003 on the CAC recommendations for Comprehensive Plan language changes and a new Airport Zoning Section of the Anacortes Municipal Code; and

1.11 The Planning Commission subsequently made a detailed recommendation to the City Council as to the CAC's proposal (September 24, 2003); and

1.12 The entire record before the Planning Commission was transmitted to the City Council and the City Council held a public hearing on the CAC's proposal on October 13, 2003; and

1.13 The Planning Commission and Planning Director separately recommended changes to the CAC proposal to clarify that the City is not operating in the federally preempted areas of operations, safety, and noise emissions; and

1.14 The Planning Director recommended a change to the CAC proposal to allow proposed Port Hangers 9 and 10 to be built without rezoning the Port owned R2 Panhandle property or securing a variance; and

1.15 The City adopted interim zoning for Port owned property through Ordinance 2623 on October 14, 2003, which repealed Interim Zoning Ordinances 2620, 2627, and 2630; and

1.16 Ordinance 2623 specifically addressed to Port-owned, light manufacturing zone property at the Anacortes Airport; and
1.17 Ordinance 2623 provided that buffers and fencing are permitted within the proposed 75' setback and City regulations do NOT dictate the location or type of security fencing; and

1.18 The City Council stated in Ordinance 2623 that it wished to respond affirmatively to the Port's request for security fencing; and

1.19 Ordinance 2623 is consistent with both good land use planning practices and provisions in other City zones for increased buffers and setbacks to be required where more intensive uses abut residential zones, and the CAC held extensive discussions on buffer and setback requirements; and

1.20 Following the adoption of Ordinance 2623, the City Council included operational and safety clarifications submitted by the Port at the October 13, 2003 Council Public Hearing and allowed the public to comment on the Port's fencing and screening proposal at a November 10, 2003 Council Public Hearing; and

1.21 The City Council provided for a series of three meetings which were held by City and Port staff with airport neighbors in November, 2003; and

1.22 The Port held a follow up public meeting on February 24, 2004; and

1.23 The Port-City Liaison Committee has met regularly to discuss specific land use planning and regulatory issues; and

1.24 The City renewed the Airport Interim Zoning on March 15 and September 20, 2004; and

1.25 The Port and the City held additional community meetings and public hearings and solicited additional comments on the subject matter of this Ordinance in 2004 and 2005.

1.26 The City adopted Attachment A to this Ordinance as an Attachment to Interim Ordinance 2695 pending completion of the 60-day state comment period; no additional comments were received.

2. SECTION 2. PERMANENT ORDINANCE.

Attachment A to this Ordinance is hereby adopted.
3. **SECTION 3. EFFECTIVE DATE.**

This Ordinance shall take effect and be in force immediately upon adoption, as provided by law.

PASSED AND APPROVED this 6th day of June 2005.

CITY OF ANACORTES

BY: [Signature]
H. Dean Maxwell, Mayor

ATTEST:

[Signature]
Wanda Johnson, City Clerk Treasurer

APPROVED AS TO FORM:

[Signature]
Ian S. Munce, City Attorney
Exhibit A

Airport Property,
Land Use and Zoning
Exhibit D

Landscape and Wetland Mitigation Plan
ANACORTES AIRPORT
EXHIBIT D: LANDSCAPE AND WETLAND MITIGATION PLAN
MARCH 22, 2005

INTRODUCTION
A mixture of existing trees and shrubs currently surround the Anacortes Airport, providing visual
and acoustical screening between the airport and adjacent neighboring communities. Future
improvement projects at the airport will impact existing vegetation and views. These
improvement projects include the following:

1. Installation of an operational safety fence around the airport’s operational areas.
2. Aviation development, which may include hangars, taxiways, and light manufacturing.
3. FAR Part 77 safety improvements. Existing trees surrounding the airport currently
   penetrate the airport FAR Part 77 surfaces, creating a safety hazard. The immediate plan
   is to take appropriate action to ensure clear approach and transitional surfaces on airport
   property.

This plan will outline mitigation for the impacts resulting from the proposed improvements.

PROPOSED AIRPORT FENCING
Airport operational safety fencing is proposed, as shown in Exhibit “D: Figure 1”. Along the west
property line, the fence will impact existing views for the adjacent residential community located
west of the airport.

To provide screening from the fence, a mixture of shrubs will be planted between the property
line and the Operational Safety Fence. This screening area is shown in Exhibit “D: Figure 1” as
“Fenceline Screening Area 1”. Proposed shrubs include the Escallonia and Laurel Rockrose. The
shrubs and the planned planting frequency are shown in Exhibit “D: Figure 2”.

Along the southeast airport property line, the Operational Safety Fence will be installed 75’ inside
the property line. A 15’ wide area inside the fence will be cleared and grubbed for fence
installation. The 75’ wide area between the fence and the airport property line will provide a
permanent buffer for the neighboring residential community.

PROPOSED AVIATION DEVELOPMENT
To accommodate the need for additional aviation uses, an area has been proposed for
development, which may include construction of hangars, taxiways, and light manufacturing.

This development area may require clearing and grubbing of all existing trees. This is shown in
Exhibit “D: Figure 1” as “Future Development Clearing and Grubbing Area”. The 75’ area
between the development area and the airport property line will provide a permanent buffer for
the neighboring residential community.
FAR PART 77 SAFETY IMPROVEMENTS

The existing trees surrounding the airport include the following:

- Pacific Madrone (*Arbutus menziesii*)
- Western Red Cedar (*Thuja plicata*)
- Douglas Fir (*Pseudotsuga mensiesii*)
- Willow (*Salix scouleriana*)
- Various kinds of fir (*Abies grandis, Tsuga heterophylla*)

These trees have grown to heights exceeding 60'. Many of these trees penetrate the airport’s FAR Part 77 Surfaces, creating a safety hazard. These trees are to be removed or topped to a height below the Part 77 surface. Both alternatives are presented below with the proposed mitigation.

ALTERNATIVE 1: TREE TOPPING

Trimming or topping mature conifer and deciduous trees accommodates the immediate need to reduce plant height. However, this solution is detrimental to the long-term health of the plants for several reasons:

- Topping single stem (trunk) trees exposes the inner wood to potential disease and decay, and will permanently alter the straight growth pattern that is common to most trees.
- Topping a mature tree will result in a new main-stem leader or leaders growing vertically from the live buds nearest to the cut. The new upright growth will most likely grow in a disfigured way, creating a weak spot where the new trunk bends or curls upward from the cut or cuts.
- Trimming or topping deciduous trees can actually result in multiple leaders or suckers competing to be the lead-stem, resulting in a shrunken effect that could significantly reduce the health and vigor of the topped tree and actually increase the work required to maintain the desired plant height(s).
- If the cutting occurs in the older wood, commonly lower down the plant trunk, and below the tree canopy, it could kill the plant because live buds may not exist down to the preferred cut height.

If trees are to be topped in wetland and wetland buffers this work will be completed using handheld equipment only. Topped trees will be cut into pieces and left in place to facilitate rapid decay.

Trees in non-wetland areas will be topped or removed.

ALTERNATIVE 2: TREE REMOVAL AND REPLACEMENT

Because most of the existing trees surrounding the Airport are fast growing trees, a long-term solution is to remove the tree and replace it with a slow growing tree or shrub that will not impact the FAR Part 77 surfaces at maturity.

Landscape and Wetland Mitigation Plan
March 22, 2005
Page 5 of 7
Exact quantities of replacement shrubs will require a site survey of the existing vegetation. To determine an approximate replacement ratio, it has been assumed that the existing tree mix consists of approximately three-quarters conifer and one-quarter deciduous.

Given that the conifers provide year-round visual and acoustical screening and the deciduous trees provide little if any screening while they are defoliated, the conifer trees offer a higher value buffer to the neighbors. A higher replacement value has been assigned for the conifer trees than the deciduous trees.

Shrubs planted between 200' and 350' from the centerline of the runway will grow no higher than 10' at maturity. Shrubs planted beyond 350' from the centerline of the runway will grow no higher than 30' at maturity. This will maintain clearance from the FAR Part 77 surfaces.

The replacement ratio and plant selection will differ depending on the location of the tree to be removed. Exhibit “D: Figure 1” outlines 5 separate areas within the airport that correspond to specific mitigation requirements and are further discussed in the following sections. Replacement shrubs are shown in Exhibit “D: Figure 3” and have been selected due to their known preference for site conditions, their mature size, and low maintenance requirements.

The replacement shrubs will mitigate for the loss of screening provided by the existing trees. To mitigate for the loss of vertical structure, taller trees will be planted at an off-site location that will not impact the airport’s FAR Part 77 surfaces. This is described further in the wetland mitigation section on page 5.

AREA 1
This area encompasses non-wetland and non-wetland buffer areas inside the Operational Safety Fence in the Panhandle Area. No mitigation or plantings are to be completed for removal and/or topping of trees. The mitigation is provided by the creation of reserve areas. See Exhibit “D: Figure 1” for the location of this area.

AREA 2
This area encompasses wetland and wetland buffer areas inside the Operational Safety Fence and is located between 200’ and 350’ from the runway centerline. Existing trees penetrating the FAR Part 77 surfaces will be topped or killed and left in place. Tree removal and/or topping will be completed using handheld equipment only. See Exhibit “D: Figure 1” for the location of these areas.

A plant replacement schedule has been developed that summarizes the replacement plant quantities and types for the various areas and existing tree sizes. This schedule is included as Exhibit D: Table 1.

AREA 3
This area encompasses non-wetland and non-wetland buffer areas inside the Panhandle Reserve, the Rockwell Reserve, and a portion of the North End Aeronautical Area and are located more than 350’ from the runway centerline. Existing trees penetrating the FAR Part 77 surfaces will be topped and/or removed. See Exhibit “D: Figure 1” for the location of these areas.
A plant replacement schedule has been developed that summarizes the replacement plant quantities and types for the various areas and existing tree sizes. This schedule is included as Exhibit D: Table 1.

**AREA 4**
This area encompasses wetland and wetland buffer areas inside the Panhandle Reserve, Rockwell Reserve, and Anaacoper Reserve and are located more than 350' from the runway centerline. Existing trees penetrating the FAR Part 77 surfaces will be topped and felled and left in place. Tree removal and/or topping will be completed using handheld equipment only. See Exhibit “D: Figure 1” for the location of these areas.

A plant replacement schedule has been developed that summarizes the replacement plant quantities and types for the various areas and existing tree sizes. This schedule is included as Exhibit D: Table 1.

**AREA 5**
This area encompasses non-wetland and non-wetland buffer areas inside the Anaacoper Road Area and a portion of the North End Aeronautical Area are located more than 350' from the runway centerline. Existing trees penetrating the FAR Part 77 surfaces will be topped and/or removed. See Exhibit “D: Figure 1” for the location of these areas.

Removed trees will not be replaced in the same location. The reduction in screening will be mitigated by planting shrubs along Anaacoper Road, behind the Perimeter Fence. This is shown in Exhibit “D: Figure 1” as “Fenceline Screening Area 2”. These shrubs will consist of the same shrubs used in Area 3, the Panhandle Reserve/Rockwell Reserve Non-wetland Area.

**WETLAND MITIGATION**
To compensate for the loss in vertical structure in wetland areas, an offsite mitigation area will be designated. Based on recommendations provided in the February 15, 2005 letter by Aqua-Terr Systems, Inc., the existing buffer at the Ship Harbor wetland was initially proposed and recommended offsite mitigation area. This is shown in Exhibit “D: Figure 4”. Another approved offsite mitigation location, as mutually agreed upon, could also be considered in replacement of the Ship Harbor wetland.

Wetland and wetland buffer trees are proposed to be replaced at a ratio of 1 tree planted for every 1 tree (greater than 8 inch dbh) removed. Exact quantities and replacement types for offsite mitigation will be determined after a complete survey of existing trees.
### EXHIBIT D TABLE 1: PLANT REPLACEMENT SCHEDULE

#### AREA 1 (200’-350’ from Runway C1)

<table>
<thead>
<tr>
<th>Tree to be removed</th>
<th>Non-Wetland and Non-Wetland Buffers</th>
<th>Cedar/Madrone/Fir</th>
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<tr>
<td></td>
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Landscape and Wetland Mitigation Plan
March 23, 2005
Page 5 of 7
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**AREA 3 (Beyond 350’ from Runway CL)**

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Landscape and Wetland Mitigation Plan
March 22, 2005
Page 6 of 7
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SCREENING PLANTS

**Eschallonia - Eschallonia Rubra**
- *Height, Spread*
- *Austic, Drought Tolerant, Adapted to Coastal Exposure and Poor Soils*

**Laurel Rodrose - Cistus Laurifolius**
- *Height, Spread*
- *Rustic, Drought Tolerant, Adapted to Coastline Exposure and Poor Soils*

**Proposed Planting Frequency**

![Diagram of proposed planting frequency]

PORT OF ANACORTES
ANACORTES AIRPORT
DEVELOPMENT AGREEMENT
EXHIBIT D FIGURE 2: FENCE SCREENING
ANACORTES AIRPORT

CORRECTION TO DEVELOPMENT AGREEMENT

MAY 10, 2005
CORRECTION
TO
DEVELOPMENT AGREEMENT

This Correction to Development Agreement is entered into by and between the City of Anacortes (the "City") and the Port of Anacortes (the "Port") pursuant to the authority granted by RCW 36.70B.170. The purpose of this Correction to Development Agreement is to correct an error in Table I of Exhibit D to the certain Development Agreement by and between the City and the Port dated March 29, 2005 and recorded under Skagit County Auditor's File No. 200504210031 (the "Development Agreement").

WHEREAS, on February 28, 2005, the Port and the City issued a joint SEPA checklist for the then proposed Development Agreement and Anacortes Airport Sub-Area Plan. On March 4, 2005, the Port and the City issued a SEPA Determination of Non-Significance (the "DNS") for the then proposed Development Agreement and Anacortes Airport Sub-Area Plan. The SEPA checklist and the DNS are collectively the "Environmental Documents".

WHEREAS, the Port and the City entered into the Development Agreement on March 29, 2005; and

WHEREAS, the Table I of Exhibit D to the Development Agreement contained several errors and was therefore not in conformity with the balance of Exhibit D, the Development Agreement, the Environmental Documents or the understanding of the City and the Port.

NOW THEREFORE, based upon the foregoing recitals which are incorporated herein and in consideration of the mutual promises and covenants contained in the Development Agreement, the City and the Port agree as follows:

1. Substitution of Corrected Table I to Exhibit D. The corrected Table I of Exhibit D is attached hereto as Exhibit "A". The corrected Table I to Exhibit D shall be substituted for the Table I to Exhibit D of the Development Agreement. All other terms and conditions of the Development Agreement remain unchanged.

IN WITNESS WHEREOF, the Port and the City have caused this Agreement to be executed in their names and to be attested by their duly authorized officers this 20th day of May, 2005.
PORT OF ANACORTES

By: Dan Stahl, Executive Director
Date: 10 May 2005

SUBSCRIBED AND SWORN to before me this 10th day of May, 2005

Notary Signature

Julianne M. Lindsey
Notary Printed Name

Notary Public in and for the State of Wash.
Residing at Anacortes
My commission expires: 05.24.08

CITY OF ANACORTES

By: Dean Maxwell, Mayor
Date: 

SUBSCRIBED AND SWORN to before me this 10th day of May, 2005

Notary Signature

Cheryl A. Kahn
Notary Printed Name

Notary Public in and for the State of Wash.
Residing at Mount Vernon
My commission expires: 10.19.06

Page 2 of 2

CORRECTION TO DEVELOPMENT AGREEMENT
## EXHIBIT D - TABLE 1: PLANT REPLACEMENT SCHEDULE

### Wetland Areas

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<th>Tree to be removed</th>
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### Wetland Buffer Areas

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Landscape and Wetland Mitigation Plan
Corrected Exhibit D - Table 1
May 9, 2005
Return Address:

Port of Anacortes
P.O. Box 297
Anacortes, WA 98221

City of Anacortes
P.O. Box 547
Anacortes, WA 98221

Document Title:

Anacortes Airport
Correction to Development Agreement
May 10, 2005

Reference Number:

N/A

Grantor(s):

1. City of Anacortes
2. Port of Anacortes

Grantee(s):

1. Public

Abbreviated Legal Description:

N/A

Assessor Parcel/Tax ID Number:

N/A
Exhibit E

Outright Permitted and Vested Land Uses
EXHIBIT “E” – OUTRIGHT PERMITTED AND VESTED LAND USES

1. “AERONAUTICAL USE,” which is defined and shall mean those uses such as (i) aircraft hangars, (ii) aircraft tie downs, (iii) aircraft parking areas, taxi areas, and maneuver areas, (iv) aircraft storage, (v) light manufacturing as defined in the Anacortes zoning code, provided such facilities do not exceed 12,500 square feet of interior floor area, (vi) aircraft related businesses, (vii) office uses, bathrooms, parking, and other such uses in support of the aeronautical uses; provided that any of the structures that may house any of the foregoing uses shall not exceed thirty-five (35) feet in height, and in addition (viii) all existing uses, (ix) and maintenance of any of the foregoing uses and related facilities and improvements, including paved areas, drainage ways, etc. This term shall not include any living or sleeping quarters. All aeronautical uses shall be a permitted use within the Aeronautical Area without further mitigation or approval, except as may be specified in this agreement. Notwithstanding any provision or requirement of this Agreement, aviation operations, aircraft operations, and other general aviation related activities shall not require any approvals or additional mitigation.

2. Removal of any obstruction for compliance with FAR Part 77 requirements.

3. Aircraft operations on the ground and in the air, including takeoff, landing, flight patterns, air traffic corridors, volume of air traffic, altitudes of air traffic, flight schedules, types, sizes and purposes of aircraft and related issues. Such uses shall not be subject to any mitigation requirements, notwithstanding any other provisions of this Agreement.

4. All uses other than "aeronautical uses" shall be conditional uses.

5. Residential use of hangars shall be prohibited.

6. The configuration of any structures shall be determined solely by the Port, subject to the height, setback/buffer, impervious surface, and wetland requirements of this Agreement.

7. Installation of an Operational Safety Fence (with black vinyl coating on that portion of the fence on the west side of the Anacortes Airport) in the location shown on Exhibit “A” and Exhibit “B”.

8. Installation of a Perimeter Fence in the location shown on Exhibit “A” and Exhibit “B”.


Notwithstanding any other provision of this Agreement, there shall be no outright permitted uses within the Anacouter Future Process Area, except for the removal of FAR Part 77 obstructions allowed herein, subject to the mitigation required for such removal as set forth in Exhibit “D” of this Agreement until the future planning process for that area has been completed.

Anacortes Airport Development Agreement
March 29, 2005
Exhibit F

Development Standards
EXHIBIT “F” – DEVELOPMENT STANDARDS

1. **Building Permit Requirements:** All building permits applications submitted by the Port in conformance with this Agreement and the International Building Code shall be approved by the City.

2. **Yards:** Notwithstanding any requirement below, other than as required for building code compliance, there will be no setback from the Operational Safety Fence or Perimeter for any aeronautical use or related structure.

3. **Traffic:** Traffic mitigation shall not be required for any new hangars constructed on the site, other than traffic impact fees. Traffic generated by any the total new light manufacturing or similar new developments shall not in total exceed a maximum total of 155 average daily trips, without further traffic analysis and potential mitigation for such impact implemented through a supplemental SEPA process limited to this issue.

4. **Height:** Building height will not exceed 35’ as measured and defined in the AMC Section 17.18.090.

5. **Parking:** Any demand for additional parking will be located on the Airport property per Port specifications (either adjacent to the new hangars or in the Airport’s main parking lot) and will also meet all City parking code requirements. Vehicles will not be stored in the hangars, except for temporary parking while the resident aircraft is in use, thus lessening overall demand for adjacent hangar parking.

6. **Landscape:** Landscaping shall comply with the Landscape and Wetland Mitigation Plan prepared by W & H Pacific (Exhibit “D”).

7. **Lighting:** Lighting on the exterior of any structure walls shall be the minimum necessary for safe operations as determined by the Port, after consultation with the City.

8. **Open Space:** The maximum land coverage by buildings shall be 60% per the parcel size as identified by the Port with such parcel size including any buffer or setback area not already allocated to another parcel.
   a. For the purposes of calculating the buildable area as required (open space requirement) the requirements set forth in the AMC Section 17.80.080 (open space requirement) shall apply. In satisfying these open space requirements, the Port may allocate any portion of the Panhandle Reserve or Rockwell Reserve Areas to any portion of property within the Aeronautical Area in its discretion in order to meet the open space requirements of this section.

9. **Signage:** Shall comply with the City of Anacortes Sign Code.

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10. **Stormwater Management**: Proposed development that alters the existing ground conditions will require a stormwater analysis in accordance with the 2001 Washington State Department of Ecology Stormwater Management Manual for Western Washington ("Manual"). The Manual shall be used for design of stormwater detention and water quality facilities as required. The "Manual" shall be used in the design of all Best Management Practices and FAA requirements related to wildlife attraction reduction. A Preliminary analysis of the future development areas has been completed and is included in this document as Exhibit "F: Preliminary Stormwater Analysis" and Exhibit "F: Figure 1". Best Management Practices (BMPs), including temporary erosion control measures, will be implemented during grading and construction activities.

11. **Fire Department Requirements**: All development shall meet all applicable fire flow and fire code standards as generally adopted by the City, as approved by the Fire Chief’s office. Any hangars constructed will be equipped with fire extinguishers and drip pans, and the storage of fuel or other hazardous materials will be prohibited, in accordance with applicable fire and safety regulations. Use and storage of hazardous or flammable materials shall be in compliance with all applicable local, state, and federal regulations.

12. **Wetland Requirements**: Any work in a wetland or a wetland buffer shall be in compliance with the wetland mitigation requirements set forth within the Landscape and Wetland Mitigation Plan in Exhibit "D" prepared by W & H Pacific dated March 10, 2005 for the removal of any FAA Part 77 obstruction removal and fence construction. Any other developments within any wetland and/or its buffer shall comply with the City Critical Areas Ordinance.

13. **Garbage Collection**: Trash and recycling facilities shall be screened from adjacent properties.

14. **Dust Control**: Construction contractors will use BMPs to avoid or minimize fugitive dust emissions. This mitigation may include applying water or dust-binding chemicals directly to bare soil during dry weather, and/or street cleaning to prevent dirt, mud, and other debris deposits on paved roadways if necessary.

15. **Native Growth Protection Easement Areas**: The Property shall have certain areas within the Rockwell and Panhandle Areas that shall be subject to a Native Growth Protection Easement (NGP Easement) in the form attached hereto as Exhibit "A". The Port shall, subject to the FAA de-obligation process, execute this NGP Easement and record said easement for those areas so identified. The buffer areas subject to the NGP Easement are those identified on the Land Use Map. The land disturbance activities allowed within the buffer areas by this Agreement without further land use or environmental review of any kind are as follows:

   a. The removal of any obstruction required to comply with FAR Part 77.
   b. The installation of any Operational Safety or Perimeter Fencing.
   c. Any other action required to ensure the safety of airport operations.
16. **Occupancy:** Prior to issuance of a Final Certificate of Occupancy for any structure, all terms and conditions of this Agreement shall be met as they may be related to that structure and parcel. The applicable department may require bonding if the Developer, prior to completion of the terms of this contract, requests Temporary Occupancy Permits.

17. **Other:** The Port shall construct and maintain a berm in the area shown on Exhibit "F: Figure 2", consistent with the design and cross-sections shown in Exhibit "F: Figure 3", and maintain the same for the duration of this Agreement.

The Port shall establish, as appropriate, an alternate run-up upon in the location shown on Exhibit "F: Figure 4", or another appropriate location. Any new run-up location shall achieve the same off-airport noise attenuation effect as established in Section 24.2 of the development Agreement.

Anacortes Airport Development Agreement
March 29, 2005
ANACORTES AIRPORT
EXHIBIT F: PRELIMINARY STORMWATER ANALYSIS
MARCH 10, 2005

GENERAL OVERVIEW:

The purpose of this narrative is to review the existing storm drainage characteristics and estimate potential storm drainage detention and water quality improvements that could result from future development of the Anacortes Airport. The future development includes the construction of additional R-X hangars and T-Hangars. Also included is pavement to provide access and parking in the hangar area. The locations of the proposed and future hangars are east, west and south of the southernmost existing hangar (Hangar 5 on the Airport Layout Plan). The total area of potential disturbance for the future development is 7.95 acres.

EXISTING CONDITIONS:

No portion of the area of future development is currently impervious. Most of the future development area south and east of Hangar 5 is currently relatively hilly and forested land with no defined drainage features. Most of the area west and a portion of the area east of Hangar 5 is currently relatively flat and grassy land. This area contains small swales that convey storm runoff generally west to existing underground pipe conveyance systems.

STORM DRAINAGE DETENTION / WATER QUALITY:

The preliminary storm drainage analysis is based on the 1991 WSDEO Manual as required by the City of Anacortes.

In order to make use of the existing conveyance system without inundating it with developed flows, detention will be provided so developed peak flows into the existing storm drainage conveyance system are restricted to existing condition peak flows.

The detention volume is designed by restricting the 2 yr, 10 yr and 100 yr developed peak flows to ½ 2 yr, 10 yr, and 100 yr existing peak flows respectively, and adding 30% to the 100 yr volume. Since no survey as-built or soil data was available, assumptions were made regarding soil types, existing ground cover and slopes, and the existing storm drainage system based on field observance. The existing condition is assumed to be 100% forested to describe original site conditions. The future development is assumed to be 95% impervious (7.55 acres) and 5% landscaped (0.40 acres).

The 100-year volume required based on the criteria above is approximately 70,000 cubic feet of live storage. If water quality improvements are required, a wetpool storage volume of approximately 22,300 cubic foot would satisfy the requirement. The attached Exhibit "F: Figure 1" shows the drainage areas and results of storm drainage modeling including peak flows and volumes for required design storms.

An alternative to detention may be to upgrade the existing conveyance system from the existing hangar area to the outfall. Additional analysis would be required to determine if detention needs are available downstream.

Preliminary Stormwater Analysis
March 10, 2005
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Exhibit G

Anticipated Development Phasing
Exhibit H

Conditionally Permitted Uses
EXHIBIT ‘H’ –
CONDITIONALLY PERMITTED USES

1. Overnight facilities for use by pilots.

2. Stand alone restaurant.

3. Light manufacturing exceeding 12,500 square feet of interior floor area per structure.

4. Within the Anacoppee Future Process Area, until such time as the planning process is complete, aeronautical uses and aviation related uses only shall be permitted as a conditional use following the process set forth in the AMC Section 17.10 et seq., to seek a conditional use and subject to the imposition of reasonable mitigation and compliance with wetland regulations.

5. Within the North Aeronautical Area, all uses shall be conditional uses following the process set forth in the AMC Section 17.10 et seq., to seek a conditional use and subject to the imposition of reasonable mitigation and compliance with wetland regulations.