

 <p><b>YAKIMA COUNTY</b> WASHINGTON</p>	<p>DEVELOPMENT REGULATION TEXT AMENDMENT</p> <p>CASE NUMBER(S): LRN2019-00010</p> <p>STAFF REPORT DRAFTED BY: Olivia Story</p> <p>DATE: September 29, 2021</p> <p>Staff Report</p>
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Applicant:	Yakima County
Representative:	Noelle Madera, Long Range Manager and Olivia Story, Project Planner
Request:	Type of Amendment: Development Regulation Text Amendment
General Description of proposed Text Amendment:	By adding clarity to the current regulations, this proposal hopes to make it easier for applicants to anticipate what is included in the permits while adhering to the framework of the state's Growth Management Act and ensuring continued protection for agricultural zones and support for rural communities and tourist industries.

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3 **A. SUMMARY OF RECOMMENDATIONS**

4 Recommended approval of staff recommended changes to the Development Regulation Text  
5 Amendment, subject to consideration of testimony from neighbors and interested parties.

6 **B. SUMMARY OF REQUEST**

7 The Planning Department requests text changes and additions regarding the permitting of WB&D,  
8 ATO's, and Outdoor Festival Permits:

- 9 • YCC 8.10 Outdoor Festivals
- 10 • YCC 19.01 Definitions
- 11 • YCC 19.14-1 Allowable Land Use Table
- 12 • YCC 19.18 Special Uses and Standards (WB&D)
- 13 • YCC 19.18 Special Uses and Standards (ATO)

14 **C. BACKGROUND**

15 The agricultural activity in Yakima County is one of the major characteristics in the area, attracting  
16 visitors to the many wineries, breweries, and distilleries, and is developing as one of the state's major  
17 craft beverage tourism destinations. This combination of uses has come with concerns about  
18 enforcement of current land use regulations and the overall impact of the craft beverage industry on  
19 the quality of life and the sense of place in Yakima County.

20 Wineries, breweries, distilleries (WB&D), and Agricultural Tourist Operations (ATO) have become  
21 more popular within Yakima County over the last few decades, which recently have included on-site  
22 tasting rooms and event facilities in our rural zones, however, they do not meet existing event permit  
23 requirements or get Special Occasion Permits. They have since grown and the events are becoming a  
24 regular part of their business practice. An increase of events and several un-permitted and under-  
25 permitted WB&D's have brought attention to the County's lack of regulations and our current focus  
26 on this issue. Yakima County supports the agritourism industry and recognizes the need to establish

1 a strong foundation for moving the industry into the future, while also respecting our rural and  
2 resource communities.

3 Prior to the '80s and '90s, Yakima County has permitted WB&D land use approvals via a note in a  
4 building permit. This was often done for buildings associated with wine production and storage.  
5 Initially, these facilities were not used for events or wine tasting. This became an issue later when  
6 WB&D expanded their uses but never had official land use approval. For example, if a winery was  
7 approved in a building permit note in 1985, but is now a modern-day winery with a tasting room,  
8 customer parking, and events such as weddings, they are operating at a much higher level of land use  
9 intensity than the original approval was granted.

10 While permitting wineries, breweries, and distilleries under Title 15, Yakima County Planning primarily  
11 had issues with the lack of rural road standards for Conditional Use Permits (CUPs) in the code, parking  
12 requirements, the RCW mandated one-acre conversion limit, and the request for events associated  
13 with these land uses in the rural zones. Due to these existing issues with permitting, County staff tried  
14 to address most of these issues during the Title 19 update, such as including road standards for  
15 conditions of approval and requiring a minimum of five acres for Agricultural Tourist Operations,  
16 which would allow for events associated with WB&D's on larger parcels better able to handle the  
17 impacts associated with event facilities. Even with our code fixes, we find that we are having issues  
18 with some of the impacts associated with our rural WB&Ds, primarily those approved before Title 19.  
19 With the proposed changes, staff wants to ensure the code is clear that different permit options are  
20 intended for increased intensity. If a winery wants a higher intensity of land uses (like multiple small  
21 events a week and large events on a weekend) then they should apply for a higher intensity land-use  
22 option, such as the ATO-Retail or ATO-Destination.

23 Yakima County has different levels of permits associated with the craft beverage industry. For  
24 operators who want to have a small winery that makes and processes wine and holds a few tasting  
25 events a year, a basic winery, brewery, or distillery permit would be appropriate. However, if they  
26 want to increase their business offerings, to include food service, an event venue, and overnight  
27 lodging to guests, that type of facility includes several non-agricultural uses that would generate  
28 significantly more impacts to the neighboring residents or farmers, the environment, county roads,  
29 emergency facilities, etc. In this scenario, an ATO would be the more appropriate choice of permit.  
30 Different types of businesses have different levels of impact and need different levels of  
31 review. When the Board of Yakima County Commissioners adopted the original ATO regulations in  
32 2007 they felt that agricultural businesses with a high-intensity use other than agriculturally related  
33 activities have the potential to generate enough impacts to the neighbors that they should have the  
34 opportunity to voice their concerns to the hearing examiner. This helps ensure everyone's property  
35 rights are properly considered before approving the ATO.

36 The Planning Division understands that the WB&D industry is wanting to promote their businesses,  
37 which include varying levels of events and/or food service. However, these uses still need to comply  
38 with existing State and local laws relating to food service, fire and life safety, and the protection of  
39 agricultural lands, as well as fit within the proposed development regulations.

40 Out of the roughly 30 wineries, breweries, and distilleries operating in the County, only a handful  
41 have applied for the ATO permit to have full food service, concerts, events, weddings, or overnight  
42 lodging. Most of them are operating under the basic winery or brewery permit, which currently  
43 allows tasting and salesrooms, but doesn't allow those types of land uses mentioned above. The  
44 ATO permit would be more appropriate for their intended business practices. The ATO application  
45 process would allow their neighbors an opportunity to comment about a potential concert venue

1 moving in next to them. Additionally, some ATO businesses have already gone through the  
2 application process and paid the fees. The County cannot require some businesses to apply for the  
3 permit, and allow others, who are operating the same kinds of businesses, to neglect the application  
4 process.

5 The Board of County Commissioners asked the Planning Division to come up with code changes to  
6 the ATO regulations that would incentivize those with the basic winery permit to apply for an ATO,  
7 so they can conduct the activities already in place.

8 Although Planning's goal is not to promote agritourism, we don't want our permitting requirements  
9 to negatively impact agritourism. The proposed text changes will reduce the existing restrictions  
10 that are already in place in hopes these "under-permitted" businesses receive the appropriate  
11 review and obtain the necessary permit approvals.

12 In an attempt to gain an understanding of the industry's needs in this issue, the Planning Department  
13 reached out to over 80 known craft beverage businesses in the County and invited them to  
14 participate in the review process. It was important to staff that their voices were heard in the  
15 process and any changes made to the County Code were not made in a vacuum.

17 The Agritourism Advisory Group was assembled early in 2021 to review the proposed draft text  
18 changes regarding the permitting of Wineries, Breweries, and Distilleries, Agricultural Tourism  
19 Operations, Outdoor Festival Permits, and Special Occasion Permits. The review of these proposed  
20 changes was called the Agritourism Project. The Advisory Group met six times over three months,  
21 with the final meeting ending on July 7, 2021.

23 During the first meeting, the group was presented with a draft of the staff's proposed changes to  
24 the code. Over the subsequent meetings, the group discussed in detail with staff their needs and  
25 recommendations. In addition to the staff draft text changes, (attached in appendix A) the Advisory  
26 Group is recommending their own draft text changes that reflect the work and recommendations  
27 of this group. Additionally, where the group had a differing recommendation from each other or  
28 staff, a note is made as to why there is a difference in the recommendation and what their suggested  
29 text would be. These differences in opinion are also discussed below in the analysis section of this  
30 staff report.

32 In addition to the draft text changes, the Advisory Group is recommending all previously existing  
33 wineries, breweries, or distilleries, be rolled over into the new standards without applying under the  
34 new permit standards or paying any applicable fees. All future applications for a retail ATO are also  
35 recommended by the Advisory Group to have a Type 2 Conditional Use Permit review level and  
36 lower than adopted application fees (Type 1 fees). The staff has referred this proposal to corporate  
37 council for their guidance.

39 **D. ANALYSIS**

40 **1. WINERIES, BREWERIES, AND DISTILLERIES**

41 **a. Area of Attention: Review Level**

42 Current standards require a type 1, 2, or 3 use review as noted in the Allowable Land Use Table. A  
43 Type 1 is allowed but will be subject to the approval of applicable permits. A Type 2 use is allowed  
44 with an administrative review by the administrative official. A Type 3 is generally not appropriate;  
45 however, they may be authorized with a conditional use permit and a Hearings Examiner review.

Table 19.14-1 Allowable Land Uses

	AG	FW	MIN	R/ELD	P/R-10/5	RT	RS	HTC	SR	R-1	R-2	R-3	B-1	B-2	SCC	LCC	GC	M-1	M-2
Brewery, micro*	1			3	2		2	2								1	1	1	
Distillery*	1			3			2	2											
Distillery*, craft*	1			3	2		2	2								2	1	1	
Winery*	1			3	2		2									2	1	1	

1        **Solution.**

2        During the meetings with the Advisory Group, there were discussions on the appropriate level of  
 3        review for WB&D. It was recommended that all future applicants for a WB&D, have a maximum of  
 4        a type 2 review, but only charged a Type 1 fee. Additionally, for current operators, the Advisory  
 5        Group recommended there be no fee or application if they wish to apply and come into compliance.  
 6        In this scenario, currently operating WB&D would be rolled into the new definition of a WB&D  
 7        without going through the application process. Staff feels the approved levels of review are  
 8        appropriate for these types of uses and is not proposing any changes to the review level standards.

9        **b. Area of Attention: Events**

10       Wineries are offering their customers more than a basic tasting room, as was typical in the past.  
 11       Modern wineries tend to offer more of an experience that includes spacious grass laws for picnics,  
 12       organized activities such as yoga on the lawn, and an event venue where weddings and special  
 13       occasion events are held. The problem comes to the surface when these events are held frequently  
 14       throughout the year and/or become highly attended and the number of visitors has a higher impact  
 15       than the original winery permit had anticipated or accounted for. A Special Occasion Permit offered  
 16       by the county fire inspector is an option for owners to obtain when these events are infrequently  
 17       held. However, the business model has changed and these events are becoming more of the day-  
 18       to-day business operations.

19       **Solution.**

20       Staff recommendation: After in-depth discussions with the Advisory Group, staff has a better  
 21       understanding of what the daily needs of a winery are. A higher volume of customers can be  
 22       anticipated and events are an important aspect to their businesses. Because of these needs, staff  
 23       is recommending allowing events up to 100 people at any given time, and when the number of  
 24       attendees goes over 100 guests, a Special Occasion Permit would be required. The Advisory Group  
 25       felt that this draft text was acceptable and approved of this recommendation.

26       The proposed text reads:

27       19.18.500 (2) (c) Special events. Events not related to the operational and marketing aspects  
 28       of a WB&D such as weddings, receptions, meetings, and retreats, and are anticipated to have  
 29       over 100 attendees, will require a one-time special occasion permit (per event) as set forth in  
 30       YCC Title 8.10. These special events shall be sized and conditioned consistent with the character  
 31       of permitted activities and uses. The Reviewing Official shall place a limit on the number of  
 32       occupants or size of indoor and outdoor events allowed. Capacity is limited by building  
 33       occupancy and parking limitations.

1                   **c. Area of Attention: Food Service**

2                   Foodservice is currently limited by the type of Yakima Health District License, Agricultural Tourist  
3                   Operation, or commercial zoning district where the winery is located. Under current zoning  
4                   requirements, all approved wineries, breweries, and distilleries are limited to food service that  
5                   includes food trucks, pre-packaged foods, cheese plates, or other foods that don't require a  
6                   commercial kitchen or fire suppression. However, several wineries, breweries, and distilleries have  
7                   added commercial kitchens for food service in order to obtain a liquor license to service hard  
8                   alcohol. Facilities that want to have full-scale commercial kitchens for restaurant-type food service  
9                   must be approved under the ATO permit to do so. An ATO provides more opportunities than a basic  
10                  winery permit.

11                  **Solution.**

12                  The Planning Department is not recommending adding any new food service *restrictions* to the  
13                  wineries, breweries, or distilleries regulations. The restrictions are already in place and have been  
14                  adopted into the County code since 2000.

15                  Staff is recommending adding language to the code *allowing* food service that is consistent with the  
16                  need for the winery, brewery, or distillery permit. This is due to the requirement of the liquor license  
17                  to provide food service. Restaurants will still need a higher level of review if someone wants to serve  
18                  more than the food service required by the liquor license on a daily basis. Additionally, staff is  
19                  proposing full meal service also be allowed in a winery, brewery, or distillery when it is served by a  
20                  licensed food vendor and only when associated with a special event such as a wedding.

21                  On the other hand, the Advisory Group felt that limiting food service in this way was too restrictive,  
22                  and are recommending no limits on food service or commercial kitchens in wineries, breweries, and  
23                  distilleries. They would like to see the same language that is in the ATO section regarding  
24                  foodservice and restaurants to be mirrored in the wineries, breweries, and distilleries section,  
25                  allowing full-service restaurants.

26                  The proposed text reads:

27                  19.18.500 (2) (b) Food Service (Offerings). Limited food service is allowed pursuant to this  
28                  Section, and may include sales of ancillary prepackaged foods or beverages that are not  
29                  prepared on the premises for on-site consumption. Food may include a combination of small  
30                  serving food items such as a mix of hors d'oeuvre type foods, cheeses, fruits, vegetables, deli-  
31                  style meats, chips, pretzels, nuts, popcorn, crackers, or similar items. Full meal food service  
32                  associated with a special event shall only be served by licensed food vendors and shall be  
33                  restricted to the events. Food handling is subject to a License from the Yakima Health District,  
34                  YCC Title 13.

35                  **d. Area of Attention: Capacity Levels**

36                  In the current code, there is a lack of capacity standards for wineries, breweries, and distilleries.  
37                  Historically, at the time of permitting, wineries, breweries, and distilleries were assumed to be  
38                  production facilities with limited public access. However, as events and tasting rooms have increased  
39                  in popularity, there is a need to account for these highly attended events and facilities. This can be  
40                  problematic when larger events are held and there is uncertainty as to what should be permissible.

41                  **Solution.**

42                  Staff suggests the new standards address capacity levels and be limited by building occupancy and  
43                  parking limitations. This will ensure the building capacity is adhered to and the property will not be

1       overwhelmed with people or vehicles. The Advisory Group felt that this draft text was acceptable  
2       and approved of this recommendation.

3       The proposed text reads:

4       19.18.500 (2) (c) Capacity is limited by building occupancy and parking limitations.

5       **e. Area of Attention: Road Access**

6       Wineries, breweries, and distilleries would have previously had low traffic, limited to the employees of  
7       the production of the products. However, with the increased public traffic associated with the tasting  
8       rooms and events, road standards are lacking and do not currently address the higher-intensity use.  
9       When the access is shared with neighbors, this problem is increased, both impacting the traffic counts  
10      negatively affecting neighbors, and increased dirt road dust coating the surrounding crops.

11      **Solution.**

12      Staff suggests adding text that requires adequate road access from a county road. Additionally, if  
13      the WB&D shares a private road, they must submit a road maintenance agreement with their  
14      application to ensure the continuance of an adequate access point and road. The Advisory Group  
15      felt that this draft text was acceptable and approved of this recommendation.

16      The proposed text reads:

17       19.18.500 (3) (d) Have adequate access from a county road consistent with the standards  
18       under Chapter 19.23. WB&Ds that share a private road must submit a road maintenance  
19       agreement at the time of application signed by all legal property owners or their designees.  
20       Without the road maintenance agreement, the application will be considered incomplete

21      **2. AGRICULTURAL TOURIST OPERATIONS**

22      This proposal is to eliminate the ATO Resort level and move the kitchen function to the ATO  
23      Destination level. The reasoning is that the applicants for ATO Resort have only applied to obtain  
24      the kitchen functions, and are not utilizing the overnight allowance.

25       • **ATO Retail** is the lowest impact of the ATOs. It allows tastings and events on-premises.  
26       • **ATO Destination**, allows tastings, events, overnight stays.  
27       • **ATO Resort** allows for everything mentioned, but allows a commercial kitchen.

28       **a. Area of Attention: Review Level**

29      Current standards require a type 2, 3, or 4 use review as noted in the Allowable Land Use Table. A  
30      Type 2 use is allowed with an administrative review by the Administrative Official. A Type 3 is  
31      generally not appropriate; however, they may be authorized with a conditional use permit and a  
32      Hearings Examiner review. Type 4 applications are typically quasi-judicial, such as rezones and  
33      subdivisions, and require both the Hearing Examiner and Board of County Commissioners to review.

Table 19.14-1 Allowable Land Uses

	AG	FW	MIN	R/ELD	P-10/5	RT	RS	HTC	SR	R-1	R-2	R-3	B-1	B-2	SCC	LCC	GC	M-1	M-2
(1) Retail ATO*	2			2	2														
(2) Destination ATO*	3			3	3														
(3) Resort ATO*	4	4		4	4														

1      **Solution.**

2      Staff feels the approved levels of review are appropriate for these types of uses and is not proposing  
3      any changes to the review level standards. During the meetings with the Advisory Group, there  
4      were discussions on the appropriate level of review for ATOs. It was recommended that all future  
5      applicants for ATOs, have a maximum of a type 2 review, but only be charged a Type 1 fee.  
6      Additionally, for current operators, they recommended that there be no fee or application if they  
7      wish to apply and come into compliance. In this scenario, currently operating businesses would be  
8      rolled into the new definition of an ATO without going through the application process. Staff feels  
9      the approved levels of review are appropriate for these types of uses and is not proposing any  
10     changes to the review level standards.

11     **b. Area of Attention: Events**

12     Agricultural Tourist Operations tend to have a high volume of visitors to their properties as a normal  
13     business practice. In addition to the tasting rooms they offer, restaurants, activities, and overnight  
14     accommodations and can increase traffic. Occasionally, a larger event is planned that draws a large  
15     group of guests. This has caused problems with surrounding neighbors who have not anticipated  
16     living so close to an event center. Currently, the code states the Reviewing Official shall place a limit  
17     on the number of occupants or size of indoor and outdoor events. This language is a little unclear  
18     and can be left up to interpretation and does not give the applicants or the public a consistent  
19     program to anticipate or plan for.

20     **Solution.**

21     The Advisory Group reported that visitor counts for their businesses can reach over 100 in a single  
22     day, and higher on larger planned events. To accommodate the typical business traffic, staff is  
23     recommending allowing up to 500 guests as a typical day in the ATO business practices. When the  
24     attendees reach over 500 at any point in time, then an Outdoor Festival permit is required. The  
25     Advisory Group felt that this draft text was acceptable and approved of this recommendation.

26     The proposed text reads:

27     19.18.060 (2) (c) Events (Ancillary entertainment/special events), including but not limited to  
28     weddings/receptions, catered functions and small music festivals weddings, receptions,  
29     meetings, and retreats shall be sized and conditioned consistent with the character of permitted  
30     activities and uses. The Reviewing Official shall place a limit on the number of occupants or size  
31     of indoor and outdoor events allowed. Capacity is limited by building occupancy and parking  
32     limitations.

33     19.18.060 (4) (a) Agricultural Tourist Operation – Retail. Events (Ancillary  
34     Entertainment/Special Events). Indoor event facilities shall be no larger than 1,500 square feet.  
35     Events are an expected component of an ATO and shall be permissible under these regulations  
36     without applying for additional Special Occasion Permits. Events where the predicted total  
37     number of persons on the site is five hundred persons or more at any point in time, an Outdoor  
38     Festival Permit shall be obtained under YCC Title 8.10.

39     19.18.060 (5) (a) Agricultural Tourist Operation – Destination. Events (Ancillary  
40     Entertainment/Special Events). Indoor event facilities shall be no larger than 7,500 square feet.  
41     Events are an expected component of an ATO and shall be permissible under these regulations  
42     without applying for additional Special Occasion Permits. For events where the predicted total  
43     number of persons on the site is five hundred persons or more at any point in time, an Outdoor  
44     Festival Permit shall be obtained under YCC Title 8.10.

1                   c. **Area of Attention: Food Service**

2                   Currently, Yakima County does not allow restaurants in the Agricultural zone unless it is part of a  
3                   Resort ATO. Conceptually, the reason why we allow food service at all in an ATO is because the  
4                   restaurant can be considered an accessory to the approved ATO.

5                   The three graduating levels of ATOs allow for increased food service options. If a smaller operation  
6                   does not wish to offer a full-service restaurant or obtain a commercial kitchen, then the ATO-Retail  
7                   is a good option for them. However, if they wish to offer food as a service to their guests in their  
8                   overnight accommodations, the ATO – Destination would be appropriate. Only at the ATO – Resort  
9                   level can an operator offer a full-service commercial kitchen, open to the public.

10                  • ATO-Retail: Allows prepackaged foods, no kitchen, licensed food vendors during events.  
11                  • ATO-Destination: Allowed for overnight guests only, or an event.  
12                  • ATO-Resort: Allows full commercial kitchen open to the public.

13                  Most operators have opted for the ATO-Resort level in order to obtain the commercial kitchen  
14                  option. Additionally, limited food service is available at the ATO-Retail and ATO-Destination levels.  
15                  At these two lower levels, food offerings must be limited to prepackaged foods or beverages that  
16                  are not prepared on the premises for on-site consumption or is served by a licensed food vendor for  
17                  special occasion events. After a review of the demand and needs of the County, staff has  
18                  determined a middle level, may not be necessary.

19                  **Solution.**

20                  Staff is recommending removing the ATO-Resort level and transferring the commercial kitchen  
21                  option to the ATO Destination level. The Advisory Group felt that this suggestion was not inclusive  
22                  enough, and recommended all levels of ATO be allowed to operate a commercial kitchen open to  
23                  the public.

24                  The proposed text as staff recommends reads:

25                  19.18.060 (4) (b) **ATO-Retail** Food Service. The sale of food that is incidental or accessory to a  
26                  permitted use or value-added food items produced from agricultural products grown on the  
27                  applicant's farm may be provided. Foodservice may include sales of ancillary prepackaged foods  
28                  or beverages that are not prepared on the premises for on-site consumption. Foodservice in the  
29                  Retail ATO is subject to Yakima Health District licensing requirements and no permanent  
30                  commercial kitchen is permitted. Food service shall only be served by licensed food vendors and  
31                  shall be restricted to the events.

32                  19.18.060 (5) (b) **ATO-Destination** ~~Food Service. Food may also be served to registered guests~~  
33                  ~~staying at overnight lodging facilities or boarding houses approved under subsection (7) below,~~  
34                  ~~or as provided as part of a specific event or class (e.g. wedding or seminar) subject to Yakima~~  
35                  ~~Health District licensing requirements, including a commercial kitchen meeting YCC Title 13~~  
36                  ~~standards if required. Food Service. A restaurant developed as an accessory use to the~~  
37                  ~~Destination ATO may serve meals to the general public, subject to Yakima Health District~~  
38                  ~~licensing requirements, including a commercial kitchen meeting the Building and Fire, Life and~~  
39                  ~~Safety requirements of YCC Title 13.~~

40                  The proposed text as the Advisory Group recommends reads:

41                  19.18.060 (4) (b) **ATO-Retail** ~~Food Service. The sale of food that is incidental or accessory to a~~  
42                  ~~permitted use or value-added food items produced from agricultural products grown on the~~

1 applicant's farm may be provided. Food service may include sales of ancillary prepackaged foods  
2 or beverages that are not prepared on the premises for on site consumption. Food service in  
3 the Retail ATO is subject to Yakima Health District licensing requirements and no permanent  
4 commercial kitchen is permitted. Food service shall only be served by licensed food vendors and  
5 shall be restricted to the events. Food Service. A restaurant developed as an accessory use to  
6 the Retail ATO may serve meals to the general public, subject to Yakima Health District licensing  
7 requirements, including a commercial kitchen meeting the Building and Fire, Life and Safety  
8 requirements of YCC Title 13.

9 19.18.060 (5) (b) **ATO-Destination** Food Service. Food may also be served to registered guests  
10 staying at overnight lodging facilities or boarding houses approved under subsection (7) below,  
11 or as provided as part of a specific event or class (e.g. wedding or seminar) subject to Yakima  
12 Health District licensing requirements, including a commercial kitchen meeting YCC Title 13  
13 standards if required. Food Service. A restaurant developed as an accessory use to the  
14 Destination ATO may serve meals to the general public, subject to Yakima Health District  
15 licensing requirements, including a commercial kitchen meeting the Building and Fire, Life and  
16 Safety requirements of YCC Title 13.

17 **d. Area of Attention: Parcel size**

18 An ATO is currently required to be a minimum of 5 acres that are producing the crops in their  
19 products. These limits may be excessive, eliminating many viable opportunities for smaller farms to  
20 grow, produce, and sell their products on-site.

21 **Solution.**

22 In order to accommodate smaller operations yet still account for all the necessary land needed for  
23 an ATO (including the crop fields, processing rooms, event facilities, on-site parking, and  
24 administrative offices), staff is recommending lowering the minimum size to 3 acres. When  
25 discussed with the Advisory Group, they felt that this was still too large of a requirement, and  
26 recommend reducing it even further to a minimum parcel size to 1 acre, to accommodate currently  
27 operating WB&Ds to transfer to an ATO.

28 The proposed text as staff recommends reads:

29 19.18.060 (3) (e) Be located on at least a 3 (three) acre farm consisting of one or more  
30 contiguous) parcels ~~with at least 5 (five)~~ producing ~~acres in~~ the crops or products sold used in  
31 the ~~retail product~~ approved ATO;

32 The proposed text as the Advisory Group recommends reads:

33 19.18.060 (3) (e) Be located on at least a 1 (one) acre farm consisting of one or more contiguous)  
34 parcels ~~with at least 5 (five)~~ producing ~~acres in~~ the crops or products sold used in the ~~retail~~  
35 ~~product~~ approved ATO;

36 **e. Area of Attention: Crops uses/sold**

37 The adopted text regarding the agricultural crops in the ATOs requires that crops are grown on the  
38 property be used in the products associated with the ATO. During the many discussions with the  
39 Advisory Group, there was concern that crops may not necessarily be a component of the products  
40 used in their manufacturing process. An example would be an ATO that produces wine on-site from  
41 grapes grown offsite; however, the property does have fields of lavender. Lavender is an agricultural  
42 commodity, but may not be an element of the products an ATO may wish to produce on that  
43 property.

1      **Solution.**

2      Staff recommended changing this requirement to allow for products to be sold, not necessarily used  
3      in the products. The Advisory Group felt that this draft text was acceptable and approved of this  
4      recommendation.

5      The proposed text reads:

6      19.18.060 (3) (e) Be located on at least 3 (three) acre farm consisting of one or more contiguous)  
7      parcels ~~with at least 5 (five)~~ producing ~~acres in~~ the crops or products sold ~~used~~ in the ~~retail~~  
8      ~~product~~ approved ATO;

9      **f. Area of Attention: Parking**

10     ATOs currently require permanent parking to be installed in a way that they will not interfere with  
11     agricultural operations on-site and shall not otherwise convert more than one acre of agricultural  
12     land to nonagricultural uses. Under normal operating conditions, this minimum is adequate.  
13     However, when larger events are held parking can become an obstacle with visitors parking along  
14     county highways and neighboring agricultural lands.

15     **Solution.**

16     In order to accommodate the larger number of visitors on the days when events are being held,  
17     additional parking must be made available on site. During the discussions with the Advisory Group,  
18     it was determined that additional parking may be made available during these events, but  
19     temporarily, in a way that the land used can be easily converted back to agricultural lands after the  
20     event. Overflow parking for larger events shall be provided in a way that does not interfere with  
21     and supports the continuation of the overall agricultural use of the property. The Advisory Group  
22     felt that this draft text was acceptable and approved of this recommendation.

23     The proposed text reads:

24     19.18.060 (3) (f) Locate and design the ATO accessory facilities and permanent parking so they  
25     will not interfere with agricultural operations on the site of the proposed use or on nearby  
26     properties. Overflow parking for larger events shall be provided for in a way that does not  
27     interfere with, and supports the continuation of, the overall agricultural use of the property;

28     **g. Area of Attention: Indoor Facility Size**

29     Smaller ATOs that fall in the definition of ATO-Retail, are permitted to have indoor event facilities  
30     up to 1,500 square feet. A larger ATO Destination can have a much larger indoor event facility. That  
31     maximum is 7,500 square feet. There is no size limit on indoor event facilities for ATO Resorts. It  
32     must be noted that the indoor event facility can be in the same building as any of the processing  
33     rooms, such as the barrel rooms or tasting rooms. These processing areas are not counted towards  
34     the square footage of what is considered the indoor event facility. Historically, the event facility size  
35     has not been an issue and past applicants and operators have not expressed any concerns with these  
36     limitations.

37     **Solution.**

38     Staff recommends keeping the indoor event facility sizes as they are. There are no current problems  
39     or issues. However, the Advisory Group feels these established indoor facilities sizes are too small  
40     at the ATO Retail level and recommends increasing it between 3,000-3,700 square feet.

41     The proposed text as staff recommends reads:

1 19.18.060 (4) (a) Agricultural Tourist Operation – Retail. Events (Ancillary  
2 Entertainment/Special Events). Indoor event facilities shall be no larger than 1,500 square feet.  
3 Events are an expected component of an ATO and shall be permissible under these regulations  
4 without applying for additional Special Occasion Permits. Events where the predicted total  
5 number of persons on the site is five hundred persons or more at any point in time, an Outdoor  
6 Festival Permit shall be obtained under YCC Title 8.10.

7 19.18.060 (5) (a) Agricultural Tourist Operation – Destination. A Destination ATO is one that  
8 consists of an assortment of uses over and above any uses associated with Retail ATO, but may  
9 include:

10 (a) Events (Ancillary Entertainment/Special Events). Indoor event facilities shall be no larger  
11 than 7,500 square feet. Events are an expected component of an ATO and shall be permissible  
12 under these regulations without applying for additional Special Occasion Permits. For events  
13 where the predicted total number of persons on the site is five hundred persons or more at any  
14 point in time, an Outdoor Festival Permit shall be obtained under YCC Title 8.10.

15 The proposed text as the Advisory Group recommends reads:

16 19.18.060 (4) (a) Agricultural Tourist Operation – Retail. Events (Ancillary  
17 Entertainment/Special Events). Indoor event facilities shall be no larger than 3,000/3,700 square  
18 feet. Events are an expected component of an ATO and shall be permissible under these  
19 regulations without applying for additional Special Occasion Permits. Events where the  
20 predicted total number of persons on the site is five hundred persons or more at any point in  
21 time, an Outdoor Festival Permit shall be obtained under YCC Title 8.10.

## 22 **h. Area of Attention: Overnight Lodging**

23 The ATO-Destination allows for up to 12 Units of overnight lodging. Staff felt this was a high number  
24 of units allowed on site where the focus is to promote agricultural activities. Individual dwelling  
25 units can be a high-intensity use. Additionally, the allowable facilities were limited to boarding  
26 houses and lodging houses. These terms and kinds of overnight accommodations are an outdated  
27 style of facility and limit the variety of accommodations that many agricultural tourist operations in  
28 surrounding jurisdictions are currently offered.

### 29 **Solution.**

30 Staff recommends reducing the total available units to be offered as overnight accommodations  
31 from 12 units to 6. Additionally, the terms boarding and lodging houses were eliminated and  
32 replaced with modern accommodations offering to include a variety of units such as recreational  
33 vehicles, teepees, yurts, and tents. The Advisory Group felt that this draft text was acceptable and  
34 approved of this recommendation.

35 The proposed text reads:

36 19.18.060 (5) (d) Overnight Lodging Facilities and Short-term Rentals. ~~Boarding or Lodging~~  
37  ~~Houses~~. Overnight lodging facilities and Short-term Rentals ~~boarding or lodging houses~~ shall be  
38 limited to ~~12~~ 6 (six) overnight accommodations, as provided in subsection (7 6) below.

39 19.18.060 (6) Accessory Overnight Lodging Facilities and ~~Boarding or Lodging Houses~~ Short-  
40 term Rentals. Overnight lodging facilities, to include stick-built units, recreational vehicles, and  
41 membrane structures (teepees, yurts, or tents) ~~and boarding or lodging houses~~ are subject to  
42 additional requirements when proposed within an Agricultural Tourist Operation:

1 (a) Overnight Lodging Facilities and Short-term Rentals. ~~Boarding or Lodging House~~  
2 Overnight lodging facilities and Short-term Rentals ~~boarding or lodging house~~ as  
3 defined in Section 19.01.070 shall be subject to the following conditions:

4 (i) Facilities proposed within the Agriculture (AG) zone shall only be considered  
5 when being proposed as an accessory use to a Destination ~~or Resort~~ Agricultural  
6 Tourist Operation.  
7 (ii) In all allowed zones, such facilities being proposed as an accessory use to a  
8 Destination Agricultural Tourist Operation shall be limited to ~~12~~ 6 (six) overnight  
9 accommodations.  
10 (iii) The facilities and permanent parking shall be located and designed so they will  
11 not interfere with agricultural operations on the site of the proposed use or on  
12 nearby properties.  
13 (iv) The facilities and permanent parking shall be located within the general area  
14 already developed for buildings and residential uses and shall not convert more than  
15 one acre of agricultural land to nonagricultural uses.

16 (b) Membrane Structures. The use of a membrane structure, such as a tepee or yurt  
17 that meets the following criteria may be allowed in conjunction with approval of an  
18 overnight lodging facility or boarding or lodging house. The membrane structure:

19 (i) Shall be placed on a permanent foundation or pad;  
20 (ii) Is not a camping unit or recreational vehicle as defined in Section 19.01.070;  
21 (iii) If the facility is a membrane structure, it shall ~~Meet~~ meet the current building  
22 code and Yakima Health Department requirements for transient  
23 accommodations; and  
24 (iii) If the facility is a membrane structure, it ~~Does~~ does not contain indoor cooking  
25 facilities.

26 **3. OUTDOOR FESTIVALS**

27 **a. Area of Attention: Access and Parking**

29 With a large increase in vehicle traffic associated with an Outdoor Festival, access and parking can  
30 become a problem. The current code does not address this issue.

31 **Solution.**

32 Staff recommends adding language that requires adequate access to the festival. Also, the applicant  
33 must submit a traffic and parking management plan at the time of application. The Advisory Group  
34 felt that this draft text was acceptable and approved of this recommendation.

35 The proposed text reads:

36 8.10.090 (1) Access and parking (1) Provide adequate access from a county road and have a  
37 traffic and parking management plan.

38 **b. Area of Attention: Temporary Structures**

39 Some events may want to have large built structures such as a stage, or a viewing platform for  
40 exhibits at an Outdoor Festival. As the public will have access to or be near these built structures,  
41 safety is a concern. Currently, there are no standards or requirements that these structures must  
42 adhere to, potentially putting the public at risk.

1      **Solution.**

2      Staff recommends that all built structures must be completed no more than five (5) days before the  
3      event. This will allow County staff adequate time to inspect the quality of the structure and  
4      necessary repairs or reinforcements if needed. The Advisory Group felt that this draft text was  
5      acceptable and approved of this recommendation.

6      The proposed text reads:

7      8.10.095 (1) Temporary structures. All temporary facilities or structures shall be completed no  
8      more than five (5) days before the event. The Administrative Official shall inspect the structures  
9      for safety standards prior to the first day of the event. Should the temporary facility fail to meet  
10     the standards approved in the proposed plans, the event permit approval may be withdrawn.

11     **c. Area of Attention: Application Due**

12     When this project began, an appeal period was a concern. With the application deadline set at 45  
13     days prior to the event, there was no time for the applicant to appeal a denial if they chose to do so.  
14     The Advisory Group was presented with this edit and approved of it. However, further discussions  
15     with corporate counsel have alleviated any concerns for an appeal process to be accounted for in  
16     the application deadline and has been removed from Staff's recommendation.

17     The proposed text reads:

18     8.10.040 (1) Except as provided herein, a complete application shall be ~~filed submitted in writing~~  
19     ~~to the Yakima County Public Services Planning Division at least forty five (45) not less than forty~~  
20     ~~five and not more than three hundred and sixty five calendar~~ days prior to the proposed first  
21     scheduled day of the festival and shall be accompanied with a permit fee in the amount ~~of one~~  
22     ~~thousand dollars~~ identified in the fee schedule listed in YCC Title 20. Application for an outdoor  
23     festival permit shall include:

24     **d. Area of Attention: Approval Authority and Appeal Process**

25     All Outdoor Festivals must currently be presented to the Board of County Commissioners for a final  
26     decision. Nothing in these applications or uses necessitates this level of approval.

27     **Solution.**

28     Staff is recommending moving the approval authority from the Board of County Commissioners to  
29     the Public Services Administrative Official. This would expedite the process and allow the  
30     applications to be reviewed in a timely manner, and if required, still be able to hold the event on  
31     time if approved. The Advisory Group felt that this draft text was acceptable and approved of this  
32     recommendation.

33     The proposed text reads:

34     8.10.050 ~~Approval or Denial of Permit — Corrections — Judicial Review.~~ Administrative  
35     Administrative Official, Decision.

36     (1) Within fifteen days after the filing of the complete application for an outdoor festival  
37     permit, the ~~board~~ Administrative Official shall ~~in writing, schedule a time at the next regular~~  
38     ~~meeting of the board when the board shall~~ approve, deny, or approve with conditions the  
39     applicant's permit. Any denial decision shall set forth in detail the specific grounds ~~for denial~~  
40     ~~therefor.~~ The applicant shall have fifteen days after the receipt of such denial, or such additional  
41     time as the ~~board of county commissioners~~ Administrative Official shall grant, to correct the

1       deficiencies set forth in the denial. The ~~board of county commissioners~~ Administrative Official  
2       shall either approve or deny the permit within fifteen days of receipt of the submitted  
3       corrections to the application. Any denial shall set forth in detail the specific grounds therefore.

4       ~~(2) After the board of county commissioners has issued a final decision to approve or deny the~~  
5       ~~permit, the decision may be appealed as provided in RCW 36.70C.~~

7       **E. PLAN OR DEVELOPMENT REGULATION TEXT AMENDMENT APPROVAL CRITERIA**

8       The approval criteria set forth in YCC 16B.10.095(5) and (6) shall be considered in any review and  
9       approval of text amendments to Yakima County Comprehensive Plan and any Development  
10      Regulation.

11      •       Consistency with 16B.10.095(5)(6) Approval Criteria:

12      (5) Plan policy and other text amendments must be consistent with the GMA, SMA, CWPP,  
13       other comprehensive plan goals and policies, and, where applicable, city comprehensive plans  
14       and adopted inter-local agreements.

15      ○ GMA Consistency - This proposed text amendment is consistent with and supports 4 of  
16       the thirteen GMA Planning goals, the remaining were not applicable. RCW 36.70A.020,  
17       without any order of priority.

18       RCW 36.70A.020(1) Urban growth. Encourage development in urban areas where  
19       adequate public facilities and services exist or can be provided in an efficient manner.

20       *Staff Findings: Not applicable*

21       RCW 36.70A.020(2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped  
22       land into sprawling, low-density development.

23       *Staff Findings: Not applicable*

24       RCW 36.70A.020(3) Transportation. Encourage efficient multimodal transportation  
25       systems that are based on regional priorities and coordinated with county and city  
26       comprehensive plans. The Planning Commission

27       *Staff Findings: Not applicable.*

28       RCW 36.70A.020(4) Housing. Encourage the availability of affordable housing to all  
29       economic segments of the population of this state, promote a variety of residential  
30       densities and housing types, and encourage preservation of existing housing stock.

31       *Staff Findings: Not applicable.*

32       RCW 36.70A.020(5) Economic development. Encourage economic development  
33       throughout the state that is consistent with adopted comprehensive plans, promote  
34       economic opportunity for all citizens of this state, especially for unemployed and for  
35       disadvantaged persons, promote the retention and expansion of existing businesses and  
36       recruitment of new businesses, recognize regional differences impacting economic  
37       development opportunities, and encourage growth in areas experiencing insufficient  
38       economic growth, all within the capacities of the state's natural resources, public services,  
39       and public facilities.

1                   *Staff Findings: The GMA approval criteria, promoting new businesses, is enforced*  
2                   *by this proposal because permitting agritourism-related activities in producing*  
3                   *agricultural lands will encourage growth and promote existing businesses in the*  
4                   *agricultural resource areas.*

5                   RCW 36.70A.020(6) Property rights. Private property shall not be taken for public use  
6                   without just compensation having been made. The property rights of landowners shall be  
7                   protected from arbitrary and discriminatory actions.

8                   *Staff Findings:* The proposal will only affect private properties, and will not  
9                   prevent property owners from developing their land; nor will it affect any public uses.

10                   RCW 36.70A.020(7) Permits. Applications for both state and local government permits  
11                   should be processed in a timely and fair manner to ensure predictability.

12                   *Staff Findings:* If the proposed text is approved, the permit standards and criteria  
13                   will be available to the public, and be clear and predictable.

14                   RCW 36.70A.020(8) Natural resource industries. Maintain and enhance natural resource-  
15                   based industries, including productive timber, agricultural, and fisheries industries.  
16                   Encourage the conservation of productive forestlands and productive agricultural lands,  
17                   and discourage incompatible uses.

18                   *Staff Findings:* This proposal encourages compatible and supportive accessory  
19                   uses to agricultural lands by setting the standards consistent with the GMA and  
20                   comprehensive plans, encouraging the promotion of agricultural products  
21                   produced in the agricultural lands.

22                   RCW 36.70A.020(9) Open space and recreation. Retain open space, enhance recreational  
23                   opportunities, conserve fish and wildlife habitat, increase access to natural resource lands  
24                   and water, and develop parks and recreation facilities.

25                   *Staff Findings:* Not applicable.

26                   RCW 36.70A.020(10) Environment. Protect the environment and enhance the state's high  
27                   quality of life, including air and water quality, and the availability of water.

28                   *Staff Findings:* Not applicable.

29                   RCW 36.70A.020(11) Citizen participation and coordination. Encourage the involvement  
30                   of citizens in the planning process and ensure coordination between communities and  
31                   jurisdictions to reconcile conflicts.

32                   *Staff Findings:* This proposal will follow the typical approval process of the  
33                   Planning Commission public hearing, as well as the Board of County  
34                   Commissioners Public hearing to allow comments regarding the proposal, before  
35                   adoption. In Addition, an Agritourism Advisory Group, composed of industry  
36                   leaders was assembled to assist planning staff in the development of regulations  
37                   to ensure both preservations of the natural resource while supporting the tourism  
38                   efforts.

39                   RCW 36.70A.020(12) Public facilities and services. Ensure that those public facilities and  
40                   services necessary to support development shall be adequate to serve the development  
41                   at the time the development is available for occupancy and use without decreasing  
42                   current service levels below locally established minimum standards.

1                   *Staff Findings: Not applicable.*

2                   RCW 36.70A.020(13) Historic preservation. Identify and encourage the preservation of  
3                   lands, sites, and structures, that have historical or archaeological significance.

4                   *Staff Findings: Not applicable.*

5                   ○ SMA Consistency - This proposed text amendment is consistent with the Shoreline  
6                   Management Act, RCW 90.58.

7                   *Staff Findings: Not applicable.*

8                   ○ County-wide Planning Policies Consistency - This proposed text amendment is consistent  
9                   with the 2015 County-wide Planning Policies.

10                   *Staff Findings: The proposal does not conflict with any County-wide planning  
11                   policies*

12                   ○ **Horizon 2040** Consistency - This proposed text amendment is consistent with five of the  
13                   Yakima County Comprehensive Plan – **Horizon 2040** goals or policies, without any order  
14                   of priority.

15                   Economic Development ED 1   Promote economic growth while maintaining  
16                   environmental quality.

17                   Economic Development ED 3.13 Continue to allow agriculturally-related industries, such  
18                   as cold storage plants, controlled atmosphere, produce packing facilities, processing  
19                   facilities, and wineries and their accessory uses such as tasting and sales rooms, to locate  
20                   in appropriate rural or agricultural resource areas, with appropriate siting and  
21                   environmental considerations.

22                   Economic Development ED 4.2 Encourage farm practices which contribute to more  
23                   efficient agricultural production, and do not impose restrictions on agriculturally-related  
24                   activities unless they clearly relate to the public health, safety and welfare.

25                   Economic Development ED 4.5 Support the development of a strong value-added  
26                   product industry which supports the resource base.

27                   Economic Development ED 5.1 Expand the County's tourism- and recreation-related  
28                   economy. Support the development of programs, activities and facilities which increase  
29                   tourism and recreation opportunities in Yakima County.

30                   Land Use LU-ER-AR 1.5 Allow for accessory uses, including non-agricultural accessory uses  
31                   that support, promote, or sustain agricultural operations and production. Such accessory  
32                   uses may include bed & breakfasts, boarding houses, restaurants, event facilities and  
33                   other amenities that are determined to support agriculturally related entrepreneurial  
34                   efforts.

35                   *Staff Findings: The proposal does not conflict with any Comprehensive Plan goals  
36                   or policies and supports several policies, specifically in the Economic Development  
37                   and Land Use chapters as outlined above.*

1           ○ Sub-Area Plan Consistency – There is no applicable sub-area plan that affects this  
2           proposal.

3           ○ City Comp Plan Consistency – There is no applicable city comp plan that affects this  
4           proposal.

5           ○ Interlocal Agreement Consistency – There is no applicable interlocal agreement that  
6           affects this proposal.

7           (6) Prior to forwarding a proposed development regulation text amendment to the Planning  
8           Commission for its docketing consideration, the Administrative Official must determine that  
9           the proposed amendment is consistent with the GMA, CWPP, other comprehensive plan goals  
10          and policies, and, where applicable, city comprehensive plans and adopted inter-local  
11          agreements.

12          *Staff Conclusion: The proposed text amendment in question meets the approval criteria outlined in  
13          Y.C.C 16B.10.095(5)(6) and should be approved.*

#### 16          **F. Discussion of Environmental Analysis (SEPA)**

17          Staff is assessing the potential environmental impacts associated with the proposed plan and  
18          zoning amendment and proposes mitigation, where appropriate. This assessment is being done  
19          concurrently and will be made available when completed.

#### 21          **G. CONCLUSIONS**

22          When wineries, breweries, and distilleries first appeared in Yakima County, activities were  
23          typically limited to the growing of crops and the production of these craft beverages. Since then,  
24          the industry has grown and expanded to include many other activities in support of the original  
25          agricultural production. The Growth Management Act as well as Yakima county, acknowledge  
26          that these accessory activities are important not only to other operators but the region as a whole  
27          as they add to the tourism and economic development positively. To adapt to the new business  
28          models, the Yakima County Development Code regulations must also grow and acknowledge and  
29          accommodate these accessory uses.

30          Through the work with the Agritourism Adcoeory Group, the Planning staff has developed a set  
31          of draft text changes that both protects the limited agricultural resources while at the same time  
32          supports the growing industry. Areas of focus have been on:

##### 33          **Wineries, Breweries, and Distilleries**

- 34           a. Review level
- 35           b. Events
- 36           c. Foodservice
- 37           d. Capacity levels
- 38           e. Road access

##### 39          **Agricultural Tourism Operations**

- 40           a. Review levels
- 41           b. Events
- 42           c. Foodservice

- d. Parcel size
- e. Crops uses in the production
- f. Parking
- g. Indoor facility size
- h. Overnight lodging

## Outdoor Festivals

- a. Access and parking
- b. Temporary structures
- c. Application deadlines
- d. Approval authority

Attached in Appendix A to the staff report are the draft text changes, recommended by staff. Appendix B details the draft text changes recommended by the Agritourism Advisory Group. For the most part, these recommendations are similar, however, there are a few items that differ, thus resulting in two recommendations. The areas of disagreement are:

## Wineries, Breweries, and Distilleries

- a. Review level
- c. Foodservice

## Agricultural Tourism Operations

- a. Review levels
- c. Foodservice
- d. Parcel size
- g. Indoor facility size

## J. YAKIMA COUNTY PLANNING STAFF RECOMMENDATIONS

The Yakima County Planning Division recommends **APPROVAL** of the ***Development Regulation*** text amendment, subject to consideration of testimony from neighbors and interested parties.

###

## APPENDIX A

### Proposed Text Amendment

Outlined below is the full-text amendment (blue underlined – added text, red strikethrough – deleted text, green underlined – moved text).