

Exhibit B

CHAPTER 16.08 STATE ENVIRONMENTAL POLICY ACT (SEPA)

16.08.090. Environmental checklist

E. **Evaluation**/Worksheet for Fossil and Renewable Fuel Facilities: Air and environmental health are elements of the environment in WAC 197-11-444 and subjects addressed in WAC 197-11-960, Environmental Checklist. As provided in WAC 197-11-906(1)(c), Whatcom County hereby adds a procedure and criteria to help identify the affected environment, impacts, and **potential** mitigation regarding air quality and climate and risks from spills and/or explosions. For any proposed change of use or expansion of facilities that manufacture, process, **store or** transport any fossil fuel, renewable fuel, or hydrocarbon feedstock, the proponent will **provide an expert evaluation or** fill out the County’s SEPA “Worksheet for Fossil and Renewable Fuel Facilities.” This **expert evaluation or** Worksheet provides detailed information required to evaluate impacts to air, land and water during review of a SEPA environmental checklist. The form of **the** worksheet shall be prepared and updated **as needed once per year** by the SEPA Responsible Official in consultation with and taking into account the comments of the **Whatcom County Climate Impacts Advisory Committee Group** and its members. The **expert evaluation or** Worksheet shall analyze the “significance” of direct, indirect, and cumulative impacts **including but not limited to those** arising from:

1. Windborne transport of fossil or renewable fuel emissions across Whatcom County;
2. Lifecycle greenhouse gas emissions **for renewable facilities** and facility emissions above existing levels **for fossil fuel facilities**;
3. Transits of tankers or barges and their support vessels that have the potential to create risks of spills or explosion or interfere with commercial and treaty tribe fishing areas; **and**
4. Releases of stormwater and wastewater to groundwater, marine waters, intertidal wetlands, streams within the shorelines, and to their headwaters; **and**
5. Potential for loss of life and/or property related to risks from spills or explosions associated with refining and transport of renewable or fossil fuels or related feedstocks within Whatcom County.

In determining whether possible impacts are “significant” and “probable,” the Responsible Official shall determine whether the **answers on information in the expert evaluation or** the Worksheet **for Fossil Fuel Facilities** accurately analyze the severity of potential harm, independently from analysis of probability of occurrence, in compliance with WAC 197-11-330. Also, as provided in WAC 197-11-794, “the severity of an impact should be weighed along with the likelihood of its occurrence” and “an impact may be significant if its chance of occurrence is not great, but the resulting environmental impact would be severe if it occurred.”

The **worksheet and supplemental** information **provided in the expert evaluation or Worksheet** required for fossil and renewable fuel facilities shall be considered procedures and criteria added to Whatcom County’s SEPA policies and procedures pursuant to WAC 197-11-906(1)(c) and are deemed necessary to be consistent with the provisions of SEPA contained in RCW 43.21C.020, RCW 43.21C.030 and RCW 43.21C.031. **However, the expert evaluation or Worksheet may not be required if an environmental impact statement is prepared.**

38 Discussion/Notes: Suggest reference to WAC 197-11-906(1)(c) as basis to require worksheet
39 since it allows for additional procedures and criteria. WAC 197-11-315 refers to Ecology and 30-
40 day review for planned actions, which is not proposed.

41 Rationale for PDS Changes (shown in yellow):

42 The worksheet will take time to develop and likely will not be available when Council adopts the
43 ordinance. Additionally, larger or more complex projects would benefit from expert evaluation
44 of the issues listed above.

45 It may not be necessary to update the worksheet every year. Therefore, the proposed change is
46 to update the worksheet “as needed.”

47 The proposed SEPA rules authorize GHG mitigation for “facility emissions” for fossil fuel facilities
48 (proposed WCC 16.08.160.F.1.b.i(a) – Exhibit B, near the bottom of page 4). The proposed
49 SEPA rules require “lifecycle” GHG emission analysis for renewable facilities (proposed WCC
50 16.08.160.F.1.b.ii – Exhibit B, page 5). The information required in the evaluation/worksheet
51 should correspond to these SEPA requirements.

52 The evaluation/worksheet addresses impacts “including but not limited to” the five listed issues.
53 PDS is recommending deleting the phrase “including but not limited to” because it is open-ended
54 and undefined. Applicants will not know what they are required to address if this phrase is
55 retained.

56 Finally, if an environmental impact statement (EIS) is required, then the evaluation/worksheet will

55 16.08.160 Substantive authority.

56 A. The policies and goals set forth in this chapter are supplementary to those in the existing authorization of Whatcom
57 County.

58 B. The county may attach conditions to a permit or approval for a proposal so long as:

59 1. Such conditions are necessary to mitigate specific probable adverse environmental impacts identified in
60 environmental documents prepared pursuant to this chapter; and

61 2. Such conditions are in writing; and

62 3. The mitigation measures included in such conditions are reasonable and capable of being accomplished; and

63 4. The county has considered whether other local, state, or federal mitigation measures applied to the proposal are
64 sufficient to mitigate the identified impacts; and

65 5. Such conditions are based on one or more policies **or provisions** in subsection D. **E, or F** of this section and cited in
66 the license or other decision document.

67 Rationale for PDS Changes (shown in yellow): Subsections E and F below include
68 provisions relating to placing conditions on projects.

69 C. The county may deny a permit or approval for a proposal on the basis of SEPA so long as:

70 1. A finding is made that approving the proposal would result in probable significant adverse environmental impacts that
71 are identified in a FEIS or final SEIS prepared pursuant to this chapter; and

- 72 2. A finding is made that there are no reasonable mitigation measures capable of being accomplished that are sufficient
73 to mitigate the identified impact; and
- 74 3. The denial is based on one or more policies **or provisions** identified in subsection D **or F** of this section and identified
75 in writing in the decision document.

76 **Rationale for PDS Changes (shown in yellow): Subsection F below includes a**
77 **provision relating to denying projects.**

78 D. The county designates and adopts by reference the following policies as the basis for the county's exercise of SEPA
79 authority pursuant to this section:

- 80 1. The county shall use all practicable means, consistent with other essential considerations of state policy, to improve
81 and coordinate plans, functions, programs, and resources to the end that the state and its citizens may:
- 82 a. Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;
 - 83 b. Assure for all people of Washington safe, healthful, productive, and aesthetically and culturally pleasing
84 surroundings;
 - 85 c. Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or
86 other undesirable and unintended consequences;
 - 87 d. Preserve important historic, cultural, and natural aspects of our national heritage;
 - 88 e. Maintain, wherever possible, an environment which supports diversity and variety of individual choice;
 - 89 f. Achieve a balance between population and resource use which will permit high standards of living and a wide
90 sharing of life's amenities; and
 - 91 g. Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable
92 resources.

93 2. The county recognizes that each person has a fundamental and inalienable right to a healthful environment and that
94 each person has a responsibility to contribute to the preservation and enhancement of the environment.

95 3. The county adopts by reference the policies in the following county documents:

96 Whatcom County Comprehensive Land Use Plan (inclusive of goal statements and all subarea components)

97 Whatcom County Shoreline Management Program

98 Whatcom County Subdivision Ordinance

99 Whatcom County Solid Waste Management Plan

100 Whatcom County Critical Areas Ordinance

101 All official land use controls adopted by Whatcom County.

102 E. Relationship to Federal, State and Regional Regulations. Many of the environmental impacts addressed by these
103 SEPA policies are also the subject of federal, state and regional regulations. In deciding whether a project specific
104 adverse environmental impact has been adequately addressed by an existing rule or law of another agency with
105 jurisdiction, the County shall consult orally or in writing with that agency and may expressly defer to that agency. In
106 making this deferral, the County shall base or condition its project approval on compliance with these other existing
107 rules or laws. In deciding whether these regulations provide sufficient impact mitigation, the County shall consult orally
108 or in writing with the responsible federal, state or other agency with jurisdiction and environmental expertise and may
109 expressly defer to that agency. The County shall base or condition its project decision on compliance with these other
110 existing regulations, rules, laws, or adopted enforceable plans. The County shall not so defer if such regulations did not
111 anticipate or are otherwise inadequate to address a particular impact of a project.

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Rationale for PDS Changes (shown in yellow): The replacement language above is taken from the State SEPA rules (WAC 197-11-158(4)) to better reflect these State rules.

118 F. Specific Environmental Policies

119 1. Air Quality and Climate:

120 a. Air pollution can be damaging to human health, plants and animals, visibility, aesthetics, and the overall quality
121 of life. Mitigation of criteriaair pollutant impacts will normally be the subject of air permits required by the
122 Northwest Clean Air Agency (NWCAA) and/or State Department of Ecology (DOE) and no further mitigation by
123 the County shall be required. However, where a project being reviewed by the County generates public nuisance
124 impacts, or odors or greenhouse gas emissions impacts not addressed through the regulations of NWCAA or DOE,
125 the County may require mitigation under SEPA.

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Rationale for PDS Changes (shown in yellow): Criteria pollutants are specific types of pollutants identified in the Federal Clean Air Act. The NWCAA addresses a wider variety of pollutants. Additionally, the State Department of Ecology may require a "Prevention of Significant Deterioration" permit for certain industrial sources of air pollution (e.g. refineries). Using the term "public" nuisance in the text above will maintain consistency with WCC 20.66.704 and WCC 20.68.704, the Light Impact Industrial and Heavy Impact Industrial provisions relating to odors.

133 b. Climate change is resulting in increased temperatures, reduced summertime snowpack, reduced stream flows
134 and increased stream temperatures, more intense storms with increased potential for flooding and damage to roads,
135 dikes and critical infrastructure such as water and waste treatment facilities. While climate change is a global
136 phenomenon, it is the policy of Whatcom County to do its fair share to reduce local emissions and to ensure that
137 projects with a likelihood of more than a moderate adverse impact on air quality and climate that may be
138 authorized by the County address greenhouse gas emissions impacts. Mitigation may be achieved through the
139 provisions contained in County land use and development regulations or through the State Environmental Policy
140 Act where land use code provisions do not address mitigation of greenhouse gas emissions impacts.

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Rationale for PDS Changes (shown in yellow): On October 24, 2019, the Planning Commission approved a motion to remove the proposed GHG mitigation requirements from the Zoning Code and keep proposed GHG provisions in SEPA (with further discussion on the SEPA language at a later date). The above changes would delete the reference to GHG mitigation in the Zoning Code. GHG mitigation through SEPA is addressed below.

148 i. Greenhouse Gas Emissions – Fossil Fuel Facilities and Fossil Fuel Transshipment Facilities: The following
149 policies shall apply to fossil fuel facilities and fossil fuel transshipment facilities.

150 (a) Emissions Calculated: The SEPA Responsible Official may require mitigation for greenhouse gas
151 emissions of fossil fuel facilities and fossil fuel transshipment facilities, as calculated consistent with the
152 definition of facility emissions in WCC 16.08.17520.97.124.1.

153 (b) Assessment: Greenhouse gas emissions impacts shall be assessed using the most-current scientifically
154 valid modeling techniquesversion of the GREET Model developed by Argonne National Laboratories or,
155 where feedstocks are from Canada, using the latest version of the GH-Genius model developed by Canadian
156 agencies for quantification of upstream emissions from production of feedstocks produced in Canada.

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Rationale for PDS Changes (shown in yellow): Industry representatives have indicated concern about the models referenced above. The proposed changes would allow appropriate methods to be used in calculating greenhouse gas emissions.

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(c) Mitigation: Greenhouse gas emissions that create specific adverse environmental impacts may be offset for proposals subject to WCC 20.68.801 through either code requirements or, if not addressed through code requirements, through mitigation projects that provide real, additional and quantifiable greenhouse gas mitigation. Such mitigation must not be required by any other regulatory mechanism and there shall be no double counting of emission reductions where identified as mitigation of greenhouse gas emissions impacts for permits subject to WCC 20.68.801.

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Rationale for PDS Changes (shown in yellow): On October 24, 2019, the Planning Commission approved a motion to remove the proposed GHG mitigation requirements from the Zoning Code and keep proposed GHG provisions in SEPA (with further discussion on the SEPA language at a later date). The above changes would delete the reference to GHG mitigation in the Zoning Code. The double counting language above is somewhat confusing. It seems to indicate that, if mitigation is required by a different agency, then County-required mitigation must be different and additional. But a general concept is that, if another agency requires adequate mitigation, County mitigation is not required. Therefore, PDS is recommending that this language be deleted.

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Additionally, SEPA allows for mitigation of “specific adverse environmental impacts” (RCW 43.21C.060). This language has been inserted above.

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ii. Greenhouse Gas Emissions – Renewable Fuels Facilities and Renewable Fuel Transshipment Facilities: The SEPA Responsible Official shall require documentation of lifecycle greenhouse gas emissions associated with renewable fuel facilities. The SEPA Responsible Official will consider the lifecycle greenhouse gas emissions analysis when making the threshold determination. The SEPA Responsible Official shall require documentation of emissions consistent with b.i(a) and b.i(b) above. The applicant shall demonstrate that the lifecycle greenhouse gas reductions associated with the renewable fuels provide a net reduction even when considering transportation and upstream emissions. If there is a net increase in emissions locally, the SEPA Responsible official may require mitigation per b.i(c) above.

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On October 10, 2019, the Planning Commission provided direction that renewable fuel facilities should not be required to mitigate greenhouse gas emissions if they reduce lifecycle greenhouse gas emissions. Therefore, the greenhouse gas language above has been modified, including deletion of the mitigation language.

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iii. Greenhouse Gas Emissions – Other Uses Within the Heavy Impact Industrial District:

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(a) Method of analysis: Determined by SEPA Responsible Official following consultation with federal and state agencies with jurisdiction or expertise.

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(b) Mitigation: Determined by SEPA Responsible Official. See 1.c.

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c. It is the County's policy to minimize or prevent adverse air quality impacts. Federal, state, regional, and county regulations and programs cannot always anticipate or adequately mitigate adverse air quality impacts. If the decision-maker makes a written finding that the applicable federal, state, regional, and/or County regulations did not anticipate or are inadequate to address the particular impact(s) of the project, the decision-maker may

202 condition the proposal to mitigate its adverse impacts or, if impacts cannot be mitigated, may deny a project under
203 the provisions of the State Environmental Policy Act.

204 2. Plants and Animals:

205 a. Many species of birds, mammals, fish, and other classes of animals and plants living in both rural and urban
206 environments and are of ecological, educational, and economic value. Fish and wildlife populations are threatened
207 by habitat loss and by the reduction of habitat diversity. For the purposes of this policy, animals and plants of
208 ecological, educational, and economic value include priority habitats and species as listed in the Washington
209 Department of Fish and Wildlife’s Priority Habitats and Species, as amended, consistent with WCC 16.16.710,
210 and High Biodiversity Value Areas per the Whatcom County 2017 Ecosystem Report, as amended.

211 b. It is the County’s policy to minimize or prevent the loss of fish and wildlife habitat that have substantial
212 ecological, educational, and economic value. A high priority shall also be given to meeting the needs of state and
213 federal threatened, endangered, and sensitive species of both plants and animals. Special consideration shall be
214 given to anadromous fisheries and marine mammals.

215 c. It is the County’s policy to ensure applicants provide verifiable documentation of consistency with federal and
216 state laws regarding treaty rights, clean water rights (both water quality and water quantity), and endangered
217 species protection such as through attaining permits or conducting consultations. The decision-maker may
218 condition or deny the project to mitigate its specific adverse environmental impacts if the decision-maker finds
219 that a proposed project would reduce or damage rare, uncommon, unique or exceptional plant or wildlife habitat,
220 designated wildlife corridors, or habitat diversity for plants or animals species of substantial educational,
221 ecological, or economic value, or interfere with treaty rights, clean water rights, or endangered species protection.

222 Discussion/Notes: If amendments are made to the Comprehensive Plan policies then the County
223 will in effect update policies under the County’s SEPA substantive authority.

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225 Rationale for PDS Changes (shown in yellow): Federal and state agencies would
226 typically determine compliance with federal and state laws when they issue or
227 deny a permit or other authorization for a project. The language above implies
228 that certain federal and state permits/authorizations must be issued before the
229 County can do SEPA review on a project. The State SEPA rules (WAC 197-11-
158(4)) indicate:

230 In deciding whether a project specific adverse environmental impact has
231 been adequately addressed by an existing rule or law of another agency
232 with jurisdiction, the GMA county/city shall consult orally or in writing with
233 that agency and may expressly defer to that agency. In making this
234 deferral, the GMA county/city shall base or condition its project approval
on compliance with these other existing rules or laws.

235 This concept of consultation is already embodied in the proposed amendments in
236 WCC 16.08.160.E above. Therefore, PDS is proposing to delete the language in
237 yellow above.

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239 **16.08.175 Purpose of this article and adoption by reference.**

240 This article contains uniform usage and definitions of terms under SEPA. The county adopts the following sections
241 by reference, as supplemented by WAC 173-806-040:

242
243 WAC

244 197-11-700 Definitions.

245	197-11-702	Act.
246	197-11-704	Action.
247	197-11-706	Addendum.
248	197-11-708	Adoption.
249	197-11-710	Affected tribe.
250	197-11-712	Affecting.
251	197-11-714	Agency.
252	197-11-716	Applicant.
253	197-11-718	Built environment.
254	197-11-720	Categorical exemption.
255	197-11-721	Closed record appeal.
256	197-11-722	Consolidated appeal.
257	197-11-724	Consulted agency.
258	197-11-726	Cost-benefit analysis.
259	197-11-728	County/city.
260	197-11-730	Decision maker.
261	197-11-732	Department.
262	197-11-734	Determination of nonsignificance (DNS).
263	197-11-736	Determination of significance (DS).
264	197-11-738	EIS.
265	197-11-740	Environment.
266	197-11-742	Environmental checklist.
267	197-11-744	Environmental document.
268	197-11-746	Environmental review.
269	197-11-750	Expanded scoping.
270	197-11-752	Impacts.
271	197-11-754	Incorporation by reference.
272	197-11-756	Lands covered by water.
273	197-11-758	Lead agency.
274	197-11-760	License.
275	197-11-762	Local agency.
276	197-11-764	Major action.
277	197-11-766	Mitigated DNS.
278	197-11-768	Mitigation.
279	197-11-770	Natural environment.
280	197-11-772	NEPA.
281	197-11-774	Nonproject.
282	197-11-775	Open record hearing.
283	197-11-776	Phased review.

- 284 197-11-778 Preparation.
- 285 197-11-780 Private project.
- 286 197-11-782 Probable.
- 287 197-11-784 Proposal.
- 288 197-11-786 Reasonable alternative.
- 289 197-11-788 Responsible official.
- 290 197-11-790 SEPA.
- 291 197-11-792 Scope.
- 292 197-11-793 Scoping.
- 293 197-11-794 Significant.
- 294 197-11-796 State agency.
- 295 197-11-797 Threshold determination.
- 296 197-11-799 Underlying governmental action.

297 In addition to those definitions contained within WAC 197-11-700 through 197-11-799, when used in this article,
 298 the following terms shall have the following meanings, unless the context indicates otherwise:

299 A. “Early notice” means the county’s response to an applicant stating whether it considers issuance of a
 300 determination of significance (DS) likely for the applicant’s proposal (mitigated determination of
 301 nonsignificance (MDNS) procedures).

303 B. “ERC” means environmental review committee established in WCC 16.08.045.

305 C. "Facility Emissions" means are greenhouse gas emissions associated with fossil fuel or renewable fuel
 306 refineries or fossil or renewable fuel transshipment facilities based upon:

307 (1) the transportation within the borders of Whatcom County of refined and unrefined fossil fuels to and
 308 from a facility located within the Cherry Point Heavy Industrial area, and

309 (2) the refining and processing of fossil fuels located within the Cherry Point Heavy Industrial area, and

310 (3) the upstream emissions generated by the production and transport of raw products to the facility such as
 311 crude oil feedstocks or other fuels used in production or energy generation at facilities.

312 Rationale for Changes (shown in yellow): On October 24, 2019, the Planning
 313 Commission approved a motion to remove the proposed GHG mitigation
 314 requirements from the Zoning Code and keep proposed GHG provisions in SEPA
 315 (with further discussion on the SEPA language at a later date). The definition of
 316 “facility emissions” was in the proposed Zoning Code language. However, this
 317 term no longer is used in the Zoning Code. Therefore, it would be moved from the
 318 Zoning Code to the County’s SEPA rules.

319 D. “Greenhouse Gas Emissions” means gases that trap heat in the atmosphere. "Greenhouse gas," "greenhouse
 320 gases," "GHG," and "GHGs" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons,
 321 perfluorocarbons, and sulfur hexafluoride, and any other gas or gases designated by the federal clean air act
 322 (United States Code Title 42, Chapter 85), state clean air act (Chapter 70.94 RCW), ~~or~~ state limiting greenhouse
 323 gas emissions law (Chapter 70.235 RCW).

326 E. “Lifecycle greenhouse gas emissions” means the aggregate quantity of greenhouse gas emissions (including
327 direct emissions and significant indirect emissions), related to the full fuel lifecycle, including all stages of fuel
328 and feedstock production and distribution, from feedstock generation or extraction through the distribution and
329 delivery and use of the finished fuel to the ultimate consumer, where the mass values for all greenhouse gases are
330 adjusted to account for their relative global warming potential.

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332 Rationale for Changes (shown in yellow): On October 24, 2019, the Planning
333 Commission approved a motion to remove the proposed GHG mitigation
334 requirements from the Zoning Code and keep proposed GHG provisions in SEPA
335 (with further discussion on the SEPA language at a later date). The definitions of
336 “greenhouse gas emissions” and “lifecycle greenhouse gas emissions” are in the
337 proposed Zoning Code language. However, these terms are only used in the
338 definition of “renewable fuels” in the Zoning Code. They are most often used in
339 the proposed SEPA rules. Therefore, these terms would be inserted into the
340 County’s SEPA rules.

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342 FE. “Ordinance” means the procedure used by the county to adopt regulatory requirements.

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344 GD. “Responsible official” shall mean the director of the department which bears responsibilities for the SEPA
345 process or his/her designee.

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347 HE. “SEPA rules” means Chapter 197-11 WAC adopted by the Department of Ecology. (Ord. 98-048 Exh. A;
348 Ord. 84-122 Part 8).

Exhibit C

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CHAPTER 20.66 LIGHT IMPACT INDUSTRIAL (LII) DISTRICT

20.66.200 Prohibited uses.

All uses not listed as permitted, accessory, administrative approval, or conditional uses are prohibited, including but not limited to the following, which are listed here for purposes of clarity:

.201 Reserved.

.202 Adult businesses except those allowed as an administrative approval use under WCC 20.66.131.

.203 In the Bellingham Urban Growth Area the following uses are prohibited: ~~petroleum refinery and the primary manufacturing of products thereof,~~ primary manufacturing and processing of rubber, plastics, chemicals, paper, asbestos and products derived thereof, and primary metal industries.

~~.204 New fossil-fuel refinery; or new fossil fuel transshipment or facility unless permitted as a part of an existing refinery modification otherwise permitted under this code.~~

Rationale for PDS Changes (shown in yellow): The existing refineries are south of Grandview Rd., in the Heavy Impact Industrial zone. There are no refineries north of Grandview in the Light Impact Industrial zone.

Discussion/Notes: Prohibit fossil fuel related industries in the LII District; already prohibited in the Bellingham UGA. It does not appear that such uses exist in the LII zone; thus, we have only addressed the prohibition of fossil-fuel refinery and fossil fuel transshipment facility unless part of an existing refinery (e.g. transshipment).

397 CHAPTER 20.68 HEAVY IMPACT INDUSTRIAL (HII) DISTRICT

398 20.68.050 Permitted uses.

399 Unless otherwise provided herein, permitted and accessory uses shall be administered pursuant to the applicable provisions of
400 Chapter 20.80 WCC, Supplementary Requirements, and Chapter 20.84 WCC, Variances, Conditional Uses, Administrative
401 Uses and Appeals, the Whatcom County SEPA Ordinance, the Whatcom County Subdivision Ordinance and the Whatcom
402 County Shoreline Management Program- ~~and implementing regulations. The purpose of the SIC numbers listed within this~~
403 ~~chapter is to adopt by reference other activities similar in nature to the use identified herein. (Policies of the subarea~~
404 ~~Comprehensive Plan may preclude certain permitted uses to occur in particular subareas. Please refer to the policies of the~~
405 ~~applicable subarea plan to determine the appropriateness of a land use activity listed below.)~~

406 .051 The manufacture and processing of food including meat (including packinghouses and slaughterhouses), dairy, fruits,
407 vegetables, seafood, grain mill, large scale bakery, sugar and beverage products, provided the following criteria are met:

408 (1) Holding pens associated with packinghouses and slaughterhouses shall be limited to that necessary to accommodate
409 animals intended for processing within 24 hours.

410 (2) The facility shall comply with the solid waste handling standards as set forth in Chapter 173-350 WAC, as administered
411 by the Whatcom County health department as adopted by reference in Chapter 24.06 WAC.

412 (3) If required by the Washington State Department of Ecology, the following permits shall be obtained:

- 413 (a) State waste discharge permit (Chapter 173-216 WAC);
- 414 (b) Industrial stormwater permit – general permit (Chapter 173-226 WAC);
- 415 (c) An NPDES permit (Chapter 90.48 RCW and Chapter 173-220 WAC).

416 .052 Manufacturing and processing of textiles including weaving cotton, synthetic, silk or wool fabrics; knitting yarn and
417 thread mills; textile bleaching, dyeing and printing; and carpet manufacture.

418 .053 The manufacture and processing of lumber and wood including sawmills; planing mills; millwork; veneer, plywood and
419 prefabricated wood products; wooden containers and cooperage.

420 .054 The following are permitted uses except as otherwise prohibited:

421 (1) The manufacture and process of paper including pulp, paper and paperboard mills; and building paper and board mill
422 products.

423 (2) The manufacture and processing of chemicals and allied products including industrial inorganic and organic chemicals;
424 synthetic resins, rubber, fibers and plastic materials; soap, detergents and cleaning preparations; paint, linseed oil, shellac,
425 lacquer and allied products; chemicals from gum and wood; and agricultural chemicals.

426 ~~(3) Refining and storage of petroleum and asphalt fossil fuels, limited as follows:~~

427 ~~(a) fossil fuel refineries, existing legally as of [XXX effective date].~~

428 ~~(b) fossil fuel transshipment facilities existing legally as of [XXX effective date].~~

429 ~~Discussion/Notes: Allow existing legal fossil fuel uses.~~

430 Rationale for PDS Changes (shown in yellow): Existing fossil fuel facilities have
431 been moved to proposed WCC 20.68.068 below.

433 ~~(34)~~ The manufacture and processing of rubber and plastic products.

434 ~~(45)~~ Leather tanning and finishing.

- 435 ~~(56)~~ The manufacture and processing of cement and glass; and concrete, gypsum, plaster, abrasive, asbestos and nonmetallic
436 mineral products.
- 437 ~~(67)~~ Primary metal industries including blast furnaces and steel works; mills for primary smelting, secondary smelting,
438 refining, reducing, finishing, rolling, drawing, extruding, and casting of ferrous and nonferrous metals; and the manufacture
439 of miscellaneous metal products.

440 (7) Storage of asphalt in the Heavy Impact Industrial Zone.

441 *Discussion/Notes: Retained from (3) above in case of construction related businesses.*

442 ~~(9) The refining, storage, blending, manufacture and transshipment of renewable fuels, existing legally as of [XXX effective
443 date]. Expansions of such existing facilities are subject to the provisions of Section 20.68.153.~~

444 Rationale for PDS Changes (shown in yellow): Existing renewable facilities have
445 been moved to proposed WCC 20.68.068 below.

447 .055 The fabrication of metal products including metal cans, hardware, hand tools, cutlery, heating apparatus, plumbing
448 fixtures, structural metal and stamping.

449 .056 The manufacture of machinery including engines; turbines; farm machinery and equipment; construction, mining and
450 materials handling equipment; machine tools and dies; and special and general industrial equipment.

451 .057 The manufacture of electrical machinery including transmission and distribution equipment, and industrial apparatus.

452 .058 The manufacture of transportation equipment including automobiles, trucks, buses, airplanes, boat building and repair,
453 railroad equipment, bicycles and motorcycles.

454 .059 Bulk commodity storage facilities, and truck, rail, vessel and ~~pipeline~~ transshipment terminals and facilities ~~except for
455 fossil fuel facilities or fossil fuel transshipment facilities subject to the provisions of 20.68.153. New fossil fuel storage and
456 transshipment facilities are expressly prohibited except as provided in Section 20.68.153.~~

457 Rationale for PDS Changes (shown in yellow): Proposed WCC 20.68.068, WCC
458 20.68.153, and WCC 20.68.205 address permitted, conditionally permitted, and
459 prohibited fossil fuel facilities. The above change would simplify the proposed
460 language by indicating that fossil fuel facilities are not addressed by WCC
20.68.059.

461 .060 Stationary thermal power plants with generating capacity of less than 250,000 kilowatts, floating thermal power plants
462 with generating capacity of less than 50,000 kilowatts, and other power plants utilizing renewable resources from solar, wind
463 (Chapter 20.14 WCC) or water sources.

464 .061 Heavy construction contractors.

465 .062 Public uses and community facilities including police and fire stations, libraries, activity centers, community centers,
466 park and recreation facilities identified in an adopted city or county Comprehensive Plan or Park Plan, and other similar
467 noncommercial uses, excluding state education facilities and correction facilities.

468 .063 One one-story detached accessory storage building per lot; provided, that the floor area shall not exceed 200 square feet
469 and shall only be used for personal storage and not for habitation or business; and provided further, that the storage building
470 shall contain no indoor plumbing but may be served with electrical power for lighting.

471 .064 Uses allowed in the Light Impact Industrial Zone as permitted uses, WCC 20.66.100, shall be permitted outright within
472 the Heavy Impact Industrial District in the Bellingham UGA.

473 .065 Trails, trailheads, restroom facilities and associated parking areas for no more than 30 vehicles.

474 .066 Marijuana production or processing facility.

475 .068 Existing fossil-fuel refineries, fossil-fuel transshipment facilities, renewable fuel refineries, or renewable fuel
476 transshipment facilities legally established as of [XXX effective date of ordinance] and the following:

477 (1) Accessory buildings, structures, process piping, and booster pumps.

478 (2) Office space.

479 (3) Parking lots.

480 (4) Radio communications facilities.

481 (5) Security buildings, fire stations, and operation centers.

482 (6) Storage buildings.

483 (7) Routine maintenance and repair.

484 (8) Environmental improvements and other projects, excluding storage tanks, that are required on the subject site by federal,
485 state, regional, or local regulations.

486 (9) Road projects and bridges.

487 (10) Temporary trailers.

488 (11) Heating and cooling systems.

489 (12) Cable installation.

490 (13) Information technology improvements.

491 (14) Continuous emissions monitoring systems or analyzer shelters.

492 (15) Wastewater and stormwater treatment facilities.

493 (16) Replacement and upgrading of existing equipment.

494 (17) Safety upgrades.

495 (18) Storage tanks less than 33 gallons.

496 (19) Other similar structures or activities.

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Rationale for PDS Changes (shown in yellow): Moving permitted uses associated with existing refineries and transshipment facilities from former proposed WCC 20.68.802 to the permitted use section of the Heavy Impact Industrial Zoning District for consistency with other sections of the Code. Additional items have been inserted as permitted uses to address public comments. Finally, PDS requests Planning Commission direction on the size of tanks that will be permitted outright (other tanks would require a conditional use permit).

503 .070 New renewable fuel refineries or renewable fuel transshipment facilities.

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Rationale for Changes (shown in yellow): On December 12, 2019, the Planning Commission passed a motion that renewable fuel facilities be allowed as a permitted use (instead of a conditional use, as proposed by Council).

507 0.71 Expansion of existing legal renewable fuel refineries or renewable fuel transshipment facilities, provided that the
508 expansion is for renewable fuels only.

509
510 Rationale for Changes (shown in yellow): On January 16, 2020, the Planning
511 Commission passed a motion that expansion of renewable fuel facilities be
512 allowed as a permitted use (instead of a conditional use, as proposed by Council).

513 .081 Freight railroad switching yards and terminals, excluding uses addressed in .059.

514 .082 Marine port facilities, excluding uses addressed in .059, and excluding new piers, docks, or wharves.

515 .085 Type I solid waste handling facilities.

516 .086 Type II solid waste handling facilities.

517 20.68.100 Accessory uses.

518 .101 Employee recreation facilities and play areas.

519 .102 Restaurants, cafes and cafeterias operated primarily for the convenience of employees, clients and customers of the
520 district.

521 .103 Temporary buildings for construction purposes for a period not to exceed the duration of such construction.

522 .104 When auxiliary to a principally permitted use: electric utility facilities; substations; generating plants, if less than 50
523 megawatt (MW) net plant capability; gas works; sewage disposal facilities; solid waste landfills and incinerators.

524 .105 Other accessory uses and buildings, including security services, customarily appurtenant to a principally permitted use.

525 .106 On-site treatment and storage facilities for hazardous wastes associated with outright permitted uses or approved
526 conditional uses subject to the most current siting criteria under Chapter 173-303 WAC.

527 .107 Mini-day care centers, and day care centers operated by, maintained by or funded by business in the district for the
528 purpose of serving the child care needs of employees whose place of employment lies within this zone district.

529 .108 Electric vehicle rapid charging stations and battery exchange facilities.

530 20.68.130 Administrative approval uses.

531 .131 Commercial mushroom substrate production limited to the Cherry Point Industrial Area and pursuant to the
532 requirements as contained in WCC 20.15.020(2) (commercial mushroom substrate production facilities). (Ord. 2006-031 § 1
533 (Exh. A), 2006).

534 20.68.150 Conditional uses.

535 The following uses require a conditional use permit in the HII Zoning District.

536 .152 Uses allowed in the Light Impact Industrial zone as permitted uses, WCC 20.66.100, subject to the following:

537 (1) Outside of the Bellingham Urban Growth Area, approval shall be supported by a finding by the hearing examiner that
538 allowing the use will not limit the supply of land available to meet the demand for future heavy industrial uses.

539 (2) Filing of a deed restriction acknowledging that heavy industrial uses are the preferred uses in the zone and agreeing not to
540 protest proposed heavy industrial uses allowed in the zone in accordance with Chapter 20.68 WCC, and to refrain from legal
541 action against any heavy industrial use in compliance with the regulations of WCC Title 20 and any conditions of approval
542 which might have been proposed.

543 .153 Expansion of existing legal fossil or renewable fuel refineries, operations and the primary manufacturing of products
544 thereof or expansion of existing legal fossil or renewable fuel transshipment facilities. For purposes of this section, an
545 expansion is any fossil fuel refinery and/or transshipment facility development (including otherwise permitted or accessory
546 uses), vested after the effective date of this ordinance, that meets any one of the following thresholds:

547 • Cumulatively increases its maximum crude atmospheric distillation capacity of fossil fuels by more than 10,000
548 barrels (or 420,000 gallons) per day based upon an evaluation of physical equipment limitations conducted by a
549 licensed professional engineer; or

550
551 • Cumulatively increases the maximum transshipment capacity of the facility by more than 10,000 barrels (or
552 420,000 gallons) per day; or

553
554 • Cumulatively increases fossil fuel storage tank capacity of the facility by more than 200,000 barrels (or
555 8,400,000 gallons).

556 If a conditional use permit is obtained, the baseline for determining the cumulative increases is reset.

557 Such expansions shall be subject to the conditional use criteria below:

558

559 Rationale for Changes (shown in yellow): On January 16, 2020, the Planning
560 Commission approved motions defining what activities constitute an “expansion” and
561 when a conditional use permit is required. On January 16, 2020, the Planning
562 Commission also approved a motion to move expansion of renewable fuel facilities from
563 conditional use to permitted use, as long as the expansion is for the increased
564 production of renewable fuels.

564 (1) The conditional use permit approval criteria listed under WCC 20.84.220 are met;

565 (2) Within shorelines, if applicable, County approval shall be contingent upon approval of a shoreline permit;

566 (3) The applicant has documented to the satisfaction of the County decision maker all of the anticipated sources, types, and
567 volumes of substances transferred in bulk at the facility. The permit shall be limited exclusively to those types and volumes
568 of materials or products as documented and approved.

569 Rationale for PDS Changes (shown in yellow): Sources of raw materials may change over time
570 and new sources may come on-line. It may be very difficult, if not impossible, to predict sources
571 of materials over the life of a project.

572 (4) Insurance requirements meet the provisions of WCC Section 22.05.125.

573 (5) Mitigation of transportation impacts consistent with Chapter 20.78 WCC, Transportation Concurrency Management, and
574 Chapter 16.24 WCC, Commute Trip Reduction.

575 (6) Mitigation of impacts to other services including fire and emergency response capabilities, water supply and fire flow, to
576 address risks created by expansions.

577 (7) Prior to issuance of any site preparation or construction permits, and prior to occupancy and/or operation of the expanded
578 facility, the applicant shall provide verifiable documentation to the county that the facility has been constructed consistent
579 with any applicable federal or state requirements, including but not limited to water rights and use.

580

Rationale for PDS Changes (shown in yellow): Criterion 7, addressing federal and state requirements appears to be unnecessary because criterion 9 already addresses federal and state permitting.

(8) Plans for stormwater and wastewater releases have been approved.

(9) Prior to commencement of any site preparation or construction activities, all necessary state leases shall be acquired for any piers or aquatic lands improvements, and it shall be demonstrated to the satisfaction of the zoning administrator that the project applicant has met any federal or state permit or consultation requirements, including properly addressing tribal treaty rights or the provisions of the Magnuson Amendment through state and federal permitting decisions; and

(10) Minimization of greenhouse gas emissions and inclusion of local carbon offset mitigation projects; and

Rationale for PDS Changes (shown in yellow): On October 24, 2019, the Planning Commission approved a motion to remove the proposed GHG mitigation requirements from the Zoning Code and keep proposed GHG provisions in SEPA (with further discussion on the SEPA language at a later date).

(11) Demonstration that the proposal will retain or add living-wage jobs or contribute to the Whatcom County economy.

.154 Treatment and storage facilities for hazardous wastes subject to the following:

(1) The ~~eight~~ criteria for a conditional use listed under WCC 20.84.200.

(2) The most current state siting criteria under Chapter 173-303 WAC.

(3) It shall be the responsibility of the applicant to document to the satisfaction of the approving body the anticipated sources, types, volumes and final disposition of hazardous wastes to be collected and the type of treatments associated with those wastes. The permit shall be limited exclusively to those types of wastes and treatments as documented and approved.

(4) Total off-site facility capacity shall be limited to that needed to treat and store wastes generated within Whatcom County by generators requiring off-site management of hazardous wastes; provided, however, waste streams may be sourced from other jurisdictions through interagency zone designation agreements as approved by the county council, not to exceed 10 percent of the total local hazardous waste stream.

(5) Prior to occupancy of the facility, the State Department of Ecology shall certify to the county that the facility has been constructed consistent with state requirements.

(6) As a condition of approval, the applicant shall be required to keep and maintain accurate and current records of the types, amounts, sources, and final disposition of hazardous wastes collected. The applicant shall provide such records annually to the county, or sooner upon county request. If the facility is found to be exceeding the waste stream limitations or permit restrictions, the county staff shall so report to the approving body who shall have the authority to revoke the permit, following a public hearing, if the limitation has been exceeded absent an emergency situation. Any emergency must be documented by county staff.

(7) Annual inspections of the facility shall be a minimum requirement. The applicant shall be required to forward copies of all facility inspection reports to the county. If deficiencies are found, the operator shall, within 15 days, submit to the county for approval an implementation schedule of corrective measures. Such schedule shall include specific completion dates and inspection reporting procedures.

If the state does not inspect the facility within the year, the applicant shall be required to arrange and bear all costs for an inspection by a qualified and independent inspection agency satisfactory to the county.

(8) Should the facility be found to consistently operate in a manner unsatisfactory to the county in regard to the public health and safety, the permit may be revoked by the approving body following a public hearing.

.156 Public and private parks facilities not included in an adopted city or county Comprehensive Plan or Park Plan.

.157 Trailheads with parking areas for more than 30 vehicles.

.158 Athletic fields.

622 .159 New renewable fuel refineries or renewable fuel transshipment facilities, subject to the conditional use permit criteria
623 identified in WCC 20.68.153.

624
625 Rationale for Changes (shown in yellow): On December 12, 2019, the Planning
626 Commission passed a motion that new renewable fuel facilities should be allowed
627 as a permitted use (instead of a conditional use, as proposed by Council).
628 Therefore, a new code section, WCC 20.68.070, has been inserted indicating that
new renewable fuel facilities would be permitted outright uses.

629 .180 Major passenger intermodal terminals.

630 .187 Type III solid waste handling facilities; provided, that:

631 (1) The facility or site will not be located within the 100-year floodplain or the Lake Whatcom watershed. The facility or site
632 will not be located within any area identified in an adopted critical areas ordinance unless outside of the floodplain and at
633 least three feet in elevation higher than the floodway elevation;

634 (2) Solid waste handling facilities shall be located at least 1,500 feet from the following:

635 (a) All zoning district boundaries, except Commercial Forestry and Industrial Zones;

636 (b) Public parks, public recreation areas, or publicly-owned wildlife areas;

637 (c) Archaeological and historical sites that are registered with the State Office of Archaeology and Historic Preservation;

638 (d) Shorelines that are within the jurisdiction of the Shoreline Management Program;

639 (e) Rivers, streams or creeks that contain documented threatened or endangered fish species;

640 (f) This 1,500-foot buffer does not apply to:

641 (i) Structures used for offices, storage areas for equipment, and weigh scales. These facilities shall be set back from
642 the property line 100 feet or the standard zoning district setback, whichever is greater;

643 (ii) Inert landfills;

644 (3) Inert landfills shall be located at least 500 feet from the following:

645 (a) All zoning district boundaries, except Commercial Forestry and Industrial Zones;

646 (b) Public parks, public recreation areas, or publicly-owned wildlife areas;

647 (c) Archaeological and historical sites that are registered with the State Office of Archaeology and Historic Preservation;

648 (d) Shorelines that are within the jurisdiction of the Shoreline Management Program;

649 (e) Rivers, streams or creeks that contain documented threatened or endangered fish species;

650 (f) This 500-foot buffer does not apply to:

651 (i) Structures used for offices, storage areas for equipment, and weigh scales. These facilities shall be set back from
652 the property line 100 feet or the standard zoning district setback, whichever is greater;

653 (4) The facility or site will not result in filling or excavation, location of structures or buildings, driveways or machinery use
654 except for vegetation maintenance within 100 feet of any property line and except for driveways within 150 feet of any
655 county or state road right-of-way;

- 656 (5) The facility or site will have vehicular approaches designed to minimize conflict between automobile and truck traffic,
657 will maintain the carrying capacity of county roads, and will be located on a road classified as all weather, except where use
658 is shown to be intermittent and easily delayed until emergency conditions have passed;
- 659 (6) The facility or site has complied with the provisions of WCC 20.84.200 and all other ordinances and laws regulating solid
660 waste facilities and sites, such as but not limited to WCC Title 24, the Whatcom County SEPA Ordinance, as well as state
661 and federal regulations concerning solid waste facilities and sites;
- 662 (7) All landfills have a final closure plan meeting the requirements of WCC Title 24 and of Chapter 173-350 WAC, and the
663 closure plan includes:
- 664 (a) Reclamation in two to 10 acre increments, as appropriately responsive to the size and intensity of the particular
665 activity, with seeding to be accomplished annually but no later than September 30th; and
- 666 (b) Permanent vegetative cover that will maintain in healthy growing condition with the level of maintenance that is
667 covered through the financial assurance for post-closure activities;
- 668 (8) The buffer areas and visual screening shall include a minimum of 50 feet wide of landscaping meeting the requirements
669 of WCC 20.80.300 (Landscaping);
- 670 (9) Solid waste facilities or sites shall be located outside the 10-year time of travel boundary of a public water system's
671 delineated wellhead protection area;
- 672 (10) Solid waste facilities or sites that handle putrescible waste will be located at least 10,000 feet from airports serving
673 turbine-powered aircraft and at least 5,000 feet from airports serving piston-powered aircraft. These buffers shall be
674 measured from the boundary of the Airport Operations Zone or, if the airport is not within an Airport Operations Zone, from
675 the boundary of the airport property;
- 676 (11) In addition, the Whatcom County hearing examiner may impose conditions of approval which may be necessary to
677 protect the value and enjoyment of existing adjacent uses.
- 678 .188 Mitigation banks as a form of compensatory mitigation for wetland and habitat conservation area impacts when
679 permitted in accordance with the provisions of Chapter 16.16 WCC; provided, applications for mitigation banks shall be
680 processed as a major development project pursuant to Chapter 20.88 WCC.

681 20.68.200 Prohibited uses.

682 All uses not listed as permitted, accessory, administrative approval, or conditional uses are prohibited, including but not
683 limited to the following, which are listed here for purposes of clarity:

684 .201 Reserved.

685 .202 Adult businesses.

686 .203 In the Bellingham Urban Growth Area the following uses are prohibited: petroleum refinery and the primary
687 manufacturing of products thereof, primary manufacturing and processing of rubber, plastics, chemicals, paper, asbestos and
688 products derived thereof; and primary metal industries.

689 ~~.204 New Fossil fuel refineries and the primary manufacturing of products thereof [XXX effective date].~~

690 Rationale for PDS Changes (shown in yellow): On December 12, 2019, the Planning Commission
691 passed a motion that new fossil fuel refineries should be prohibited, as proposed by Council.
692 "Fossil fuel refinery" is defined by proposed WCC 20.97.160.4. The "primary manufacturing"
693 text is unnecessary. It is also unnecessary to insert the effective date into the code.

694 ~~.205. New Fossil fuel transshipment facilities, including bulk storage or transfer facilities for fossil fuels [XXX effective
695 date].~~

697 .206. New piers, docks, or wharves in Cherry Point Industrial District.

698 **Rationale for PDS Changes (shown in yellow): Cite the full name of the zoning**
699 **district.**

700 *Discussion/Notes: Prohibit New Fossil Fuel Refineries. Prohibit Crude Oil and Coal Export*
701 *Facilities – made broader to Fossil Fuel transshipment.*

702 .207 Coal-fired power plants.

703 (Ord. 2018-006 § 3 (Exh. C), 2018; Ord. 2016-011 § 1 (Exh. L), 2016; Ord. 99-078, 1999; Ord. 99-070 § 2, 1999; Ord. 91-
704 075, 1991).

705 **20.68.250 Minimum lot size.**

706 The minimum lot size shall be consistent with the area required to meet the building setback, lot coverage, buffer and
707 development standards of the district. (Ord. 97-057 § 1, 1997; Ord. 96-046 § 1, 1996).

708 **20.68.255 Minimum lot frontage.**

709 For the purpose of dividing property, minimum lot frontage shall be sufficient to provide adequate access and utility
710 development, and meet applicable building setback, buffer, and development standards of the district. In no case shall the
711 frontage be less than 30 feet. (Ord. 99-045 § 1, 1999).

712 **20.68.350 Building setbacks.**

713 Building setbacks shall be administered pursuant to WCC 20.80.200, 20.80.254 and 20.68.550. (Ord. 99-078, 1999).

714 **20.68.400 Height limitations.**

715 No maximum height is established; however, when a building exceeds 50 feet, the setback requirements of WCC 20.80.200
716 shall be increased by one foot for each foot of building height in excess of 50 feet, as applicable to all setbacks.

717 **20.68.450 Lot coverage.**

718 The maximum building or structural coverage shall not exceed 60 percent of the lot size.

719 **20.68.500 Open space.**

720 *Repealed by Ord. 97-057.* (Ord. 96-046, 1996).

721 **20.68.550 Buffer area.**

722 .551 The industrial user shall establish a buffer for building sites adjoining the boundary of the Heavy Impact Industrial
723 District (HII), which shall be located adjacent to the district boundary. The purpose of the buffer is to optimize the visual
724 appearance of the site by obscuring industrial activity from view by passing motorists, to contribute to on-site and off-site
725 impact abatement, and to move towards attaining compatibility with surrounding nonindustrial land uses and character.

726 .552 To implement the buffer requirements of this district, minimum setbacks for heavy industrial buildings and accessory
727 structures shall be established consistent with the following options:

728 (1) If a planting screen is not provided by the industrial user and no natural vegetative screening exists, the minimum
729 setback(s) shall be 660 feet, as measured from the edge of the district boundary. The setback area may be used for security
730 roads, parking, or open space.

731 (2) If natural sight-obscuring and dense vegetation exists, the minimum setback(s) shall be 250 feet, as measured from the
732 district boundary; provided, that a minimum width of 50 feet of natural vegetation is retained. The remainder of the
733 setback(s) may be used for security roads, parking, or open space.

734 (3) If a 50-foot buffer planting screen is established, pursuant to WCC 20.80.345, the minimum setback(s) shall conform to
735 the setback requirements of WCC 20.80.200, as measured from the district boundary. In addition, security roads may be
736 situated within the minimum buffer setback; provided, that the 50-foot-wide buffer planting is established.

737 (4) When a parcel situated within this district is located within the Bellingham Urban Growth Area and adjoins an Urban
738 Residential District or residential district within the city limits, setbacks for heavy industrial buildings and/or uses shall be
739 increased to 100 feet and landscaped in accordance with the requirements of WCC 20.80.345.

740 (5) In no case shall the setback from the northern and western boundaries of the Cherry Point heavy industrial area not
741 contiguous to another industrial zone be less than 660 feet, nor the natural vegetation removed except for parking and
742 security or protective uses.

743 .553 Uses other than heavy industrial will conform to the normal setback requirements as set forth in WCC 20.80.200 and
744 20.80.254(3) and the buffering requirements for light impact industrial uses WCC 20.66.551.

745 .554 If any part of said buffer area is separated from, or sold to any contiguous or adjacent owner, lessee or user, the parcel so
746 separated or sold shall be used only as a buffer area in accordance with the above requirements. (Ord. 2019-013 § 1 (Exh. A),
747 2019; Ord. 2018-006 § 3 (Exh. C), 2018; Ord. 99-078, 1999; Ord. 97-057 § 1, 1997; Ord. 96-046 § 1, 1996; Ord. 89-117,
748 1989; Ord. 87-12, 1987; Ord. 87-11, 1987).

749 **20.68.600 Sign regulations.**

750 Sign regulations shall be administered pursuant to WCC 20.80.400.

751 **20.68.650 Development criteria.**

752 (Ord. 96-056 Att. A § A1, 1996).

753 **20.68.651 Landscaping.**

754 Refer to WCC 20.80.300 for landscaping requirements. (Ord. 89-117, 1989).

755 **20.68.652 Off-street parking and loading.**

756 Off-street parking and loading provisions shall be administered pursuant to WCC 20.80.500. In addition, loading areas must
757 be located in such a manner that no loading, unloading and/or maneuvering of trucks associated therewith takes place on
758 public rights-of-way.

759 **20.68.653 Drainage.**

760 All development activities are subject to the stormwater management provisions of WCC 20.80.630 through 20.80.635. No
761 project permit shall be issued prior to meeting those requirements. (Ord. 2019-013 § 1 (Exh. A), 2019; Ord. 96-056 Att. A §
762 A2, 1996; Ord. 94-022, 1994).

763 **20.68.654 Driveways.**

764 Consistent with WCC 20.80.640, driveway plans shall be reviewed by the county engineer or State Department of
765 Transportation, as applicable. (Ord. 2013-057 § 1 (Exh. A), 2013; Ord. 84-38, 1984).

766 **20.68.655 Access.**

767 Access shall conform to the provisions of WCC 20.80.565 and 20.80.660. (Ord. 89-117, 1989).

768 **20.68.656 Maintenance.**

769 The owner, lessee or user shall be responsible for maintaining an orderly appearance of all properties, and shall be
770 responsible for assuring the care and maintenance of any natural growth, where appropriate.

771 **20.68.657 Enclosure.**
772 All manufacturing or fabrication processes which have the potential to produce off-site impacts of a detrimental nature,
773 including light, glare, odors and noise impacts, shall be sufficiently enclosed to mitigate the impacts. (Ord. 99-078, 1999).

774 **20.68.700 Performance standards.**

775 **20.68.701 Pollution control and nuisance abatement.**
776 Each industry is required to continuously employ the best pollution control and nuisance abatement technology when
777 reasonably and practicably available for each particular industry; provided, that where federal, state, or regional laws or
778 regulations provide for the level of technology to be employed, the appropriate standards shall apply.

779 **20.68.702 Heat, light and glare.**
780 All operations and facilities producing heat, light or glare, including exterior lights, shall be so constructed, screened or used
781 as to not unreasonably infringe upon the use and enjoyment of property beyond the boundaries of the district.

782 **20.68.703 Ground vibration.**
783 No ground vibration other than that caused by highway vehicles, trains or construction activity shall be permitted, which is
784 discernible without instruments, at or beyond the property line for the use concerned.

785 **20.68.704 Odors.**
786 No odors, dust, dirt, or smoke shall be emitted that are detectable, at or beyond the property line for the use concerned, in
787 such a concentration or of such duration as to cause a public nuisance, or threaten health or safety, or to unreasonably infringe
788 upon the use and enjoyment of property beyond the boundaries of the district. (Ord. 91-075, 1991).

789 **20.68.705 Noise.**
790 No use in this district shall exceed the maximum environmental noise level established by Chapter 173-60 WAC. (Ord. 91-
791 075, 1991).

792 **20.68.706 Toxic gases and fumes.**
793 Any release of toxic gases or fumes must be in compliance with Washington State and Northwest Air Pollution Control
794 Authority standards. (Ord. 91-075, 1991).

795 **20.68.707 Liquid pollutants.**
796 There shall be no off-site release to soil or surface drainage ways of water borne or liquid pollutants. (Ord. 91-075, 1991).

797 **20.68.708 Appearance.**
798 New facilities developed in the Bellingham Urban Growth Area shall be designed, constructed, operated, and maintained so
799 as to be harmonious and appropriate in appearance with the existing or intended character of the general vicinity, and such
800 uses shall not change the essential character of the same area. (Ord. 2018-006 § 3 (Exh. C), 2018; Ord. 99-078, 1999).

801 **20.68.709 Marijuana odor.**
802 For indoor facilities no odor or smoke shall be emitted that is detectable at or beyond the walls of the facility, in such a
803 concentration or of such duration as to cause a public nuisance, or threaten health or safety, or to unreasonably infringe upon
804 the use and enjoyment of neighboring use. The applicant shall install an exhaust system that is designed and constructed to
805 capture sources of contaminants to prevent spreading of contaminants or odors to other occupied parts of the building or

806 surrounding area. The system must be designed by a licensed Washington State professional engineer. (Ord. 2015-006 Exh.
807 A, 2015).

808 **20.68.800. Fossil Fuel or Renewable Fuel Refineries or Transshipment Facilities**

809 This section applies to fossil fuel refineries fossil fuel transshipment facilities, renewable fuel refineries, or renewable fuel
810 transshipment facilities.

811 **.801. Environmental Review and Greenhouse Gas Mitigation**

812 (1) State Environmental Policy Act (SEPA) review shall be conducted consistent with WCC Chapter 16.08. Fossil fuel or
813 renewable fuel facility capacity expansions or fossil fuel or renewable fuel transshipment facility expansions are subject to
814 applicable SEPA requirements.

815 (2) Greenhouse gas emission analysis required:

816 (a) For the first expansion requiring County land use permits after the date of this ordinance, a baseline calculation of
817 existing facility emissions of greenhouse gases shall be provided by the applicant addressing the average of the prior
818 three year throughput. See facility emissions definition in WCC 20.97.124.1 for the scope and geography of the
819 analysis. Calculation of baseline greenhouse gas emissions shall follow the methodology used for facility
820 greenhouse gas reports to the State of Washington Department of Ecology, and to the US Environmental Protection
821 Agency Electronic Greenhouse Gas Reporting Tool (e-GGRT), or successor state or federal emissions reporting tool
822 or requirements.

823 (i) The data used to calculate the current actual throughput average shall be obtained from official government
824 reports from the refinery to federal or state agencies regarding production of the refinery or a particular process unit
825 to be expanded. This information shall be provided by the project applicant and verified by the County at the time of
826 application for any land use or construction permits.

827 (ii) For crude oil, refinery capacity is based on atmospheric Crude Distillation Capacity (barrels per calendar day),
828 consistent with data collected by the US Energy Information Administration. The zoning administrator may approve
829 another measure of capacity or source that is consistent with (a) and (a)(i). (b) Facility emissions, defined in WCC
830 20.97.124.1, shall be quantified for each expansion of refining and storage capacity in the application for land use or
831 construction permits and in SEPA documents analyzing the impacts of an expanded facility.

832 (c) The emissions analysis shall identify how mitigation will offset greenhouse gas emissions generated.

833 (d) Calculations of the baseline facility emissions and the projected increases shall be consistent with rules and
834 methods adopted by the State of Washington Department of Ecology and shall include upstream greenhouse gas
835 emission calculations for feedstocks used in the refining process as provided in (e) below.

836 (e) Emissions generated upstream of the refinery facility for production and transport of raw materials used for
837 refinery expansions shall be quantified using the latest version of the GREET Model developed by Argonne
838 National Laboratories or, for raw materials produced in Canada, the latest version of the GH Genius model
839 developed by Canadian national agencies may be used.

840 (f) The County may condition the permit to ensure appropriate mitigation consistent with subsection (3) and may
841 require periodic monitoring of greenhouse gas reduction measure effectiveness. Greenhouse gas mitigation proposed
842 by the permit applicant shall be additional, real and quantifiable and shall not be required under any other regulatory
843 mechanism.

844 (g) Should a national or state greenhouse gas mitigation requirement be adopted that pre-empts or would cause
845 duplication through local greenhouse gas mitigation, the County may defer to the national or state program.

846 (3) Local mitigation of greenhouse gas emissions shall be required, whenever calculated greenhouse gas emissions above the
847 baseline for a 3 year average (per section .801(2)(a)), after the effective date of this section [XXX].

848 (a) The applicant shall identify local carbon offset projects including the type and extent, duration, and expected
849 greenhouse gas reductions, to the satisfaction of the County's SEPA Responsible Official. Greenhouse gas

850 mitigation proposed by the applicant shall be additional, real and quantifiable and shall not be required under any
851 other regulatory mechanism.

852 (b) The County may, upon request by the Applicant, approve a fee in lieu of providing a local mitigation project.
853 The County shall use collected fees in lieu of mitigation for local greenhouse gas mitigation projects that are
854 additional, real and quantifiable and not required under any other regulatory mechanism. The in lieu fee shall be set
855 at \$60 per ton of carbon, based on the following document: US Environmental Protection Agency, Technical Update
856 of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866 (May 2013, Revised
857 August 2016). The fee shall be collected annually for the life of the fossil fuel facility or fossil fuel transshipment
858 facility.

859 (c) Should a national or state greenhouse gas mitigation requirement be adopted that pre-empts or would cause
860 duplication through local greenhouse gas mitigation, the County shall defer to the national or state program.

861 Discussion/Note: Regarding the fee in lieu, per the US EPA, the Social cost of carbon (SC-
862 CO₂) “is a measure, in dollars, of the long-term damage done by a ton of carbon dioxide
863 (CO₂) emissions in a given year. This dollar figure also represents the value of damages
864 avoided for a small emission reduction (i.e., the benefit of a CO₂ reduction).” See:
865 <https://19january2017snapshot.epa.gov/climatechange/social-cost-carbon.html>. If the
866 County wishes to increase the mitigation fee it may do so by ordinance with an
867 accompanying rationale such as inflation, updated US EPA guidance or other factors.

868 Rationale for Changes (shown in yellow): On October 24, 2019, the Planning
869 Commission approved a motion to remove the proposed GHG mitigation
870 requirements from the Zoning Code and keep proposed GHG provisions in SEPA
871 (with further discussion on the SEPA language at a later date). The above changes
872 would delete the proposed GHG provisions from the Zoning Code.

873 .802 Non-Capacity Improvements

874 (1) Expansions of existing legal fossil fuel refineries, fossil fuel transshipment facilities, renewable fuel refineries, or
875 renewable fuel transshipment facilities for non-capacity purposes are outright permitted uses. Examples of non-capacity
876 improvements include, but are not limited to:

877 (a) accessory buildings;

878 (b) office space;

879 (c) parking lots;

880 (d) radio communications facilities;

881 (e) security buildings;

882 (f) storage buildings; and

883 (g) other similar structures or activities.

884 (2) Regular equipment maintenance, replacement, safety upgrades, and environmental improvements are outright permitted
885 uses, but shall mitigate greenhouse gas emissions if required by WCC 20.68.801.

886

887

Rationale for PDS Changes (shown in yellow): Moving permitted uses associated with existing refineries and transshipment facilities from proposed WCC 20.68.802 above to the permitted use section of the Heavy Impact Industrial Zoning District for consistency with other sections of the Code, where additional items have been inserted as permitted uses to address public comments. Additionally, the reference to GHG mitigation provisions in the Zoning Code has been deleted.

CHAPTER 20.74 CHERRY POINT INDUSTRIAL (CP) DISTRICT

20.74.010 Purpose.

The purpose of the Cherry Point Industrial District is to implement the policies of the Cherry Point Major Industrial Urban Growth Area section of the Whatcom County Comprehensive Plan by establishing a range of land uses and types of development appropriate for the Cherry Point UGA and to encourage large scale master planning of industrial sites to preserve sites of sufficient size to accommodate major port and industrial development. (Ord. 98-083 Exh. A § 57, 1998).

20.74.020 Applicability.

This chapter is applicable to the entire Cherry Point Major Industrial Urban Growth Area. (Ord. 98-083 Exh. A § 57, 1998).

20.74.030 Permitted uses.

(1) Primary permitted uses:

(a) Area south of Grandview: Uses shall include the range of port and large scale industrial uses allowed in the Heavy Impact Industrial District, Chapter 20.68 WCC, as well as large scale high technology businesses.

(b) Area north of Grandview: Uses shall include the range of port and large scale industrial uses allowed in the Light Impact Industrial District, Chapter 20.66 WCC.

(2) Secondary permitted uses shall include smaller scale industrial uses, nonretail commercial uses, and industry-related professional services, provided the secondary use supports or is supported by primary permitted uses in the Cherry Point Industrial Urban Growth Area. (Ord. 98-083 Exh. A § 57, 1998).

20.74.040 Accessory uses.

Accessory uses shall be the same as those permitted in the Heavy Impact Industrial District, Chapter 20.68 WCC. (Ord. 98-083 Exh. A § 57, 1998).

20.74.050 Conditional uses.

Conditional uses shall be the same as those permitted in the Heavy Impact Industrial District, Chapter 20.68 WCC. (Ord. 98-083 Exh. A § 57, 1998).

20.74.055 Prohibited uses.

Prohibited uses shall be the same as those prohibited in the Light Impact Industrial District as applicable (Chapter 20.66), the Heavy Impact Industrial District as applicable: (Chapter 20.68 WCC), and the following:

Rationale for PDS Changes (shown in yellow): The Cherry Point Industrial District includes both the Heavy Impact Industrial and Light Impact Industrial zone. Therefore, both should be referenced.

(1) New piers, docks, or wharves.

(2) Conversion of Renewable Fuel Refinery or Renewable Fuel Transshipment Facilities to fossil fuel facilities is prohibited, except as allowed under WCC 20.74.115 and WCC 20.68.153.

924 **20.74.060 Master site plan requirements.**

925 (1) Development in the Cherry Point Industrial District requires the review and approval of a master site plan, including
926 SEPA review. Acceptable master site plans include site plans and supporting information submitted and approved for
927 applications for a building permit, a short subdivision, a preliminary plat, a binding site plan, a major project permit or a
928 planned unit development.

929 (2) The minimum area for a master site plan (planning block) shall be 160 acres, or the entire property under common
930 ownership if the common ownership is less than 160 acres.

931 (3) Each planning block shall include one lot of not less than 40 acres in size to be designated as the site for a port or major
932 industrial activity; provided, that if the planning block is 40 acres or smaller, the requirement for the major industrial site
933 shall be waived.

934 (4) Within a planning block, one or more parcels smaller than 40 acres may be created for secondary uses.

935 (5) Review and approved of a master site plan for a planning block shall be included in the approval of any building permit,
936 short subdivision, preliminary plat, binding site plan, major project permit or a planned unit development and shall be subject
937 to the same review and approval standards, including SEPA review, as the plat, binding site plan or permit. Each master site
938 plan shall identify, as appropriate, the proposed phasing of the development including the construction of public and private
939 facilities and utilities. The master site plan or supporting documentation as appropriate shall also include any mitigation
940 required under SEPA and the county critical areas ordinance. (Ord. 98-083 Exh. A § 57, 1998).

941 **20.74.070 Minimum lot size and parcelization.**

942 The minimum lot size in the Cherry Point Industrial District shall be 40 acres; provided, that lots less than 40 acres may be
943 permitted as follows:

944 (1) When the lots are to be located within a development approved as a major project under Chapter 20.88 WCC consistent
945 with the master site plan requirements in this chapter.

946 (2) When the lots are to be located within a development approved as a planned unit development under Chapter 20.85 WCC
947 consistent with the master site plan requirements of this chapter.

948 (3) When the lots are part of a short subdivision, long subdivision or binding site plan approved as consistent with the master
949 site plan requirements of this chapter.

950 (4) When the administrator finds that the lot(s) will be developed with a use(s) that is consistent with the intent of the district
951 and will not interfere with the development of the primary large uses intended by the Comprehensive Plan.

952 (5) When an existing lot of record is less than 40 acres, provided further division is consistent with this section. (Ord. 98-083
953 Exh. A § 57, 1998).

954 **20.74.080 Design standards.**

955 Unless otherwise modified by this chapter, building height, setbacks, landscaping, open space and other building and site
956 design standards for areas south of Grandview Road shall be the same as those of the Heavy Impact Industrial District,
957 Chapter 20.68 WCC; and for the area north of Grandview Road, the same as those of the Light Impact Industrial District,
958 Chapter 20.66 WCC. (Ord. 98-083 Exh. A § 57, 1998).

959 **20.74.090 Traffic demand management.**

960 RCW 36.70A.365 requires the implementation of traffic demand management (TDM) programs for designating a Major
961 Industrial Urban Growth Area. Any employer in the Cherry Point Urban Growth Area that employs 100 or more full-time
962 employees at a single worksite who begin their regular work day between 6:00 a.m. and 9:00 a.m. on weekdays for at least 12
963 continuous months during the year are required to meet the TDM requirements of Chapter 16.24 WCC.

964 (1) Employers located in Cherry Point who have not implemented a TDM program shall implement a TDM program by
965 December 1, 2011.

966 (2) Employers in Cherry Point meeting the criteria for having to complete a plan after December 1, 2011, shall meet the
967 requirements of this section within one year of having met the criteria. (Ord. 2009-071 § 2 (Exh. B), 2009).

968 **20.74.100 Drainage.**

969 All development activities are subject to the stormwater management provisions of WCC 20.80.630 through 20.80.635. No
970 project permit shall be issued prior to meeting those requirements. (Ord. 2019-013 § 1 (Exh. A), 2019).

971 **20.74.110 Change of Use**

972 A change of use occurs when the occupancy of a building or a site use changes from one use to another in whole or in part. A
973 change of use permit is required to document a change of use, if no other County project permits are required, even where no
974 alterations are planned or required by the code. This shall be processed as a Type I permit in Chapter 22.05 WCC. The new
975 use shall ensure:

976 Rationale for PDS Changes (shown in yellow): In order to streamline the process, a
977 “change of use permit” would only be required if no other County permit is
978 needed that documents the change of use.

979 (1) Applicable building and construction codes are met per Title 15;

980 (2) Consistency with the requirements of the CPCherry Point Industrial District, Chapter 20.74, and base zone; and

981 Rationale for PDS Changes (shown in yellow): Cite the full name of the zoning
982 district.

983
984 (3) Transportation concurrency requirements are met per Chapter 20.78.

985 *Discussion/Notes: Change of Use Provisions. Focus is on consistency with the CP district*
986 *where this permit applies.*

987 **20.74.115 Change of Use of Renewable Fuels Facilities.**

988 A change of use of a Renewable Fuel Refinery or Renewable Fuel Transshipment Facilities to a fossil fuel facility inside the
989 boundary of an existing legal fossil fuel refinery requires a conditional use permit subject to WCC 20.68.153. Other changes
990 of use from Renewable Fuel Refinery or Renewable Fuel Transshipment Facilities to fossil fuel facilities are prohibited.

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1001 CHAPTER 20.88 MAJOR PROJECT PERMITS

1002 20.88.100 Major project permits.

1003 .110 All major developments shall, prior to any construction, obtain a major project permit.

1004 .120 A major project permit will be required for mitigation banks proposed in accordance with the provisions of Chapter
1005 16.16 WCC and for any proposed development that meets any two of the following conditions:

Cost

(estimated construction cost exclusive \$5,000,000
of land value)

Size

Retail 75,000 square feet

office or industrial (gross leasable floor space) 200,000 square feet

Residential 300 dwelling units

motel/hotel 200 units

Number of Employees 250

SEPA Review An EIS is required

1006

1007 In addition, the zoning administrator may make an administrative determination after receiving a recommendation from the
1008 technical review committee that any project be considered a major development, if in the opinion of the administration it is of
1009 a nature that council review would be appropriate.

1010 .130 Pursuant to WCC 22.05.120 the hearing examiner shall recommend to the county council project approval, approval
1011 with conditions, or denial, based upon written findings and conclusions supported by the evidence of record. The hearing
1012 examiner’s recommendation and county council’s decision shall determine the adequacy of a major project permit application
1013 based on the following criteria:

1014 (1) Will comply with the development standards and performance standards of the zone in which the proposed major
1015 development will be located; provided where a proposed major development has obtained a variance from the development
1016 and performance standards, standards as varied shall be applied to that project for the purposes of this act.

1017 (2) Where the project is conditionally permitted in the zone in which it is located, the project must satisfy the standards for
1018 the issuance of a conditional use permit for the zone in which the project is located.

1019 ~~(3) Will be consistent with applicable laws and regulations.~~

1020 (3) Will obtain, if required, a state aquatic lands lease, and all other necessary permits and authorizations, including federal
1021 determinations that the project will not interfere with treaty fishing rights of tribal nations, the limits set forth in the

1022 “Magnuson Amendment” under 33 U.S.C. § 476(b) (2004), Section 10 of the Rivers and Harbors Act (for structures in or
1023 over navigable waters of the U.S.), the Coastal Zone Management Act (including any state Department of Ecology shoreline
1024 conditional use or variance approval), the Clean Air Act, and/or under the Clean Water Act, including but not limited to a
1025 federal Section 404 authorization (for fill into waters of the U.S.) and a state Section 401 water quality certification, prior to
1026 issuance of any site preparation or construction permits necessary to construct a facility authorized under a major project
1027 permit.

1028 (4) Will not substantially interfere with the operation of existing uses.

1029 (5) Will be served by, or will be provided with essential utilities, facilities and services necessary to its operation, such as
1030 roads, drainage facilities, electricity, water supply, sewage disposal facilities, and police and fire protection. Standards for
1031 such utilities, facilities and services shall be those currently accepted by the state of Washington, Whatcom County, or the
1032 appropriate agency or division thereof.

1033 (6) Will not impose uncompensated requirements for public expenditures for additional utilities, facilities and services, and
1034 will not impose uncompensated costs on other property owned.

1035 (7) Will be appropriately responsive to any EIS prepared for the project.

1036 .140 In addition, the hearing examiner may recommend or county council may impose any reasonable conditions precedent
1037 to the establishment of the major development as may be required to mitigate impacts of the proposal on the natural
1038 environment of the county, and to protect the health, safety and general welfare of the people of the county consistent with
1039 the policies for environmental protection set forth in the Comprehensive Plan.

1040 .150 The hearing examiner may recommend or county council may also approve alternative mitigation plans for major
1041 project permits in accordance with WCC 16.16.260(E) which may be used to satisfy the requirements of Chapter 16.16 WCC
1042 and provide relief from the specific standards and requirements thereof.

1043 **20.88.200 Procedure.**

1044 .205 If a major project permit is determined to be required, an application shall be completed and filed along with the
1045 appropriate fees, and the application shall be processed in accordance with Chapter 22.05 WCC. A master plan is required as
1046 part of the application for a major project permit. The master plan document shall include all elements required per the
1047 department’s administrative manual.

1048 .210 Development Standards. The master planmajor project permit may propose standards that will control development of
1049 the possible future uses that are in addition to, or substitute for, requirements of this chapter. These may be such things as
1050 height limits, setbacks, frontage, landscaping requirements, parking requirements, signage, view corridors or facade
1051 treatments. Proposed standards that do not meet the minimum county standards must obtain the appropriate variance prior to
1052 county approval of the proposed standards. If the proposed design standards will apply to property located partially or totally
1053 within an urban growth area, concurrence of the affected city will be required.

1054 .215 Procedures. Master plan-major project permit review shall be conducted under current review procedures. Other land use
1055 reviews may be conducted concurrently with the master plan-major project permit review.

1056 (a) Any modifications, additions or changes to an approved master plan are subject to the following:

1057 (i) Minor changes shall be reviewed for compliance and compatibility with the approved master planmajor project
1058 permit.

1059 (1) A determination is made by the director. The director is authorized to consult a technical committee at
1060 his/her discretion.

1061 (2) Minor changes are those amendments which may affect the dimensions, location and type of
1062 improvements of facilities; provided, the amendment maintains the basic character of the major project
1063 permit application approved by the county council including general type and location of dwellings and
1064 other land use activities, arrangement of buildings, density of the development, and provisions of the
1065 project to meet density bonus and open space requirements, or capacity limits, and maintains required
1066 conditions or mitigation.

1067 (ii) Major changes shall be subject to the original procedural application type, subject to the fees as contained in
1068 the unified fee schedule.

1069 (iii) ~~Master plans~~Major project permits may include, as a condition of their approval, a requirement for periodic
1070 progress reports and mandatory updates on a predetermined interval.

1071

Rationale for PDS Changes (shown in yellow): A master plan is one component of the major project permit. The procedures above should relate to the entire permit (not just one component of the permit).

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1075 .220 through .265 *Reserved.*

1076 .270 Where a project requires a major project permit, that project shall be exempt from the requirement of obtaining a
1077 conditional use permit.

1078 .275 Major project permits: Where an applicant has applied for a planned unit development or a development agreement, that
1079 project shall be exempt from the requirement to obtain a major project permit except in the Cherry Point Industrial District.

1080 .280 Major project permits in the Cherry Point Industrial District: where a project in the Cherry Point Industrial District
1081 requires a major project permit, the major project permit shall be concurrently processed with other required land use permits
1082 including but not limited to: Cherry Point master site plan, conditional use permit, planned unit development, or development
1083 agreement.

1084

Rationale for PDS Changes (shown in yellow): The master plan is part of a permit application (not a permit in itself).

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Additionally, when a major project permit is required, it is exempt from the conditional use permit (WCC 20.88.270 above).

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1098 CHAPTER 20.97 DEFINITIONS

1099 Discussion/Notes: Definitions added are based on a review of federal (US Energy
1100 Information Administration, US Census, Code of the Federal Register, Revised Code of
1101 Washington), County Ordinance NO. 2018-007, Resolution 2019-004 and examples
1102 addressed in the White Paper.

1103 20.97.052.1 Change of Use

1104 “Change of use” means when a building or occupancy is altered or replaced, for example from manufacturing to office.

1105 Renumber Section 20.97.052.1 Child care facilities to 20.97.052.2 Child care facilities.

1106 20.97.124.1 Facility Emissions.

1107 “Facility Emissions” are greenhouse gas emissions associated with fossil fuel or renewable fuel refineries or fossil or
1108 renewable fuel transshipment facilities based upon:

1109 (1) the transportation within the borders of Whatcom County of refined and unrefined fossil fuels to and from a facility
1110 located within the Cherry Point Heavy Industrial area, and

1111 (2) the refining and processing of fossil fuels located within the Cherry Point Heavy Industrial area, and

1112 (3) the upstream emissions generated by the production and transport of raw products to the facility such as crude oil
1113 feedstocks or other fuels used in production or energy generation at facilities.

1114 Rationale for Changes (shown in yellow): On October 24, 2019, the Planning
1115 Commission approved a motion to remove the proposed GHG mitigation
1116 requirements from the Zoning Code and keep proposed GHG provisions in SEPA
1117 (with further discussion on the SEPA language at a later date). The term “facility
1118 emissions” is no longer is used in the Zoning Code. Therefore, PDS is proposing to
move it to the County’s SEPA rules, where it would be used.

1119 20.97.160.2 Fossil Fuels.

1120 “Fossil fuels” include coal, petroleum, crude oil, natural gas, oil shales, bitumens, tar sands, propane, butane, and heavy oils.
1121 All contain carbon and were formed as a result of geologic processes acting on the remains of organic matter. Renewable
1122 fuels are not fossil fuels.

1123 Rationale for PDS Changes (shown in yellow): The U.S. Energy Information
1124 Administration defines “Petroleum” as:
1125 A broadly defined class of liquid hydrocarbon mixtures. Included are
1126 crude oil, lease condensate, unfinished oils, refined products obtained from
1127 the processing of crude oil, and natural gas plant liquids. Note: Volumes of
1128 finished petroleum products include non hydrocarbon compounds, such as
additives and detergents, after they have been blended into the products.
1129 While crude oil is a type of petroleum, it might be useful to insert it in the
1130 definition so the reader can know that without going to another source. This would
be consistent with the definition of “Fossil-Fuel Refinery” below, which specifically
refers to crude oil.

1131 **20.97.160.3 Fossil or Renewable Fuel Transshipment Facilities.**

1132 “Fossil or Renewable Fuel Transshipment Facility” is a facility engaging in the process of off-loading of fossil or renewable
1133 fuel materials, refined or unrefined, refinery feedstocks, products or by products, from one transportation facility and loading
1134 it onto another transportation facility for the purposes of transporting such products into or out of Whatcom County.
1135 Examples of transportation facilities include ship, truck, or freight car. Fossil fuel transshipment facilities may also include
1136 pump and compressor stations and associated facilities. This definition excludes Small Fossil or Renewable Storage and
1137 Distribution Facilities.

1138 Rationale for PDS Changes (shown in yellow): The definition of “Fossil or
1139 Renewable Fuel Transshipment Facilities” omits “Renewable” in the first sentence of
1140 the definition.

1141 **20.97.160.4 Fossil-Fuel Refinery.**

1142 A “Fossil-Fuel Refinery” means a facility that converts crude oil and other liquids into petroleum products including but not
1143 limited to gasoline, distillates such as diesel fuel and heating oil, jet fuel, petrochemical feedstocks, waxes, lubricating oils,
1144 and asphalt. Activities that support refineries include but are not limited to: bulk storage, manufacturing, or processing of
1145 fossil fuels or by products. This definition excludes Small Fossil or Renewable Storage and Distribution Facilities.

1146 **20.97.160.5 Fossil-Fuel Refinery Capacity.**

1147 “Fossil Fuel Refinery Capacity” means the extent of refinery production capacity in relation to storage capacity. “Storage
1148 Capacity” is defined as total volume of all tanks at a facility and “Refining Production Capacity” is defined as the current
1149 actual throughput averaged over the latest three year reporting period prior to the date of a completed application for any
1150 necessary County permits obtained from official government reports from the refinery to federal or state agencies regarding
1151 production of the refinery or a particular process unit to be expanded.

1152 Rationale for PDS Changes (shown in yellow): “Fossil-Fuel Refinery Capacity”
1153 does not occur in the proposal. “Refinery Capacity” appeared one time
1154 (proposed WCC 20.68.801(2)(a)(ii)), but the Planning Commission recommends
1155 deleting this section of the proposal. Therefore, a definition is not needed.

1156 **20.97.163 Greenhouse Gas Emissions**

1157 “Greenhouse Gas Emissions” means gases that trap heat in the atmosphere. “Greenhouse gas,” “greenhouse gases,” “GHG,”
1158 and “GHGs” includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride,
1159 and any other gas or gases designated by the federal clean air act (United States Code Title 42, Chapter 85), ~~or~~ state clean air
1160 act (Chapter 70.94 RCW) or state limiting greenhouse gas emissions law (Chapter 70.235 RCW).

1161 *Discussion/Notes: See RCW 70.235.010 and RCW 70.94.030 regarding State laws.*
1162 *See also <https://www.epa.gov/ghgemissions/overview-greenhouse-gases>.*

1163 **20.97.201 Lifecycle Greenhouse Gas Emissions**

1164 “Lifecycle greenhouse gas emissions” means the aggregate quantity of greenhouse gas emissions (including direct emissions
1165 and significant indirect emissions), related to the full fuel lifecycle, including all stages of fuel and feedstock production and
1166 distribution, from feedstock generation or extraction through the distribution and delivery and use of the finished fuel to the
1167 ultimate consumer, where the mass values for all greenhouse gases are adjusted to account for their relative global warming
1168 potential.

1169 Discussion/Notes: Considers a definition under the Clean Air Act. See:
1170 [https://www.epa.gov/renewable-fuel-standard-program/lifecycle-analysis-greenhouse-](https://www.epa.gov/renewable-fuel-standard-program/lifecycle-analysis-greenhouse-gas-emissions-under-renewable-fuel)
1171 [gas-emissions-under-renewable-fuel](https://www.epa.gov/renewable-fuel-standard-program/lifecycle-analysis-greenhouse-gas-emissions-under-renewable-fuel) and
1172 <https://www.govinfo.gov/content/pkg/USCODE-2010-title42/html/USCODE-2010->
1173 [title42-chap85.htm](https://www.govinfo.gov/content/pkg/USCODE-2010-title42/html/USCODE-2010-title42-chap85.htm).

1174 **20.97.202 Living Wage**

1175 “Living wage” means the hourly rate that an individual must earn to support their family, if they are the sole provider and are
1176 working full-time (2080 hours per year). For the purposes of this definition family includes four individuals.

1177 Discussion/Notes: Based on a definition published by Massachusetts Institute of
1178 Technology. See <http://livingwage.mit.edu/counties/53073>. There is a living-wage
1179 calculator for each state and each county within. Living wage ordinances vary in their
1180 wage rates, and they often set the hourly wage a full-time, year-round worker must earn
1181 to bring a family of four out of poverty. See:
1182 <http://www.forworkingfamilies.org/resources/policy-tools-living-wage>.

1183 **20.97.350.1 Renewable Biomass**

1184 “Renewable biomass” includes but is not limited to the following:

1185 (1) Planted crops and crop residue harvested from agricultural land.

1186 (2) Planted trees and tree residue from a tree plantation.

1187 (3) Animal waste material and animal byproducts.

1188 (4) Slash and pre-commercial thinnings.

1189 (5) Organic matter that is available on a renewable or recurring basis.

1190 (6) Algae.

1191 (7) Separated yard waste or food waste, including recycled cooking and trap grease.

1192 (8) Items 1 through 7 including any incidental, de minimis contaminants that are impractical to remove and are related to
1193 customary feedstock production and transport.

1194 Discussion/Notes: Adapted from based on federal renewable fuel definition,
1195 <https://www.law.cornell.edu/cfr/text/40/80.1401>.

1196 **20.97.350.2 Renewable Fuel**

1197 “Renewable Fuel” means liquid fuels produced from renewable biomass and limited in terms of blending with fossil fuels.
1198 Common renewable fuels include ethanol and biodiesel:

1199 (1) "E85 motor fuel" means an alternative fuel that is a blend of ethanol and hydrocarbon of which the ethanol portion is
1200 nominally seventy-five to eighty-five percent denatured fuel ethanol by volume that complies with the most recent version of
1201 American society of testing and materials specification D 5798.

1202 (2) "Renewable diesel" means a diesel fuel substitute produced from nonpetroleum renewable sources, including vegetable
1203 oils and animal fats, that meets the registration requirements for fuels and fuel additives established by the federal
1204 environmental protection agency in 40 Code of Federal Regulations (C.F.R.) Part 79 (2008) and meets the requirements of
1205 American society of testing and materials specification D 975.

1206

Rationale for PDS Changes (shown in yellow): Federal regulations may be amended over time.
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1207 (3) Renewable fuels shall include those designed to result in a lifecycle greenhouse gas emission reduction of at least 50% or
1208 more under the Federal Clean Air Act. Renewable fuels shall not include products produced from palm oil or other
1209 feedstocks that cannot be proven to reduce greenhouse gas emissions utilizing accepted methods of the Washington State
1210 Department of Ecology or US EPA.

1211 *Discussion/Notes: A basic renewable fuel energy source is biomass. From biomass,*
1212 *common liquid fuel forms include ethanol and biodiesel. See:*
1213 https://www.eia.gov/energyexplained/?page=renewable_home.

1214 Washington State defines renewable diesel and E85 motor fuel in the motor fuel
1215 quality act (Chapter 19.112 RCW), which are integrated in the definition.

1216 Limiting fossil fuel percentages to 5% is workable for buses and power cars. See
1217 <http://www.cleanairtrust.org/Differences-Between-E85-and-E95.html>. E85 includes 15-
1218 25% fossil fuels and is used by flexibly fueled vehicles. See
1219 <https://www.fueleconomy.gov/feg/flextech.shtml>.

1220 Under the EPA renewable fuel standard, three of four renewable fuel categories must
1221 meet a 50% or 60% lifecycle greenhouse gas (GHG) reduction. A fourth conventional
1222 renewable ethanol must meet a 20% lifecycle GHG reduction. See:
1223 [https://www.epa.gov/renewable-fuel-standard-program/overview-renewable-fuel-](https://www.epa.gov/renewable-fuel-standard-program/overview-renewable-fuel-standard)
1224 [standard](https://www.epa.gov/renewable-fuel-standard-program/overview-renewable-fuel-standard).

1225 20.97.350.3 Renewable Fuel Refinery

1226 A “Renewable Fuel Refinery” means a facility that processes or produces renewable fuels. This definition excludes Small
1227 Fossil or Renewable Storage and Distribution Facilities.

1228 20.97.425.1 Small Fossil or Renewable Fuel Storage and Distribution Facilities

1229 “Small Fossil or Renewable Fuel Storage and Distribution Facilities” means:

- 1230 (1) Equipment and buildings used for purposes of direct sale or distribution to consumers of fossil fuels or renewable fuels, or
1231 (2) Accessory equipment that supplies fossil fuels or renewable fuels to an onsite allowed commercial or industrial operation,
1232 and that does not meet the definitions of fossil-fuel refinery, renewable fuel refinery, or fossil or renewable fuel
1233 transshipment facilities.

1234

1235 Rationale for PDS Changes (shown in yellow): Buildings may also be needed at 1236 small scale facilities.

1237 20.97.434.1 Technical committee.

1238 “Technical committee” or “technical review committee” means the designated representatives of the Whatcom County
1239 Planning and Development Services Director, who shall act as chairperson, the Whatcom County Public Works Director, and
1240 the Whatcom County Health Department Director.

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Exhibit D

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CHAPTER 22.05 PROJECT PERMIT PROCEDURES

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22.05.020 Project permit processing table.

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(1) Marked boxes in the table below indicate the required general steps for processing all project permit applications or administrative actions. The requirements for each step listed in the top row of the table are provided in WCC 22.05.040

1250

through 22.05.160, as indicated. Specific requirements for each project permit can be found through the references given in the table.

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Permit Application Processing Table	WCC Reference for Specific Requirements	Pre-Application Required (see 22.05.040)	Determination of Completeness Required (see 22.05.050)	Notice of Application Required (see 22.05.070)	Site Posting Required (see 22.05.080)	Notice of Open Record Hearing Required (see 22.05.090)	Open Record Hearing Held By: (see 22.05.090)	County Decision Maker (see 2.11.210, 22.05.120)	Appeal Body (see 2.11.210, 22.05.160, 23.60.150(H))
Type I Applications (Administrative Decision with No Public Notice or Hearing)									
Boundary Line Adjustment	21.03							Administrator	Hearing Examiner
Building Permit	15.04	(f)						Administrator	Hearing Examiner (i)
Natural Resource Assessment	Title 16							Administrator	Hearing Examiner
Change of Use, Cherry Point Industrial District	Chapter 20.74							Administrator	Hearing Examiner
Commercial Site Plan Review								Administrator	Hearing Examiner
Exempt Land Division	21.03							Administrator	Hearing Examiner
Floodplain Development Permit	Title 17							Administrator	Hearing Examiner
Land Disturbance Permit	15.04 and 20.80							Administrator	Hearing Examiner
Lot of Record/Lot Consolidation	20.83 and 20.97.220							Administrator	Hearing Examiner
Nonconforming Use	20.83							Administrator	Hearing Examiner
Removal of Development Moratorium	20.80.738(3)								
Shoreline Exemption	23.60	(a)						Administrator	Hearing Examiner
Zoning	22.20							Administrator	Hearing

Permit Application Processing Table	WCC Reference for Specific Requirements	Pre-Application Required (see 22.05.040)	Determination of Completeness Required (see 22.05.050)	Notice of Application Required (see 22.05.070)	Site Posting Required (see 22.05.080)	Notice of Open Record Hearing Required (see 22.05.090)	Open Record Hearing Held By: (see 22.05.090)	County Decision Maker (see 2.11.210, 22.05.120)	Appeal Body (see 2.11.210, 22.05.160, 23.60.150(H))
Interpretation									Examiner
Type II Applications (Administrative Decision with Public Notice; No Public Hearing)									
Administrative Use	20.84.235							Administrator	Hearing Examiner
Lot Consolidation Relief	20.83.070							Administrator	Hearing Examiner
Reasonable Use (b)	16.16							Administrator	Hearing Examiner
Shoreline Substantial (c)	23.60	(a)						Administrator (d)	Shorelines Hearings Board (h)
Shoreline Conditional Use (c)	23.60	(a)						Administrator (d)	Hearing Examiner
Short Subdivision	21.04							Administrator	Hearing Examiner
Type III Applications (Hearing Examiner Decision with Public Notice and Public Hearing)									
Conditional Use	20.84.200						Hearing Examiner	Hearing Examiner	Superior Court
Floodplain Development Variance	Title 17						Hearing Examiner	Hearing Examiner	Superior Court
Long Subdivision	21.05						Hearing Examiner	Hearing Examiner (g)	Superior Court
Binding Site Plan	21.07						Hearing Examiner	Hearing Examiner (g)	Superior Court
Reasonable Use (e)	16.16						Hearing Examiner	Hearing Examiner	Superior Court
Removal of Development Moratorium	20.80.738(2)						Hearing Examiner	Hearing Examiner	Superior Court
Shoreline Conditional Use	23.60	(a)					Hearing Examiner	Hearing Examiner (d)	Shorelines Hearings Board (h)
Shoreline Substantial	23.60	(a)					Hearing Examiner	Hearing Examiner (d)	Shorelines Hearings Board (h)
Shoreline Variance	23.60	(a)					Hearing Examiner	Hearing Examiner (d)	Shorelines Hearings Board (h)
Zoning or Critical	20.84.100 or						Hearing	Hearing	Superior Court

Permit Application Processing Table	WCC Reference for Specific Requirements	Pre-Application Required (see 22.05.040)	Determination of Completeness Required (see 22.05.050)	Notice of Application Required (see 22.05.070)	Site Posting Required (see 22.05.080)	Notice of Open Record Hearing Required (see 22.05.090)	Open Record Hearing Held By: (see 22.05.090)	County Decision Maker (see 2.11.210, 22.05.120)	Appeal Body (see 2.11.210, 22.05.160, 23.60.150(H))
Areas Ordinance Variance	16.16.270						Examiner	Examiner	
Type IV Applications (County Council Decision with Public Notice and Public Hearing)									
Development Agreement	2.11.205						Hearing Examiner	County Council	Superior Court
Major Project Permit	20.88						Hearing Examiner	County Council	Superior Court
Planned Unit Development	20.85						Hearing Examiner	County Council	Superior Court

1253

1254 Check marks indicate a step is required; reference letters refer to the notes in subsection (2) of this section.

1255 *Discussion/Notes: Scrubbing the Existing Code for consistency with new provisions and*
 1256 *desired review process.*

1257 **22.05.110 Final decisions – Type I, II, and III applications.**

1258 (1) The director or designee’s final decision on all Type I or II applications shall be in the form of a written determination or
 1259 permit. The determination or permit may be granted subject to conditions, modifications, or restrictions that are necessary to
 1260 comply with all applicable codes.

1261 (2) The hearing examiner’s final decision on all Type III applications per WCC 22.05.020 or appeals per WCC 22.05.160(1)
 1262 shall either grant or deny the application or appeal.

1263 (a) The hearing examiner may grant Type III applications subject to conditions, modifications or restrictions that the
 1264 hearing examiner finds are necessary to make the application compatible with its environment, carry out the objectives
 1265 and goals of the comprehensive plan, statutes, ordinances and regulations as well as other official policies and objectives
 1266 of Whatcom County.

1267 (b) Requirements:

1268 (i) Performance bonds or other security, acceptable to the prosecuting attorney, may be required to ensure
 1269 compliance with the conditions, modifications and restrictions.

1270 (ii) Fossil or Renewable Fuel Refinery or Fossil or Renewable Fuel Transshipment Facilities: The applicant shall
 1271 provide insurance or other financial assurance acceptable to the prosecuting attorney consistent with Section
 1272 22.05.125.

1273 (c) The hearing examiner shall render a final decision within 14 calendar days following the conclusion of all testimony
 1274 and hearings. Each final decision of the hearing examiner shall be in writing and shall include findings and conclusions
 1275 based on the record to support the decision.

1276 (d) No final decision of the hearing examiner shall be subject to administrative or quasi-judicial review, except as
 1277 provided herein.

1278 (e) The applicant, any person with standing, or any county department may appeal any final decision of the hearing
 1279 examiner to superior court, except as otherwise specified in WCC 22.05.020. (Ord. 2019-013 § 1 (Exh. A); Ord. 2018-
 1280 032 § 1 (Exh. A)).

1281 22.05.120 Recommended Recommendations and final decisions to county council. Type
1282 IV applications

1283 (1) For Type IV applications per WCC 22.05.020 the hearing examiner’s recommendations to the county council may be to
1284 grant, grant with conditions or deny an application. The hearing examiner’s recommendation may include conditions,
1285 modifications or restrictions as may be necessary to make the application compatible with its environment, carry out the
1286 objectives and goals of the comprehensive plan, statutes, ordinances and regulations as well as other official policies and
1287 objectives of Whatcom County.

1288 (2) Each recommended decision of the hearing examiner for an application identified as a Type IV application per WCC
1289 22.05.020 shall be in writing to the clerk of the county council and shall include findings and conclusions based upon the
1290 record to support the decision. Such findings and conclusions shall also set forth the manner in which the decision carries out
1291 and conforms to the county’s comprehensive plan and complies with the applicable statutes, ordinances or regulations.

1292 (3) The deliberation of the county council on quasi-judicial actions shall be in accordance with WCC 22.05.090(4) and
1293 Chapter 42.36 RCW.

1294 (4) For planned unit developments and major project permits the following shall apply:

1295 (a) The recommendation of the hearing examiner regarding planned unit developments and major project permits shall
1296 be based upon the criteria set forth in WCC 20.85.335 and 20.88.130, respectively.

1297 (b) The hearing examiner shall file the recommendation with the clerk of the county council within 21 calendar days
1298 following the conclusion of the open record hearing.

1299 (c) The county council shall conduct the following within the specified time frames, except as provided in subsection
1300 (4)(c)(iii) of this section:

1301 (i) Hold a public meeting, not an open record public hearing, to deliberate on the project application within 28
1302 calendar days after receiving the hearing examiner’s recommendation.

1303 (ii) Issue a final written decision within 21 calendar days of the public meeting.

1304 (iii) The county council may exceed the time limits in subsection (4)(c)(i) or (ii) of this section if the county council
1305 meeting schedule does not accommodate a meeting within the above time frames, or if the county council makes
1306 written findings that a specified amount of additional time is needed to process a specific application or project
1307 type, per RCW 36.70B.080(1).

1308 (5) The county council’s final written decision may include conditions when the project is approved and shall state the
1309 findings of fact upon which the decision is based.

1310 (a) Performance bonds or other security, acceptable to the prosecuting attorney, may be required to ensure compliance
1311 with the conditions, modifications and restrictions.

1312 (b) Fossil or Renewable Fuel Refinery or Fossil or Renewable Fuel Transshipment Facilities: The applicant shall
1313 provide insurance or other financial assurance acceptable to the prosecuting attorney consistent with Section 22.05.125.

1314 (6) Any deliberation or decision of the county council shall be based solely upon consideration of the record established by
1315 the hearing examiner, the recommendations of the hearing examiner and the criteria set forth in county code-applicable state
1316 laws and regulations, county code, the county comprehensive plan if applicable, and the county shoreline management
1317 program, including but not limited to compliance with SEPA, WAC 197-11 (SEPA Rules) as adopted and modified in the
1318 county code, and the county’s adopted SEPA policies. (Ord. 2018-032 § 1 (Exh. A)).

1319 Rationale for PDS Changes (shown in yellow): Other parts of the proposal require
1320 that state permits be obtained. However, that is different than the County Council
1321 or hearing examiner evaluating criteria in state laws and regulations. It’s the
applicable state agency’s job to evaluate state criteria, determine if those criteria
are met, and then issue the permit. A copy of that permit can then be submitted to
the County.

1322 22.05.125 Proof of insurance for hazards created in the County

1323 Permit applicant to provide proof of insurance naming Whatcom County as additional insured.

1324 Rationale for Changes (shown in yellow): On November 14, 2019, the Planning
1325 Commission approved a motion to insert the insurance language above and delete
1326 the insurance language below.

1327
1328 At the time of Type I, II, III, or IV applications addressing production capacity or storage tank increases at fossil fuel
1329 refineries, fossil fuel transshipment facilities, renewable fuel refineries, or renewable fuel transshipment facilities (Facilities),
1330 the applicant shall provide proof of insurance or other financial security acceptable to the prosecuting attorney, which may
1331 include a parent company corporate guarantee to cover loss or damages to the County and to County residents from any fire,
1332 explosion, spill or other sudden incident from operations of the Facility or from transport of materials, goods, products or
1333 waste within the boundaries of Whatcom County. This requirement shall also be met for Type I changes in use from fossil
1334 fuel refineries or transshipment facilities to renewable fuel refineries or transshipment facilities. The required policies and
1335 any parent company corporate guarantee shall contain the following Coverage Terms:

1336 (1) Insureds: The Primary Named Insured shall include the Permitted Entity(ies). The County shall be included as additional
1337 Insured and shall be provided complete copies of applicable insurance policies and endorsements.

1338 (2) Insuring Agreements: Insurance shall pay on behalf of the Insured for loss from third party bodily injury, property
1339 damage or environmental remediation and restoration expenses resulting from sudden pollution conditions commencing on or
1340 after the Permit effective date, either:

1341 (a) emanating from and beyond the boundaries of a Permitted Facility, or

1342 (b) arising from materials or waste during transportation to or from a Permitted Facility.

1343 (3) Policy Limits: Policy limits shall be no less than \$100 million for each Loss / total for all Losses. The required limits may
1344 be revised periodically by the County based on factors including inflation adjustments and Permit or Facility specific risks.

1345 *Discussion/Note: Minimum insurance amounts could be increased, but at levels above \$50*
1346 *million to \$100 million may not be available in the insurance market. We suggest taking*
1347 *out the \$100 million liability limit and substituting language that determines the liability*
1348 *limit as each permit is reviewed and made part of a development agreement. Other forms*
1349 *of financial assurance instruments could be allowed such as a letter of credit a parent*
1350 *company corporate guarantee or other financial assurance acceptable to the County*
1351 *Prosecutor as a substitute for commercial insurance. We have included code language to*
1352 *that effect in this draft. The County could also indicate that the amount of financial*
1353 *assurance is to be determined at the point of an approval decision for a facility expansion*
1354 *rather than specifying an amount here.*

1355 (4) Policy Deductibles: If the Policy has a deductible, the Insurer shall be liable for the payment of amounts within any
1356 deductible or self insured retention amount applicable to the policy, with a right of reimbursement by the Insured for any
1357 such payment made by the Insurer. If the Policy has a self insured retention (SIR) amount, the Primary Named Insured shall
1358 declare how it intends to provide a financial assurance to the County for such SIR amount, where acceptable forms of
1359 financial assurance are letters of credit and certificates of deposit.

- 1362 ~~(5) Term and Cancellation Notice:~~
- 1363 ~~(a) Insurance shall be carried for the lifetime of the Permitted Facility.~~
- 1364 ~~(b) Cancellation of the insurance, whether by the Insurer, the Insured, or other entity having an insurable interest in~~
1365 ~~and obtaining insurance on behalf of the owner or operator of the Permitted Facility, will be effective only upon~~
1366 ~~written notice and only after the expiration of 60 days after a copy of such written notice is received by the County~~
1367 ~~as evidenced by the return receipt.~~
- 1368 ~~(6) Bankruptcy: Bankruptcy or insolvency of the Insured shall not relieve the Insurer of its obligations under the policy.~~
- 1369 ~~(7) Choice of Law and Forum: The Policy shall not specify that the laws of a state other than the State of Washington apply~~
1370 ~~in the event of any dispute regarding the validity or formation of the Policy or the meaning, interpretation or operation of any~~
1371 ~~term, condition, definition or provision of the Policy. Policies may remain silent on choice of law and forum.~~
- 1372 ~~(8) Insurance Company Financial Strength – Minimum Rating: The Insurer shall meet or exceed a Financial Strength Rating~~
1373 ~~from A.M. Best of “A” (Excellent) with a minimum Financial Size Category of XIV and a “Stable” or stronger Outlook, or~~
1374 ~~the equivalent from another major financial rating agency.~~
- 1375 ~~(9) Definitions: For the purposes of this section, terms are defined as follows:~~
- 1376 ~~(a) Permitted Facility: Permitted Facility means a location identified in the applicable County Permit, including any~~
1377 ~~fixed conveyances and terminal distribution systems, as well as pump and compressor stations and related facilities.~~
- 1378 ~~(b) Loss shall include:~~
- 1379 ~~(i) monetary awards or settlements of compensatory damages; and~~
- 1380 ~~(ii) where allowable by law, punitive, exemplary, or multiple damages; and~~
- 1381 ~~(iii) civil fines, penalties, or assessments.~~
- 1382 ~~(c) Pollution conditions shall include discharge, dispersal, release or escape, including by fire or explosion, of any solid,~~
1383 ~~liquid, gaseous or thermal irritant or contaminant, including, but not limited to, petroleum hydrocarbons, smoke, vapors,~~
1384 ~~soot, fumes, acids, alkalis, or other chemicals.~~
- 1385 ~~(d) Sudden pollution conditions may be defined by reasonable time limits for discovery and reporting to the insurer.~~
- 1386 ~~(e) Transportation means movement by any vehicle or mode of transit including but not limited to automobile, truck, or~~
1387 ~~watercraft, as well as and is inclusive of loading, temporary placement during transit prior to final delivery, or~~
1388 ~~unloading, of materials goods, products or waste, either:~~
- 1389 ~~(i) intended for delivery to a Permitted Facility, or~~
- 1390 ~~(ii) being sent from a Permitted Facility.~~