

**Exhibit B**

**DRAFT ORDINANCE NO. XXXXX**

**AN ORDINANCE OF THE CITY OF PORT TOWNSEND, WASHINGTON, RELATED TO SERVICE USES AND LODGING IN THE MARINE RELATED AND MANUFACTURING DISTRICTS; AMENDING TITLE 17 OF THE PORT TOWNSEND MUNICIPAL CODE**

**WHEREAS**, the City of Port Townsend accepts Land Use Code Text Revision applications annually in accordance with the Growth Management Act and RCW 36.70A.130.

**WHEREAS**, on February 1, 2023, the Port of Port Townsend submitted a Land Use Code Text Revision Application, in accordance with the requirements of Port Townsend Municipal Code Section 20.04.

**WHEREAS**, as required by the Growth Management Act, RCW36.70A.130(1)(d), the proposed amendment to the development regulations are consistent with and implement the comprehensive plan. The amendments specifically advance the following Port Townsend Comprehensive Plan Goals and Policies:

Policy 11.1: Work with the Economic Development Council, Jefferson County, and the Port of Port Townsend to determine the area's projected manufacturing land use needs and each entity's role in satisfying those needs. Cooperate with these entities to develop a coordinated strategy for manufacturing development in the area.

Policy 11.9: Work closely with the Port of Port Townsend to provide for the development of the Boat Haven and Point Hudson properties in a way that ensures the viability of long-term marine uses, the vitality of the area for port-related uses, and compatibility with surrounding areas.

Goal 17: Preserve historic and cultural resources to retain our connection to the past, enhance community values, and leave a historical legacy for future generations.

Policy 17.2: Encourage the retention of significant historic and cultural resources that foster community identity and pride.

17.2.2: Develop incentives that promote the adaptive reuse and preservation of historic buildings (e.g., use of the upper floors of downtown historic buildings). Ensure that incentives provide reductions in regulatory requirements such as parking, in exchange for desired public benefits.

17.2.4: Promote commercial historic district revitalization strategies that recognize and capitalize on the historic traditions of Port Townsend.

**WHEREAS**, the City SEPA official has reviewed the potential adverse impacts of the proposed amendments and issued a Determination of Non Significance (LUP23-010) pursuant to the State Environmental Policy Act (SEPA); and

**WHEREAS**, public notice and opportunity to comment on these amendments was provided through

- electronic notice to interested parties,
- Planning Commission Hearing on September 14, 2023
- a legal notice of SEPA determination published in the Port Townsend Leader on August 23, 2023
- a legal notice of public hearing before the City Council published in the Port Townsend Leader on August 23, 2023

**WHEREAS**, City Department of Planning and Community Development staff provided notice of intent to adopt the proposed development regulation amendments to the State Department of Commerce (DOC) for review and comment prior to the adoption of this ordinance per RCW 36.70A.106. DOC did not provide any substantive comments; and,

**WHEREAS**, the City Planning Commission, after timely notice, held a public hearing and accepted public testimony on this matter on September 14, 2023 and recommended to the City Council that Port Townsend Municipal Code Title 17 be amended as proposed; and

**WHEREAS**, the City Council held an open record public hearing on October 2, 2023, and has considered public comments and written submittals and the Planning Commission recommendations:

**NOW, THEREFORE**, THE City Council of the City of Port Townsend ordains as follows:

Section 1. Amendments.

- A. Table 17.22.020 of the Port Townsend Municipal Code is amended with added rows 55-56 as set forth in Exhibit A

Section 2. Severability. If any sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase or work of this ordinance.

Section 3. Transmittal to Department of Commerce. The City Clerk shall transmit a copy of the Ordinance to the State Department of Commerce (DOC) within ten (10) days of adoption of this ordinance.

Section 4. Notwithstanding any provisions to the contrary in Chapter 1.01.015 of the Port Townsend Municipal Code, staff and the Code Reviser are authorized to update and incorporate changes adopted in the Port Townsend Municipal Code. Staff and the Code Reviser are further

authorized to make non-substantive edits related to numbering, grammar, spelling, and formatting consistent with this Ordinance.

Section 5. Effective Date. This ordinance shall take effect and be in force five days following its publication in the manner provided by law.

**ADOPTED** by the City Council of the City of Port Townsend, Washington at a regular meeting thereof, held this 16<sup>th</sup> of October, 2023.

**Exhibit A**

**Proposed Amendatory Language**

**Table 17.22.020**

**Marine Related and Manufacturing Districts –  
Permitted, Conditional and Prohibited Uses**

Key to table: P = Permitted outright; M = Permitted if marine related; C = Subject to a conditional use permit; X = Prohibited; N/A = Not applicable						
DISTRICT	M/C	M-I	M-II(A)	M-II(B)	M-III	APPLICABLE REGULATIONS/NOTES
Rows 1-54 STET						
<b>SERVICE USES, LODGING</b>						
Short term rentals	X	X	X	X (Except as indicated in applicable regulations/notes column)	X	Prohibited, except for the following existing structures, where short term rentals shall be permitted: historic Pilot’s Cottage on Lot 5, Blk 52 of PT Original Townsite; historic Junior Officer’s Quarters (Duplex) Building; and the historic Commander’s House.
Rows 55-87 STET						