

Figure 2.1-1: Location Map

2.0 EXISTING CONDITIONS

This chapter includes a detailed discussion of Rosario’s setting, land use and ownership, facilities, aesthetics, and infrastructure. An overview of Rosario’s history and a brief discussion of the site’s natural environment are also included.

2.1 RESORT SETTING

2.1.1 Regional Setting

The Resort is located on Orcas Island, the largest island in the San Juan Archipelago in northwestern Washington State (Figure 2.1-1). The San Juan Archipelago consists of 172 islands located above the northernmost reach of Puget Sound, between Canada’s Vancouver Island and the Washington mainland. The island grouping makes up some 180 square miles of land surface, of which nearly 75% is concentrated in the three large islands of San Juan, Orcas, and Lopez.

Shielded by the Olympic Mountain Range, the San Juans are relatively protected from the precipitation and cloud cover to which the Puget Sound and other portions of the coastal lowlands are subject. This contributes to superior year-round Northwest weather conditions, especially during the peak tourist season from June to September.

Rosario

Orcas, a saddlebag-shaped island of 56 square miles, is bounded on the north by the Strait of Georgia, on the east by Rosario Strait, and by numerous other islands on the other sides. Orcas Island has long been a favorite destination for generations of vacationers attracted by its scenic beauty and mild weather. With its mountainous scenery, fjord-like bays, and accessible lakes, streams, and waterfalls, Orcas is considered the most beautiful of all the San Juan Islands and is often referred to as "the Gem of the San Juans."

Orcas Island can be accessed by the Washington State Ferry System as well as regularly scheduled flights to the Eastsound Airport via San Juan Airlines. Rosario can be accessed directly via Kenmore Air's scheduled float-plane service, foot ferry, or by private boat.

2.1.2 Surrounding Neighborhood

The Resort is surrounded on the uphill side by a neighborhood of single-family homes within several Rosario plats. The majority of these homes were built on 0.2- to 5-acre lots platted from the late 1950s through early 1980s on land that was formerly part of the Moran estate. Due to the steeply sloping topography, the homes are accessed by narrow, winding roads that connect with the County's Rosario Road, which also provides road access to the Resort. The hillside topography also provides many of these homes with dramatic views overlooking the Resort, Cascade Bay, and East Sound. Many of these

local residents maintain connections to the Resort, either through employment, membership in the Rosario Property Owners Association, spa membership, or through water or sewer hookups to Rosario Utilities.

The neighborhoods surrounding the Resort have had a long but uneven historical relationship with Rosario. During the Resort's first few years in the early 1960s, Rosario remained relatively small with a close relationship with the Rosario residents and the Orcas Island community. The proximity to the Resort facilities was appealing to the purchasers of property. Gilbert Geiser, the Resort's founder, also developed the plat of Rosario Estates, eventually developing five other plats in the surrounding properties.

At the time, the existing homes in the Rosario area were owned by individuals as their permanent residence, and many of these individuals were employed at Rosario. Some purchasers were frequent visitors to the Resort who were also looking ahead to retirement, and some came and stayed at the Resort for long periods while planning their homes. As the hub of activity, Rosario provided a place for property owners to become well acquainted with the staff, and this contributed to a close-knit community.

The Geisers were permanent Island residents who were much in evidence, working at the Resort as well as being involved in the Orcas Island community. The small permanent staff consisted of many Islanders, and during

the summer months the staff was supplemented by young Islanders out of school, many of whom returned each summer through their college years. A number of Rosario employees were volunteer fire fighters and/or Emergency Medical Technicians, contributing to the prevailing Rosario atmosphere of "neighbor helping neighbor."

The Geisers' original plat was marketed as part of a resort community and sold with deeded benefits such as access to the Resort's recreational facilities as well as connections to Rosario's water. Over the years, the level of benefits fluctuated as the Resort's ownership and management repeatedly changed hands. Benefits such as discount cards for food and beverages, discounts on spa membership, eligibility for year-round moorage, use of free meeting space, etc. have been enjoyed at various times by the community. Over time, a sense of un-met expectations and distrust resulting from inconsistent benefits became a common sentiment within the community, which continues to this day.

2.1.3 Site Context

Rosario Resort and Cascade Harbor Inn are situated on either end of Cascade Bay, a small cove which is approximately 1,800 feet across. A small 34-slip Marina is located inside the cove, protected from the prevailing winds by a stone jetty. A swath of manicured lawn and narrow beach encircles the bay. On the west end of the site is the rocky promontory of Rosario Point, and on

the east are the Cascade Harbor Inn and several other privately held parcels. Forested hillsides rise steeply to an elevation of several hundred feet above the bay, traversed by narrow winding roads accessing the majority of the Resort's lodging units.

The natural splendor that attracted Robert Moran to the site nearly a century ago continues to draw visitors today. Expansive views of open water are framed by towering, mature evergreens that climb the adjoining slopes, buffering the Resort from adjacent residential encroachment. Grazing black-tailed deer, curious harbor seals, and soaring bald eagles are common sights, even during the busy season.

The Resort is ideally situated between the semi-protected fjord of East Sound to the southwest and Moran State Park to the northeast. Surrounded on either side by the hilly shorelines of Orcas Island, the Venturi effect created by this scenic fjord makes East Sound a sailor's paradise—even when the rest of the San Juan Archipelago is becalmed, East Sound is likely to benefit from the dependable breezes created by the local geography. East Sound is also a popular diver's destination. Below the surface, the waters around Rosario are renowned for clarity and abundant marine life, including giant octopuses along with the dramatic "Rosario Wall," earning the area national rankings for scuba diving. Nearby Moran State Park is also a popular destination, with two large lakes and 30 miles of hiking trails. Several of these trails and

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a road popular with cyclists and motorists alike lead to the top of 2,027-foot Mount Constitution, which affords dramatic 360 degree views of surrounding islands, straits, and mountains.

2.1.4 Rosario Property Owners Association

The Rosario Property Owners Association (RPOA) was formed as a social organization after the original Moran Estate was subdivided. Property owners were able to join RPOA on a voluntary basis.

With ongoing property development in the Rosario area over the years, RPOA took on a greater role in the affairs of the community. To this day, it remains an association of property owners who join voluntarily. RPOA represents the interests of property owners on a number of topics and issues, including those resulting from Resort property development and the impact of the operations of the Resort and its wholly-owned water utility on the residential community. RPOA is an advocate of property rights, utility matters regarding water supply, the cost of water, septic systems, and maintaining the general ambience of the area in which they live.

While RPOA maintains a regular liaison, it remains an organization independent of the Rosario Resort. Liaison is facilitated through an open invitation to the Resort General Manager to join its board meetings and to write about items of interest for publication in the RPOA newsletter *Rosario Views*.

2.2 LAND USE AND OWNERSHIP

2.2.1 Applicable Land Use and Regulations

Consistent with the State's Growth Management Act, land use at and around the Resort is governed by the County's Comprehensive Plan. Due to the mix of land uses commonly associated with resorts, Rosario and Cascade Harbor Inn are within the special use Master Planned Resort designation. Resort Master Plans are subject to numerous regulations, most notably the procedural requirements of the land use and development provisions of San Juan County's Comprehensive Plan, San Juan County's Unified Development Code, SEPA, and the County's Shoreline Master Program (see Section 1.1 for further discussion of Master Planned Resort requirements). Most land uses may be permitted within this designation subject to an amendment to the Resort Master Plan or subject to administrative permit approval.

2.2.2 Surrounding Land Uses

San Juan County land use designations in the vicinity of Rosario are mapped in Figure 2.2-1. Land bordering the Rosario Resort MPR designation to the north consists of single-family homes and home sites on property subdivided from the original Moran estate holdings in the late 1950s. Most of these parcels are ½ acre in size or slightly larger and comprise a significant portion of the North Rosario Residential Activity Center, a LAMIRD (Limited Area of More Intensive Rural Development)

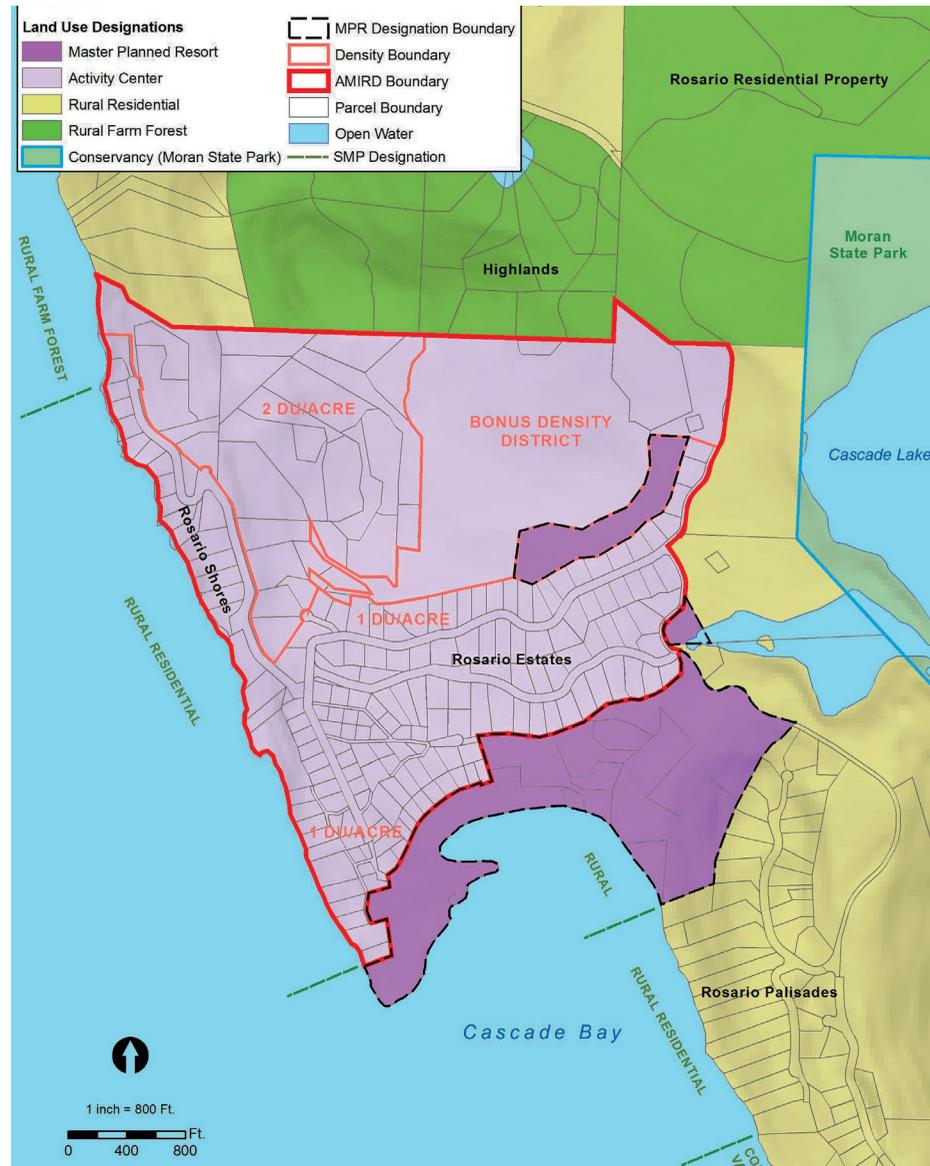


Figure 2.2-1: Surrounding Land Use Map

as designated by the County’s Comprehensive Plan. GMA does not allow urban or suburban development in rural lands, except in limited areas of more intensive rural developments, which are areas that have already developed at non-rural densities and uses. The intent is to allow infill development at the same density and pattern of use as previously established. LAMIRDs may include shorelines, activity centers, and crossroad developments. Importantly, GMA does not allow LAMIRDs to expand beyond their existing developed areas.

Land to the east abutting the MPR is designated Rural Residential under the County's comprehensive plan. Properties abutting and in the vicinity of the eastern boundary of the resort include a number of privately owned platted parcels to the southeast and large acreage tracts to the east abutting Cascade Lake. The large acreage tracts were once part of Rosario but are now a part of Moran State Park. Rosario sold approximately 40-60 acres of this land to the Trust for Public Lands in 1995 and 1996, who in turn sold it to the Parks Commission by 1998. Several hundred additional acres were sold to individuals; portions bordering Cascade Lake were later deeded to Moran State Park.

The County's Rural Residential designation is generally applied to established residential subdivisions with a small-lot development pattern. It allows single-family residential uses and home occupations, but most non-residential uses are not allowed. Residential development at densities of

Rosario

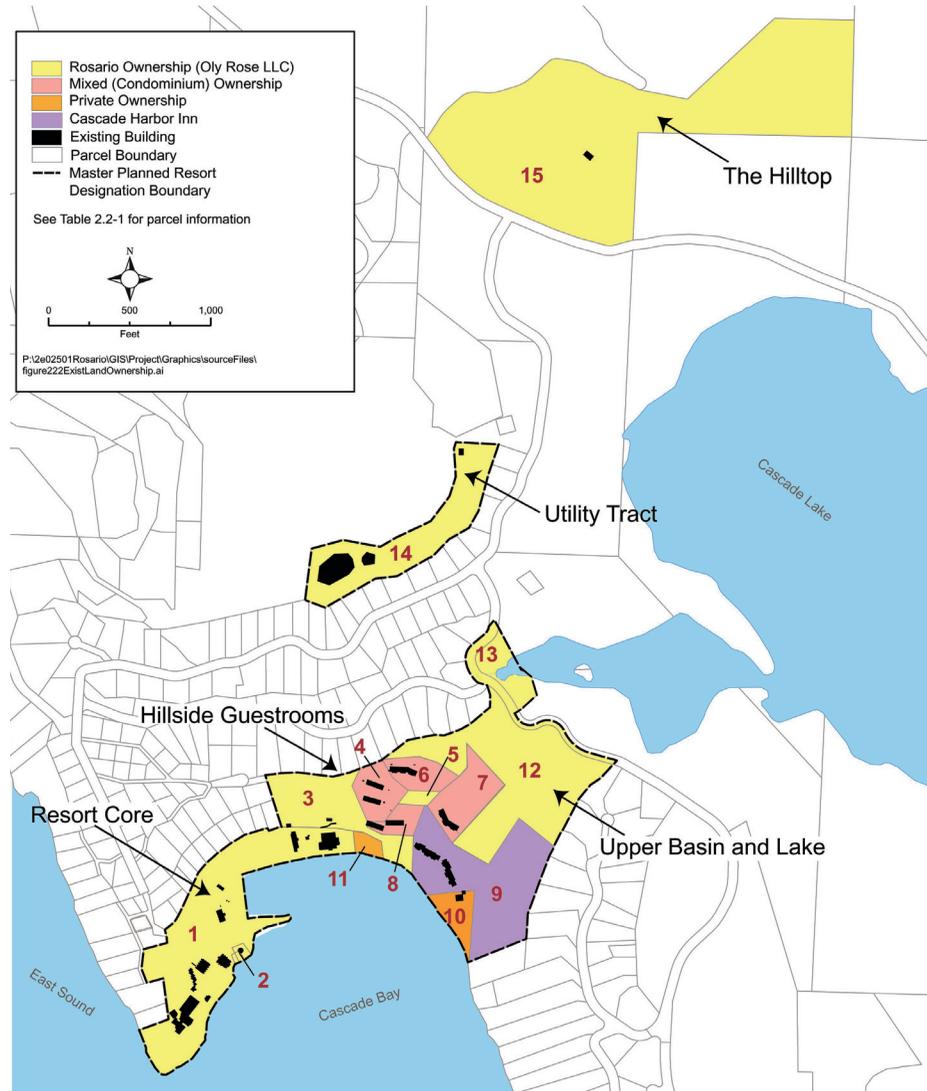


Figure 2.2-2: Land Ownership Map prior to RMP approval

Table 2.2-1: Parcels Comprising Rosario RMP (Prior to RMP approval).

Key	Description	Use	Acreage	Parcel I.D.	Ownership
1	Resort Core & Rosario Point	Moran Mansion	15.1	160621001000	Oly Rose, LLC
2	The "Roundhouse"*	guest suite	0.1	173134003000	Oly Rose, LLC
3	Undeveloped forested woodland	open space	4.7	173134005000	Oly Rose, LLC
4	1700 & 1900 Buildings	guest rooms	1.9	MATIA/ROSARIO	Oly Rose, LLC
5	Former Satellite Hall	maintenance & laundry	0.4	SATELLITE HALL	Oly Rose, LLC
6	2000 Building	guest rooms & suites	1.5	PATOS/ROSARIO	condominium
7	2100 Building	guest rooms & suites	2.9	SKIPJACK/ROSARIO	condominium
8	1500 & 1600 Buildings	guest rooms	1.0	SUCIA/ROSARIO	condominium
9	Cascade Harbor Inn	guest rooms & suites	9.1	ROSARIO HARBOR	D. & T. Morrison
10	Robert Scharnhorst residence***	residence	1.4	173143001000	Robert Scharnhorst
11	Gieser/Meade property***	open space	0.4	173134002000	Meade Rosario Trust
12	Undeveloped forested woodland	open space	13.3	173142001000	Oly Rose, LLC
13	Waterfront on Cascade Lake	tennis courts	2.4	173142002000	Oly Rose, LLC
14	Utility Tract	water and sewer treatment	8.0	173113004000	Oly Rose, LLC
15	"The Hilltop"***	employee housing	40.2	173043001000	Oly Rose, LLC
Total:			102.4		

*This parcel will be consolidated with Parcel I.D. 16021001000 through a proposed boundary line adjustment.

**The Hilltop parcel was not previously included within the MPR boundary, its inclusion resulted from RMP approval (see Section 4.3.11).

***These parcels were removed from the MPR designation by RMP approval.



Cascade Bay as viewed from Rosario Point



Living room of the original Moran residence

Table 2.2-2: Summary of Condominium Ownership by Building.

Building	Owners	(Condo) Units	Parcel
1500 Building (12 units)	H. Watson	3	SUCIA
	Marcia Ostyn	3	
	Bonnie Myers	3	
	L. Jensen	3	
1600 Building (12 units)	Sarah Geiser	3	SUCIA
	T. Conver	3	
	JM Land LLC	6	
1700 Building (12 units)	Oly Rose LLC	12	MATIA
1900 Building (12 units)	Jo Cooper	12	MATIA
2000 Building (18 units)	Sarah Geiser	3	PATOS
	Kay Whiting	3	
	R. Duvall	3	
	L. Rivers	3	
	Cobb & Jacobs	2	
	JM Land LLC	3	
Diane Cooper	1		
2100 Building (21 units)	Joe Cooper	3	SKIPJACK
	Paulette Church	3	
	Roxie Duvall	3	
	Sarah Geiser	3	
	Kay Whiting	3	
	Skip & Jack Assoc.	3	
	Philip Storrer	3	

one unit per five acres is allowed in this designation. In addition, parcels near the MPR that front on Cascade Lake are subject to compliance with the County’s Shoreline Master Program. The shoreline of Cascade Lake is designated Conservancy. The shoreline of East Sound includes a number of different shoreline designations. The designation depends on a number of factors including the zoning designation of the abutting uplands. The shoreline of Cascade Bay abutting the MPR is designated Rural.

2.2.3 Land Ownership

Prior to approval of this RMP, lands within the Master Planned Resort designation contained a total of 14 individual parcels comprising approximately 63 acres, as shown on Figure 2.2-2 and summarized in Table 2.2-1. Six of these parcels, comprising slightly over 46 acres, are owned by Rosario Resort. The largest parcel, a crescent-shaped lot just shy of 16 acres (the Resort Core), includes the Moran Mansion, Rosario Point, and the low elevation land surrounding the harbor. The second largest parcel is nearly 14 acres and mostly contains steeply sloping undeveloped forest land and the tennis courts in the eastern portion of the MPR designation. The remaining Rosario-owned holdings include three steeply sloping parcels of land above the central part of the Resort and the non-contiguous 8-acre Utility Tract that contains the water and sewage treatment plants, approximately 1/2 mile north of the Main Resort Parcel accessed via Firehouse

Rosario

Lane. In addition to lands that formerly comprised the MPR designation, a nearby 40.2-acre parcel called "the Hilltop" contains 20 units of employee housing that was developed by conditional use permit under the property's former Rural zoning. The Hilltop was included within the MPR through approval of this RMP. Allowable land uses and development standards are addressed in Section 6.1.4.

Three parcels (Sucia, Patos and Skipjack) containing slightly more than 5.4 acres are in condominium (mixed) ownership. These have been developed into lodgings, most of which are leased by Rosario Resort. Ownership of condominiums is summarized in Table 2.2-2.

The three remaining parcels include a 9.1-acre parcel owned by the Cascade Harbor Inn; a 1.4-acre parcel containing a single-family residence (together, these first two parcels occupy the southeast corner of the MPR designation); and a 0.4-acre undeveloped parcel east of the Resort Core.

Because use of these last two parcels is not related to Resort operations, both were removed from San Juan County's MPR designation as a part of RMP approval.



Figure 2.3-1: Aerial Photos of Rosario Resort



Robert Moran with his beloved Boston terrier in front of the *America* figurehead

2.3 RESORT OVERVIEW

The Resort is situated on the shore of Cascade Bay, a remote and protected cove on Orcas Island in the San Juan Archipelago, off the coast of Washington, as shown in Figure 2.3-1. The Resort’s principal draw continues to be its tranquil setting, spectacular views of East Sound and Cascade Bay, and historic buildings and grounds. Rosario Resort and Spa operates 131 lodging units in 12 guest buildings, and Cascade Harbor Inn operates 45 of its 48 lodging units in its 2 buildings. Most of these are located on a steeply sloping wooded hillside overlooking Cascade Bay. Most rooms feature spectacular Cascade Bay and East Sound views. Other facilities and amenities include a gourmet restaurant, the Moran Museum, a small protected harbor with 34 slips and 28 offshore moorage buoys, hiking trails, tennis courts, three swimming pools, and a spa and fitness center.

Rosario was originally developed as the centerpiece of a 6,000+ acre private estate following its acquisition in 1905 by renowned ship-builder and two-term Seattle mayor Robert Moran. The foundation for the three-story Mansion was hewn out of bedrock on a point of land commanding a view of East Sound and the westerly reach of the island beyond.

The Mansion, its furnishings, and the features of its grounds were designed by Moran himself with a nautical/ Arts and Crafts influence. The Mansion currently contains the Resort’s reception desk, the main restaurant

and lounge, retail outlets, spa facilities, museum, and administrative offices.

Of the original holdings of more than 6,000 acres, a private estate of 1,339 acres remained after the dedication of Moran State Park in 1921. To help finance Rosario’s redevelopment as a destination resort, plats on the periphery of the estate were subdivided and sold for homes beginning in 1959. Many of the historic features developed by Moran remain within Rosario’s waterfront core under single ownership.

The Resort faces a small deepwater cove known as Cascade Bay. Inside the cove, a gentle slope rises from a narrow sandy beach. On the west is the rocky promontory of Rosario Point, and on the east are the sheer cliffs of the ridge between Cascade Bay and a freshwater lake at an elevation of 351 feet. Known as Cascade Lake, it is the historic source of Rosario’s water and low voltage DC hydroelectric power. From the slope occupied by Resort buildings, the terrain rises on the north and west to the summit of Rosario Hill, which is 806 feet in elevation.

Around this hill, the approach to Rosario Point descends from the County Road. Much of the estate’s surrounding forest backdrop is second-growth timber as the site was previously occupied by a sawmill and box factory. A small seasonal creek, Bowman’s Creek (a.k.a. Cold Creek), cascades into the eastern part of the bay between Rosario Resort and the Cascade Harbor Inn. This part of the bay

Rosario

is bordered by steep rock embankments that drop into the bay with no beach.

The Resort caters to vacation travelers, groups, and small conferences who come to enjoy the many recreational opportunities and the wondrous views enhanced by weather conditions superior to both Seattle and Vancouver. In addition, Rosario's Discovery House Conference Center offers dedicated meeting space of over 5,000 square feet, which allows conferences and groups to meet in a scenic setting away from urban distractions. The Resort strives to foster a relaxed, luxurious atmosphere for its guests and visitors.

2.4 HISTORICAL OVERVIEW

Shell midden deposits provide evidence that the site was occupied by Native Americans far back into prehistoric times (see Archeological Resources under Section 4.2.1). A small settlement on Cascade Bay known as Newhall pre-dated Robert Moran's acquisition of the site. Newhall was home to the Cascade Bay Lumber and Manufacturing Company incorporated in 1887 to manufacture barrel stock, boxes, and dressed and rough lumber for local trade. The name was attributed to the company officers, brothers E.P. Newhall, president, and Andrew Newhall, superintendent. A modest frame dwelling dating from 1888, which may have been occupied by the superintendent, is the only remaining structure of the Newhall enterprise. The company appears to have been in operation at least as late as 1901, and the property was

sold by Andrew Newhall to Robert Moran in 1905.

Robert Moran was a highly successful shipbuilding magnate and Seattle politician. His Moran Brothers shipyard produced a fleet of vessels vital to the Yukon trade during the 1898 Alaska gold rush and built U.S. naval warships, including the battleship Nebraska, the first battleship launched from a Puget Sound shipyard. In 1887, Moran was elected to the Seattle City Council at the age of 30 and successfully ran for Mayor the following year, ultimately serving two terms in that office during and after the great Seattle Fire of 1889. By 1904, the strain of his stress-filled business and political life had taken its toll on Moran. At the age of 46, he was mentally and physically exhausted, and his doctors gave him only a few years to live. Moran transferred his business to his brothers, purchased over 6,000 acres of land on Orcas Island, and built his retirement home, which he named Rosario in 1906. Wealthy and free from the pressures of his business, Moran recovered completely and lived to the age of 86. He died on Orcas Island in 1943.

Moran planned his Mansion home with the same dedication as one of his ocean-going vessels: massive and solid, yet elegant and gracious. The Mansion was designed to replicate the interior of a turn-of-the-century luxury liner, complete with exotic woods, brass fittings, and grand staircase. Many pieces of original Arts and Crafts styled furniture and stained glass designed and made by Moran remain in the Mansion today.



Rocky shoreline of Cascade Bay with outfall of seasonal Bowman's Creek



Potential wetland complex northwest of employee housing



Field crew surveying important site features

Shortly after completing Rosario, Moran donated approximately 3,000 acres of land to the State of Washington, which became Moran State Park. In 1938, Moran sold Rosario to Donald Rheem and moved to smaller quarters elsewhere on the island. Rheem, a California industrialist and inventor of the domestic water heater, added the Carriage House and Honeymoon Suite Cottage to Rosario. The Falcon Corporation bought the Rosario property from the Rheems in 1958 with the intention of creating a land development rather than a hotel or resort. The Falcon Corporation created the first plat known as Rosario Estates and sold several homes and lots, when they ran into financial problems and sold the entire Rosario properties to Gilbert H. Geiser of Seattle. Geiser felt strongly the State of Washington should have a year round resort - Rosario was the answer to his dream.

In April of 1960 when Geiser acquired the property, there was only the Mansion, the Carriage House, and the machine shop, now known as the Boatel, along with a handful of homes situated in the immediate surrounding area. Some of these homes were original to the Moran era, some to the Rheem ownership, and a few during the Falcon ownership. Gilbert Geiser sold the resort in 1980 and then resumed control in 1984 following an auction attended by many well wishers who gave him a standing ovation when it was announced he had re-acquired the Resort. The Resort and Island communities lent their full support to the re-establishment of Rosario as a prime destination resort. The two buildings comprising the

Cascade Harbor Inn were built in 1982 by former owners of Rosario as additional resort lodging. The 9.1-acre parcel containing these buildings was sold to its current owner in 1989. These buildings contain 48 lodging units, three of which have been converted to uses other than lodging.

Since Rosario’s opening as a public resort in 1960, a number of recreational facilities and lodging units have been added to the grounds. The first addition to the Mansion itself was a two-story dining room wing with flat roof and white painted plywood exterior veneer. In 1968, it was erected alongside the westerly portion of the southwest end. The front part of the wing was built out over the terrace to provide an unobstructed view of East Sound and Cascade Bay on three sides. An irregularly shaped swimming pool was constructed for adult use on the terrace level at the base of the dining room wing. In 1971, the original kitchen at the core of the Mansion was replaced by a concrete block kitchen wing that extended from the southwest elevation of the new dining room wing. The former kitchen area was then developed as storage and lobby/office space.

Construction of detached lodging units began in 1965 with a single-story building comprised of staggered multiple hotel units known as the 1100 Building off the northeast end of the Mansion. The 1200 and 1300 Buildings, a pair of two-story buildings with balconies, were sited farther to the east, near the Roundhouse. On

Rosario

the upper slope, outside the immediate environment of the Mansion, are a number of housekeeping units connected by a perimeter road. These were termed "investment condos," as Rosario was offering a rental/management agreement with each vacation unit. The prospective purchasers were found on the Island as well as Resort guests who had been coming year after year. A family pool with concrete deck and bathhouse was added in 1962, as well as the Cascade Bay Grill, a frame building on a concrete foundation with a wooden front deck built in 1963. Tennis courts were added in 1968, and the Discovery House Conference Center was erected in the 1970s.

2.5 NATURAL ENVIRONMENT

Rosario's natural environment is typical of coastal areas in the San Juan Islands, consisting of marine, intertidal, and upland areas. In general, most of the shoreline at Rosario has been developed, while steeply sloping upland areas are covered by dense, mature second-growth mixed coniferous forest (Figure 2.3-1). Lands comprising the Rosario MPR designation contain no flood-prone areas or significant aquifer recharge areas. Wetlands documented by Washington Department of Fish and Wildlife (WDFW) in the vicinity of the Resort are limited to those associated with Cascade Lake. Cascade Lake is drained by Bowman's Creek (a.k.a. Cold Creek), an intermittent stream bisecting the center of the Resort. There is also a considerable amount of deepwater marine habitat along

the 2,166 feet of shoreline, as well as shallow water habitat in Cascade Bay. In addition, a small percentage of the designation has gradients exceeding 50% slopes. The steepest parts of the site are shoreline bluffs and hillside outcrops on the upper part of the site.

Portions of the site also contain terrestrial wildlife habitat. Priority species known to occur in the vicinity of Rosario are bald eagles, osprey, and great blue herons. Cascade Bay is within territory transited by bald eagles, but observed nesting sites are more than 2,000 feet away from the center of the Resort. The rocky cliff on the east margin of the Rosario property is identified as priority habitat associated with bald eagle and peregrine falcon nesting sites. However, these species have not been observed nesting on the Resort property.

A field reconnaissance of the entire MPR designation and the Hilltop site divided the natural environment into five general categories: Cascade Bay, Developed Waterfront, Forested Upland, Bowman's Creek, and the Hilltop. Each of these is discussed briefly below and addressed in greater detail in the FEIS.

2.5.1 Cascade Bay

Priority species identified by the Washington Department of Fish and Wildlife (WDFW) that utilize Cascade Bay are Dungeness crab and pandalid shrimp. A review of the WDFW Priority Habitat and Species database confirms



Cascade Bay



Rosario Point



Cascade Lake



Hillside views

that Cascade Bay has not been identified as a location for baitfish spawning grounds, nor known eelgrass or kelp beds. Geoduck clams were not observed in the study area during either preliminary or intermediate surveys. Figure 2.5-1 shows information from the WDFW Priority Habitat and Species database and illustrates Rosario’s other important natural features. Most of the harbor shoreline is lined by a revetment; however, east of the Harbormaster’s Office, Cascade Bay is lined by a shingle and sand beach. No intertidal or subtidal shoreline areas along Cascade Bay meet San Juan County criteria for Environmentally Sensitive Areas.

2.5.2 Developed Waterfront

The environment of the bay shore and Rosario Point has been extensively modified, dating back to the Newhall settlement in the latter part of the 1800s. Most of this part of the site is landscaped with grass and ornamental plantings or covered by impervious surfaces; thus, its habitat value is limited for wildlife. Nevertheless, such species as black-tailed deer, red-tailed hawks, squirrels, raccoons, eagles, robins, kingfishers, great blue herons, and river otters are commonly sighted.

In contrast to the landscaped grounds of the upland portions of the former Moran Estate, portions of the shoreline remain in a natural state as grass and forb covered cliffs. The undeveloped areas of Rosario Point, for example, consist of grassland habitat unique to the San Juan Islands. This habitat type is defined by dry,

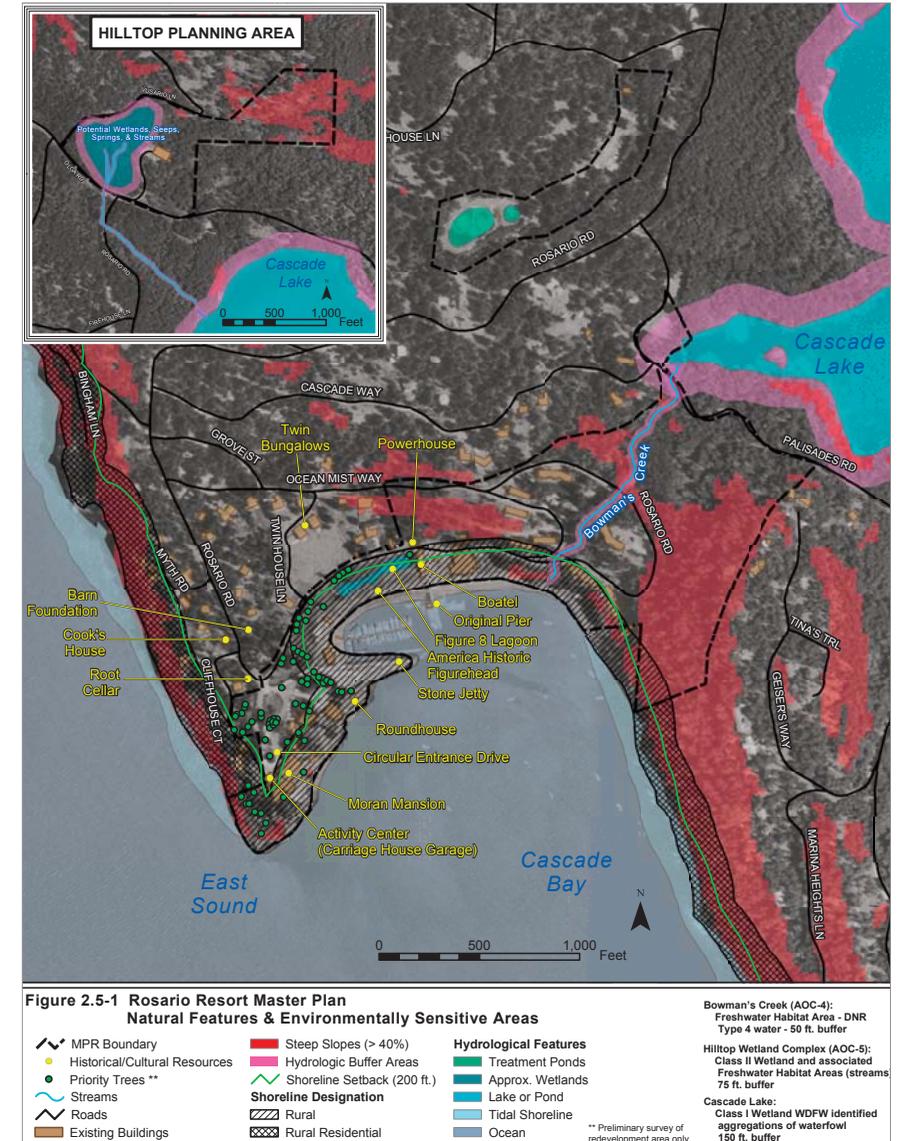


Figure 2.5-1: Natural Features Map

Rosario

open grassland with both native and exotic annual and perennial grass species growing in shallow, wind-deposited soil over shoreline bedrock. Tree species occurring in this habitat type are typically limited to sparse, weather-arrested hardy species such as shore pine and madrona.

2.5.3 Forested Upland

Much of the eastern half of the site consists of steeply sloping forested hillside, which climbs to an elevation of 351 feet. Since no clearcutting has occurred for many years, many of the trees in this Douglas-fir dominated forest are approximately a century old. Mature second-growth coniferous forest dominated by Douglas-fir is the most common forested habitat type found throughout San Juan County. In the vicinity of Rosario Resort, however, this habitat type is unique for its age. The majority of the San Juan Islands have been previously logged for timber, and younger second-growth forest currently predominates in most undeveloped areas. However, many of the forested stands in this part of the Resort and in surrounding areas have been preserved and protected since the construction of the Resort. Thus, much of the coniferous forest and isolated stands of Douglas-fir around the Resort and in the contiguous forest of Moran State Park represent the oldest forested areas on Orcas Island and in San Juan County. With the age of much of this local forest estimated at over a century, the value of this forested habitat to common wildlife and special status species such as bald eagles and osprey approaches that of old-growth. In addition, it

should be noted that this land is nearly contiguous to the 5,175.5-acre Moran State Park, the largest public land holding in San Juan County.

2.5.4 Bowman's Creek

Bowman's Creek, a small intermittent stream that drains Cascade Lake in Moran State Park, bisects the forested part of the site. Originating at the Cascade Lake Dam spillway, Bowman's Creek descends through a steeply forested ravine, crossing the County Road, Palisades Drive, and finally Rosario Road via 48-inch culverts before plummeting over a 15-foot waterfall onto the cobble seashore of Cascade Bay near the Rosario/Cascade Harbor Inn property line. According to the Washington State Department of Fish and Wildlife's Priority Habitat and Species Database, this stream has been identified to have a "priority anadromous/resident fish presence." However, a recent field reconnaissance determined that the flow regime and natural topography of Bowman's Creek likely prevent the passage of anadromous fish and the establishment of resident fish stocks in the stream channel. The Bowman's Creek stream channel from Cascade Lake to Cascade Bay largely consists of rugged, steep (greater than 100% slope) exposed bedrock with a series of large vertical-to-overhanging plunges and corrugated steel culverts. Even prior to the placement of culverts and the development of the Resort, the extreme topography of the natural stream channel would have prevented the establishment of anadromous fish runs in this portion of Bowman's Creek. Bowman's Creek is not classified



Main intersection at Resort entrance



Moran Mansion as viewed from the Resort entrance



Moran Mansion



Original circular drive in front of the Moran Mansion c.1920



Music Room Tiffany ceiling lamp

on San Juan County Environmentally Sensitive Areas maps; however, the stream likely meets Washington State Department of Natural Resources (DNR) criteria for a Type 4 Water and would be regulated under San Juan County Code (SJCC) as a Freshwater Habitat Area, requiring more detailed evaluation (discussed in Section 7.2.4) and possibly development buffers.

2.5.5 The Hilltop

The Hilltop is an irregularly shaped 39-acre parcel being added to the MPR designation to provide employee housing and parking for the Resort. The Hilltop is located at the base of a steep hillside characterized by forested grasslands and moss and lichen-covered outcrops. Some gradients on the upper part of the parcel incline to greater than 50% slopes, meeting San Juan County criteria for Geologically Hazardous Areas. A complex of prefabricated employee housing is located near the center of the parcel on a gently sloping clearing. Downslope of this clearing, the site is dominated by low brush and stands of small-diameter trees on gently sloping, poorly drained soils. A potential wetland complex is located northwest of the employee housing building, in a broad forested drainage supported by a complex hydrology of surface channels and piped springs. Although the unnamed streams running through the drainage may meet DNR criteria for Type 4 Waters and could individually be designated as a Freshwater Habitat Area similar to Bowman’s Creek, a larger contiguous area meeting San

Juan County requirements for a jurisdictional wetland would most likely encompass these areas and would likely be delineated as a Category II wetland, with Freshwater Habitat Areas extending as corridors along the stream channels leading to and from the wetland complex.

2.6 AESTHETIC CHARACTER AND VIEWS

The aesthetics of the Resort vary throughout the property, ranging from manicured and formal to rustic and natural. The aesthetic character of each component of the Resort is discussed below. These areas and important viewsheds are illustrated on Figure 2.6-1.

2.6.1 Entrances

The Resort has always had two "front doors," since guests and visitors arrive by boat or seaplane as well as by road. Both entrances are rather understated. The drive to the Resort follows roads with beautiful scenery all the way from the ferry. At a turn clearly marked by a large Rosario Resort sign, motorists approach the Resort down a long and winding County-owned road. This attractive winding road with peekaboo views increases the sense of anticipation as the road descends the hill toward the Resort. From the water, visitors arrive at Rosario Marina’s wooden docks before boarding a van to the Mansion.

Rosario

2.6.2 The Mansion

The area in the vicinity of the Moran Mansion has the most formal aesthetic qualities. The Mansion itself is the site's principal landmark. It is a large, but well-proportioned, former residence built of poured concrete and frame construction, finished in white-painted stucco. The entire first floor was once a verandah, with repeating arched openings forming an arcade that have since been glazed by large windows. The second floor is fenestrated by moderately sized fixed center windows flanked by operable side lights located just below the generous soffit. The large hipped roof clad in standing-seam copper with an aging green patina is visually enhanced by dormers serving the third floor as well as a number of white-painted chimneys.

From the land side, the Mansion is partly obscured by vegetation, particularly a massive chestnut tree in the center of the circular drive. From the water, the Mansion towers above Cascade Bay and its rocky shoreline. The landscaping surrounding three sides of the Mansion is carefully manicured including large, mature shrubs, trees, lawn areas, and planted beds. Along with these formal plantings are a large circular drive and some historical remnants such as the anchor-chain railing, the electric cluster lights, and the thick poured concrete walkway.

Adjacent to the Resort's focal point of the Mansion are the small adjoining structures on the southwest. These buildings are inconsistent with the Mansion's architectural

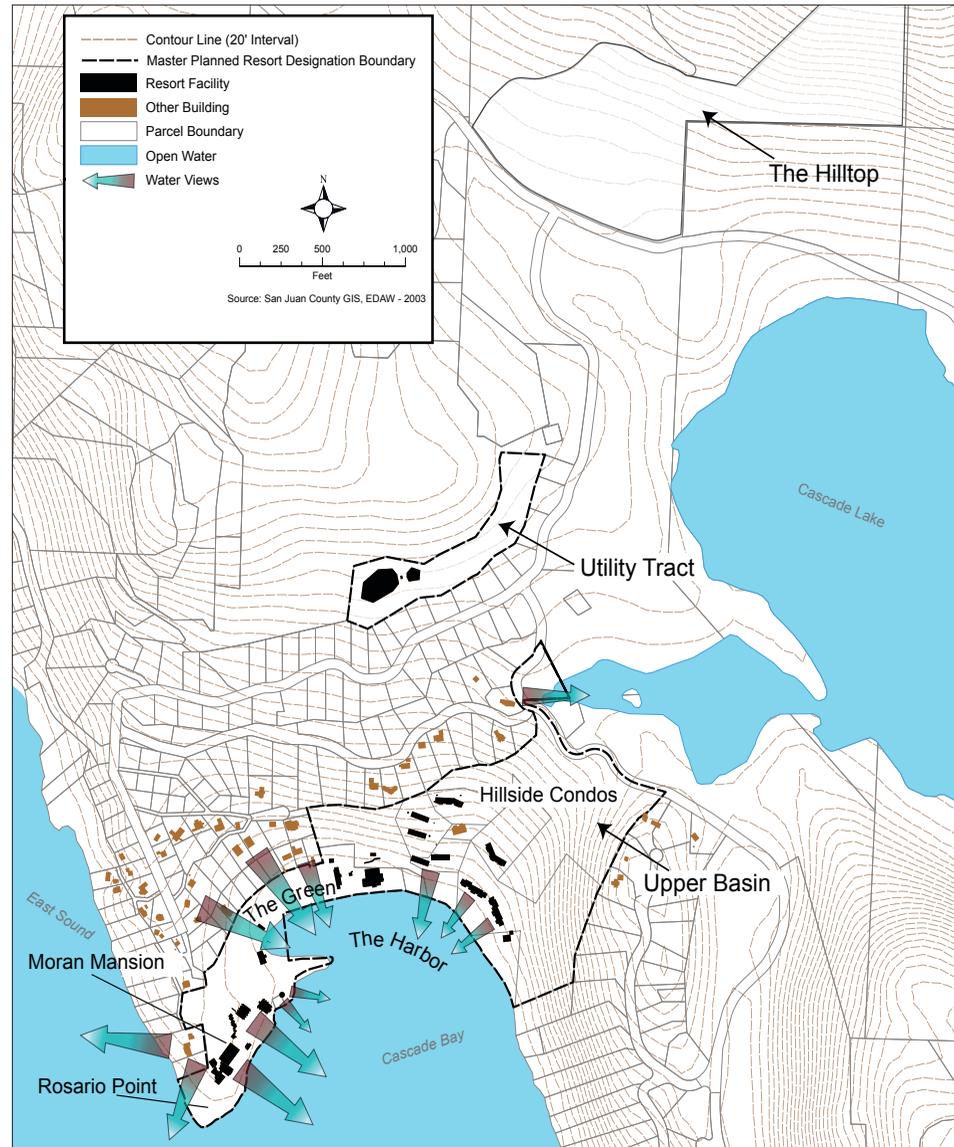
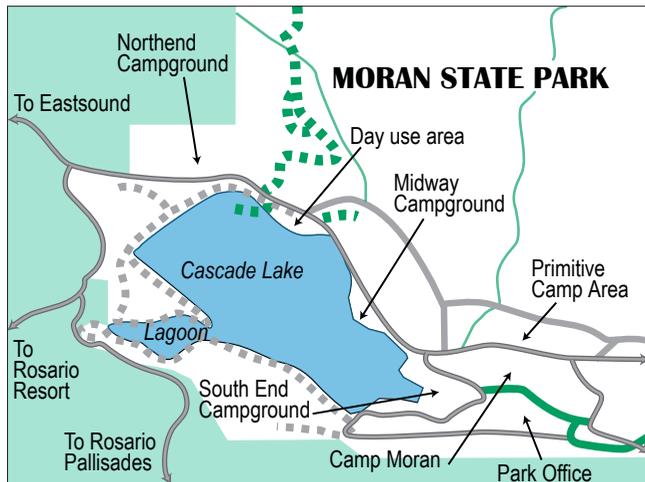


Figure 2.6-1: Existing Views



Second floor stairs of the original Moran residence



Moran State Park is adjacent to Rosario

style, building form, quality materials, or general proportions, and they obstruct potential views of Cascade Bay.

2.6.3 Rosario Point

The Resort’s southwest corner is a point of land dividing Cascade Bay from East Sound. A small, hedge-enclosed lawn area occupies the center of this small peninsula, offering extraordinary water, island, and sunset views. The landscape below the lawn has been left in its natural state. The rock outcrops and native salt-tolerant vegetation reflect the natural aesthetics of the San Juan Islands.

2.6.4 The Harbor

At the head of Cascade Bay is Rosario Harbor. The center of the harbor consists of a small Marina with a central floating dock flanked on both sides by finger piers. The slips are enclosed by a riprap jetty to the south which terminates in a flagpole mounted on a concrete pad. The rest of the harbor’s shoreline is characterized by a revetment backed by a gravel access road. A small grill/cafe surrounded by a fenced enclosure overlooks the dock. The Harbormaster’s Office and grocery store occupy a modest building that sits on the wharf to the east along with a complex of fuel docks. By nature of its small scale, the Marina has a rustic charm that seems somewhat incongruous with the Resort it attempts to serve.

2.6.5 The Green

A generous lawn area extends from near the entrance to the Mansion all the way past the Discovery House Conference Center to the edge of the hillside. This swath of flat or gently sloping land is bordered by a path running parallel with the Cascade Bay shoreline and the Resort access road on the other side. The area also includes an enclosed swimming pool complex, the Figure 8 lagoon, the Boatel, and the Discovery House Conference Center. The Green serves as the Resort’s principal usable open space, connecting the Mansion area to the rest of the Resort. As irrigated lawn, the Green provides a sense of lushness during the busy but dry summer season. In addition, the Figure 8 lagoon provides a unique water feature that contributes to the resort-like scale of the setting.

2.6.6 Buildings 1500 – 2100 and Cascade Harbor Inn

A scattered collection of newer buildings contrast visually with the historic parts of the Resort clustered below. Unlike the white-painted buildings and trimmed landscaping elsewhere on the Resort, these guest accommodations have a rustic lodge appearance. The uphill side of each two-story, single-loaded building faces a parking lot, while the other opens onto a balcony overlooking the impressive views. Building materials include moss-covered shake roofs, stained and painted wooded surfaces, and sliding glass doors.

Rosario

2.6.7 Upper Basin

Much of the eastern half of the site consists of steeply sloping forested hillside, which climbs to an elevation of 351 feet. Most of this area remains in its natural state, forested by century-old Douglas-firs. In the central portion of the Upper Resort, a more gently graded and semi-cleared area is accessed from above by an old road. This area is bordered to the north by a steep ravine drained by Bowman's Creek.

2.6.8 Utility Tract

The site of Rosario's water and sewer treatment facilities is an 8-acre parcel known as the Utility Tract. The Utility Tract cannot be seen from Rosario Road and, with the exception of several nearby residences, is generally hidden from the public. Visually dominant features on the site include a small metal building and two wastewater aeration ponds.

2.6.9 The Hilltop

The Hilltop is a 39-acre parcel accessed from the Orcas to Olga Road – the main County road providing access to the eastern half of Orcas Island. The Hilltop is accessed from a gravel driveway immediately past the entrance to Rosario Road. The only building on the site is a non-descript prefabricated dormitory building containing 20 units of employee housing and a gravel parking area near the center of the parcel. The existing housing compound is set back from the road and surrounded on all sides by a

generous vegetative buffer.

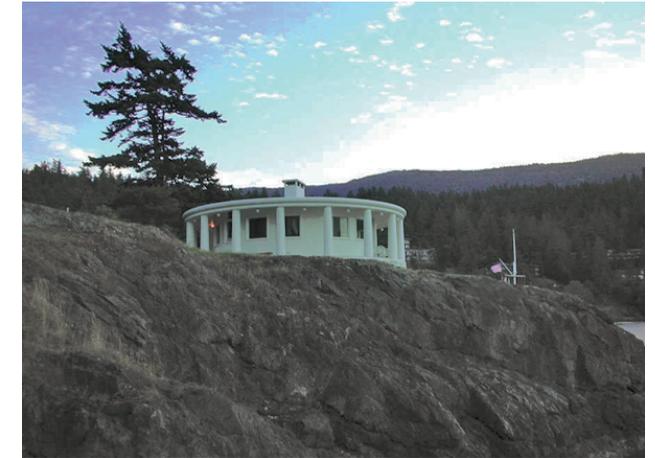
2.7 FACILITIES AND ACTIVITIES

The Resort's facilities and activities consist of lodging, restaurants, a museum, spa, conference facility, a Marina, retail, and a variety of indoor and outdoor recreation facilities as mapped on Figure 2.7-1 and described below.

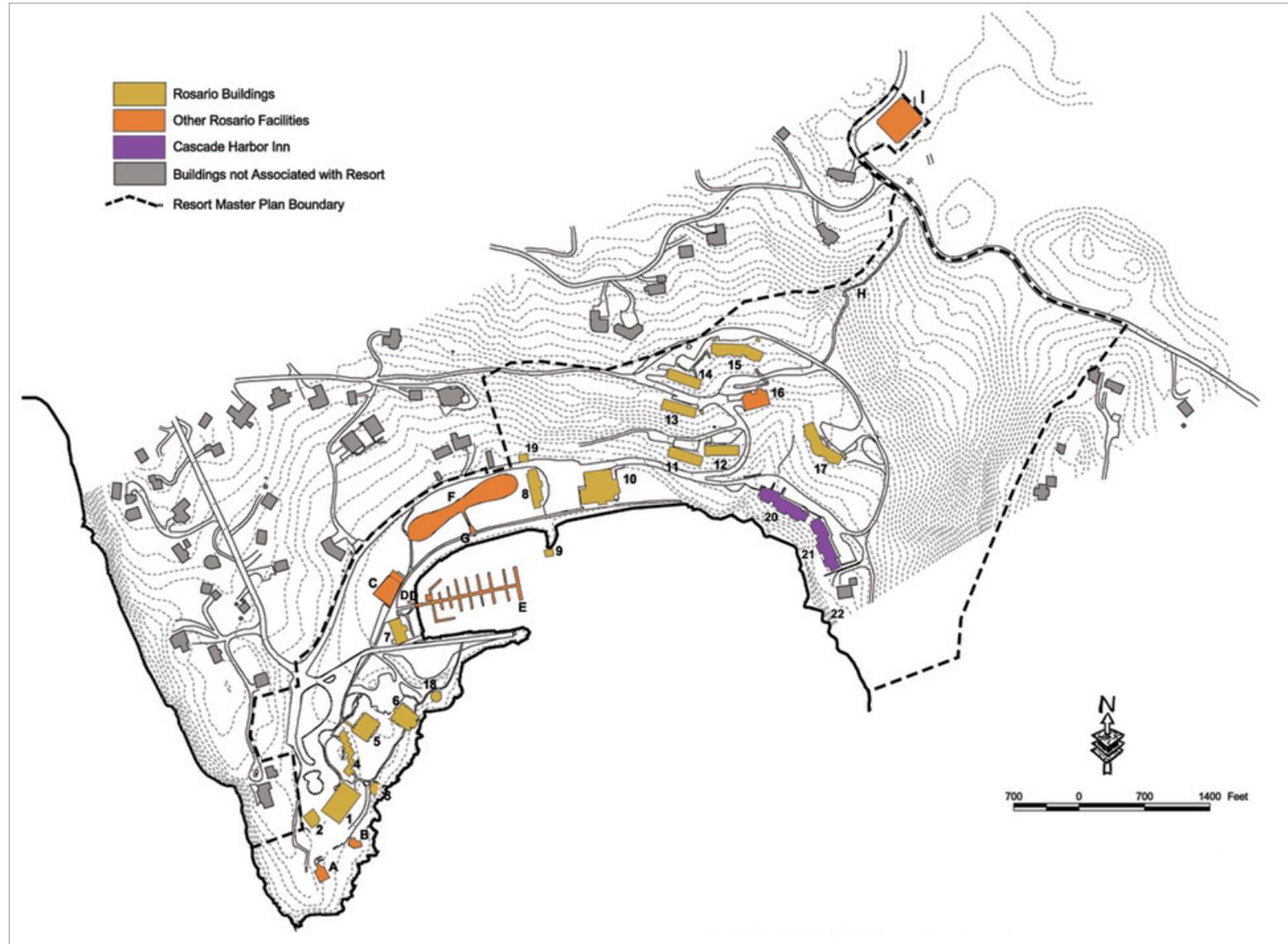
2.7.1 Moran Mansion

The Mansion is the centerpiece of Rosario Resort. Completed in 1909, it is a steel-reinforced, concrete structure comprised of three floors plus an attic and basement. The foundation for the 54-room building is cut into solid rock, 16 feet deep. The Mansion's walls are concrete. The solid Honduran mahogany doors are so heavy that Moran had to invent self-lubricating butterfly hinges to hold them. The upper three floors are paneled in rich Honduran mahogany, and the upper two floors contain Indian teak flooring covering over 6,000 square feet.

The showcase Music Room features a large Tiffany ceiling lamp, a stained-glass window imported from Brussels, a 1900 Steinway grand piano, and a magnificent 1,972 pipe Aeolian pipe organ, at that time the largest built in a private home in the country. The first floor verandah has long since been enclosed; however, most interior first-floor windows and exterior second- and third-story windows are the original 7/8-inch thick plate glass.



The Roundhouse has been refurbished as a luxury suite



Rosario Resort Buildings

#	Name	Description of Use
1	Moran Mansion	Resort desk, restaurants and lounge, spa, museum, administrative offices
2	Activity Center	Offices & employee cafeteria
3	Rosario Suite	"Honeymoon Suite"
4	1100 Building	Guest rooms
5	1200 Building	Guest rooms
6	1300 Building	Guest rooms
7	Cascade Bay Grill	Bar and Grill
8	Boatel Building	Storage
9	Marina Pier	Harbormaster's Office and Grocery
10	Discovery House	Conference center
11	1500 Building	Guest rooms
12	1600 Building	Guest rooms
13	1700 Building	Guest rooms
14	1900 Building	Guest rooms
15	2000 Building	Guest rooms and suites
16	Satellite Hall Site	Maintenance and laundry
17	2100 Building	Guest rooms and suites
18	Roundhouse	Guest Suite
19	Powerhouse	DC Hydroelectric Generator

Buildings Outside Rosario Ownership

#	Name
20	Cascade Harbor Inn
21	Cascade Harbor Inn
22	R. Scharnhorst residence

Other Resort Facilities

#	Name	Description of Use
A	Rosario Point	Lawn used for weddings
B	Mansion Pool	Adult swimming & sunbathing
C	Family Pool	Swimming & marina showers
D	Playground	Tot lot
E	Marina	Boat moorage
F	Figure 8 Lagoon	Canoe pond
G	Concrete Path	Waterfront Promenade
H	Cascade Lake Trail	Trail to Moran State Park
I	Tennis Courts	

Figure 2.7-1: Existing Facilities Map

Rosario

Today, the first floor contains the reception desk, restaurant, and lounge. The second floor contains two boardrooms, the former Moran family bedrooms (now displayed as museum rooms with period furnishings), and the Music Room. Keyboard performances resonate music throughout the Mansion as part of regularly scheduled (and very popular) historical presentations and concerts. The third floor houses the Resort's administrative offices. The garden level contains the Spa Boutique and related spa facilities, including treatment rooms, indoor pool, whirlpool, aerobics, and fitness rooms.

2.7.2 Food and Beverage

The Resort is known throughout the region for its Northwest cuisine and extensive wine collection served in several dining rooms with total seating capacity of approximately 120 (or 160 with buffet). The Orcas Room is the Resort's main restaurant serving breakfast, lunch, and dinner and features views of Cascade Bay and the Resort's grounds. The Moran Lounge & Verandah offers cocktails, casual dining, and musical entertainment with combined seating of 65. Wrapped in mahogany paneling, the Moran Lounge has teak wood floors and a dramatic fireplace designed by Moran. In addition, the outdoor pool bar seats approximately 80, and limited room service is available to Resort guests. In addition, the Cascade Bay Grill serves casual menu items by the Marina.

2.7.3 Outdoor Recreation

Outdoor recreation opportunities are plentiful in the Resort or in nearby areas. On-site facilities owned by Rosario include two outdoor swimming pools and one indoor pool; two tennis courts on the hill above the Resort; volleyball, badminton, horseshoes, shuffle board, bocce ball, and croquet on the Green; paddling on the Figure 8 Lagoon; walking paths; and 2,166 feet of waterfront to explore on foot. In addition, concessionaires operate day sails aboard a traditional ketch, kayak tours from the harbor, sailing lessons and charters, whale watching cruises, and scuba diving and snorkeling.

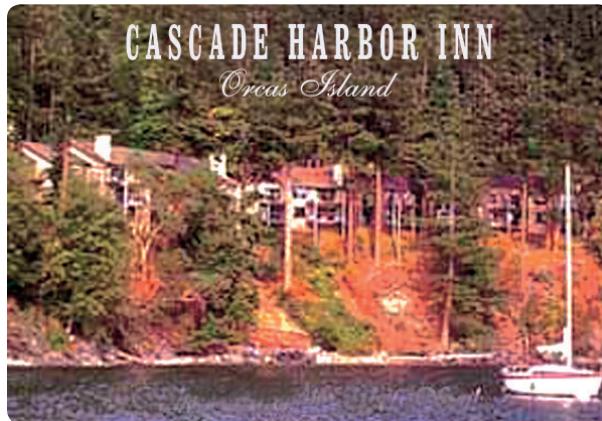
Recreational resources elsewhere on Orcas Island include fishing, boating, sailing, hiking, camping, bicycling, golf, and tennis. Moran State Park, bordering Rosario to the northeast, is a regional scenic attraction also created by Robert Moran. It contains 5,252 acres and provides more than 38 miles of hiking trails ranging from easy nature loops to remote out-of-the-way hikes along with 11 miles of mountain bike trails and 6 miles of equestrian trails. From mid-September to mid-May, 28 miles of trails are open for mountain biking. Several lakes are also located within the park including Cascade Lake and Mountain Lake, as well as several camping areas. Water-based recreation such as fishing, non-motorized boating, and swimming are encouraged. A popular attraction within the park is Cascade Falls, a 100-foot waterfall.



Rosario's 50 by 70 foot combination suspension/pole tent can accommodate groups up to 200 and is used for gatherings such as "Festival Fridays"



20 attached rooms currently house up to 40 seasonal employees on the Hilltop



Postcard featuring Cascade Harbor Inn

One of Orcas Island’s greatest amenities is Mount Constitution in Moran State Park. Mount Constitution offers panoramic views of the archipelago, is surrounded by miles of trails and sparkling lakes, and is located close to Rosario Resort. The most popular attraction is the 4.3-mile hike (each way) to the top of Mount Constitution, the highest point of the San Juan Islands. This steep trail quickly ascends to the 2,407-foot summit, where a commanding, panoramic view from Vancouver, B.C. to Mount Rainier may be enjoyed in fair weather. Rosario provides the most direct connection between the waters of East Sound and Moran State Park, facilitating park access to the boating community.

2.7.4 Spa and Fitness

Located on the Mansion’s garden level, the Resort’s spa features a mirrored exercise and weight room, whirlpool, sauna, indoor pool, treatment rooms, and the Spa Boutique. The workout facility overlooks the Mansion pool and contains exercise equipment such as stationary bikes, treadmill, stair climber, rowing machine, Nordic Track, and free weights. Massages and skin treatments are provided by local licensed practitioners. Relaxing massages include Swedish, aromatherapy, reflexology, shiatsu, and Reiki. Skin treatments include facials (waxing, rehydrating, and anti-aging). Herbal body wraps, manicures, and pedicures are also available.

Spa membership is open to anyone, entitling members to discounts on spa services, classes, and the use of the pools, tennis courts, and exercise equipment.

2.7.5 Accommodations

There are 131 lodging units in Rosario Resort, exclusive of the Cascade Harbor Inn. These lodging units are contained within ten separate guest buildings. Of these 131 units, the Resort owns or manages a total of 118 as guest rooms. Forty-two of these guest rooms are located in three buildings (#1100, 1200, 1300), which are located along the waterfront near the Moran Mansion. An additional two guest rooms, each located in a separate detached building, one called the 'roundhouse' and the other the 'Honeymoon Suite,' are located in the vicinity of the other 42 units. The remaining eighty-seven guest rooms are located in six buildings (#1500, 1600, 1700, 1900, 2000, and 2100) perched on the steeply sloping wooded hillside on the easterly uplands of the site, overlooking Cascade Harbor. The Resort owns building #1700 which contains twelve guest rooms. The twelve units in building #1700 are currently being used for employee housing and are not available as guest accommodations at this time. The remaining seventy-five guest rooms are privately owned. Seventy-two of these guest rooms are managed by the Resort. In addition to the Resort owned or managed guest rooms, Cascade Harbor Inn contains 48 hotel rooms (three of which have

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been converted to a use other than lodging units) in two buildings along the shore of Cascade Bay.

Although there are a variety of floor plans, most guest rooms are oversized and incorporate views of Cascade Bay and East Sound framed by mature conifers. Typical guest room amenities at Rosario include color televisions, telephones (most with computer ports), stylish bathrobes, coffee makers, and amenity baskets. Some guest rooms (23 guest units) have whirlpool bathtubs. The two Kitchen Suites have a kitchenette including an electric stove. Most of Cascade Harbor Inn's rooms include more modest amenities. All the rooms have expansive water views from both the room and balcony. In addition, the Cascade Harbor Inn has two suites and a studio with fully equipped kitchens, dining areas, and fireplaces.

The Honeymoon Suite is a separate guest cottage operated by Rosario, adjacent to the Mansion on a small bluff directly overlooking Cascade Bay. The Honeymoon Suite was originally built by Rosario's third owners, the Geiser family.

The Roundhouse is another separate guest cottage also operated by Rosario. It contains a bedroom, bathroom, small living room, and circular verandah overlooking East Sound. The Roundhouse is an historic building originally built by Moran as a playhouse for his children.

2.7.6 Harbor

Boat slips and offshore buoys are available for sail and power boats up to 100 feet in length. There are 34 slips available, but the water depth is limited. There are also 28 offshore moorage buoys available. Moorage fees include limited water and electric hookup, laundry facilities, the use of tennis courts, outdoor pools, and restroom/shower facilities. Fuel service is also available to boaters and Rosario-owned vehicles.

2.7.7 Retail

Rosario operates three retail outlets. The Spa Boutique offers a selection of activewear and skin-care products. The Gift Gallery offers gifts including crafts and collectibles from artisans. The Dockside on the harbor sells groceries, and boating provisions.

The town of Eastsound provides an alternative shopping destination for Resort guests with dozens of small shops, craft stores, and galleries, as well as a supermarket, banks, and a Post Office. Eastsound is approximately 15 minutes from the Resort.

2.7.8 Conference Center

The Resort is commonly used for meetings and banquets, from executive conferences to weddings. The Discovery House Conference Center is the premier meeting facility in the San Juan Islands with over 5,000 square feet



Washington State Ferry at Orcas Island



Rosario Resort guest shuttle vans



Orcas Island Shuttle offers scheduled transit service between the Resort and other popular island destinations including Orcas Ferry Landing



Kenmore Air operations at Rosario

of flexible meeting space. In addition, the Mariner’s Deck, which contains approximately 1,050 square feet, overlooks the harbor and offers a beautiful setting for occasions such as an outside dinner or cocktail party. Extensive upgrades were performed to the Discovery House Conference Center in 1999. A paved parking lot is located next to the building. The Mansion also offers two boardrooms that can accommodate up to 10 people each.

2.7.9 Support Functions

The Resort includes a variety of support infrastructure including a laundry, shops and maintenance facilities, storage, utilities, and employee housing. Housekeeping and maintenance were previously housed near the center of the Resort in a building called Satellite Hall. Following destruction of Satellite Hall by fire in early 2002, these functions have been relocated to a temporary structure on the former site of Satellite Hall.

Utilities, including water and sewer treatment facilities, are located on the Utility Tract, an 8-acre site accessed by Firehouse Lane off of Rosario Road and secured by a locked gate. Water is treated on the north end of the Utility Tract in a green metal building that was built in 1999. Two aeration ponds are used to provide primary and secondary wastewater treatment at the western end of the site. Water and wastewater treatment facilities are described in Section 2.10 of this plan.

Employee housing currently consists of a prefabricated dormitory building with 20 units of employee housing and a gravel parking area. Each unit contains two beds, a bathroom, sink, and microwave and houses up to two Rosario employees. The site is served with both water and sewer by Rosario Utilities and with overhead power and telephone lines. The site is well drained and its lower portion has gentle grades.

2.7.10 Cascade Harbor Inn

Cascade Harbor Inn, located at the eastern end of the MPR designation, is owned and operated independently of Rosario. It consists of two free-standing buildings built in 1985. Cascade Harbor Inn is comprised of 48 individual units, each with an interior entry, full bath, and sliding glass door to a wood balcony overlooking the water. Each unit has unobstructed views of Cascade Bay, the Moran Mansion, and Rosario Resort. Twelve of the 48 units have a fireplace and full kitchen with dining area. Three of the 48 rooms are used for registration, guest lounge, breakfast area and manager’s office.

Cascade Harbor Inn is sited on a parcel measuring about 8 acres in size, including 300 feet of high bank waterfront. About half of the 8-acre site is steeply sloping wooded hillside located to the northeast and upslope of the two buildings. The site has 50 stalls of paved parking, a small creek-side picnic area, and a ½-acre recreation lawn with barbecue and is used for volleyball and related outdoor activities.

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Cascade Harbor Inn also has a recorded recreation easement on lands owned by Rosario Resort. Other recreational easements include hiking trails and most other outdoor recreational facilities offered by Rosario Resort.

The parcel containing the Cascade Harbor Inn has been independent of Rosario Resort since 1985. Cascade Harbor Inn has been in its current ownership (T.E.M. Management) since 1990.

2.8 ACCESS, CIRCULATION, AND PARKING

2.8.1 Resort Access

Visitors to the Resort currently have four options for travel: Washington State Ferry from Anacortes, commercial foot ferry, private vessel water access, or via commercial or private aircraft. Washington State Ferry passengers include both private automobile travelers and walk-on passengers. Walk-on ferry passengers can get to the Resort by local transit, Resort-operated shuttle van, taxi or bicycle. Overall, the mode split for Rosario visitors is summarized below based on 2005 data shown in Table 2.8-1:

Washington State Ferry	66%
Aircraft	4%
Water Taxi	8%
Private Water Vessel	22%

For Cascade Harbor Inn, all guests drive to the Resort via the Washington State Ferry since the Cascade Harbor Inn has no docks or shuttle service.

Washington State Ferry

The Washington State Ferry can be boarded at Anacortes or at other islands in the archipelago. A van from the Resort offers scheduled shuttle service for Rosario’s guests to and from the ferry or airport, reducing the need for guests to bring vehicles. Anacortes is a 1- to 2-hour drive from Seattle depending on traffic conditions, and the ferry trip lasts about 1 hour and 10 minutes. Ferry passengers with cars can drive to the Resort from the ferry dock, a scenic drive via Horseshoe Highway that lasts between 20 to 40 minutes depending on traffic conditions.

During the summer schedule, three “Super” class ferries (*Illahee*, *Kaleetan*, and the *Hyak*) provide 10 departures daily from Anacortes, at approximately every hour. Because the San Juan route serves Shaw, Lopez, Orcas, and San Juan Islands, the system capacity is split between these destinations. Not all vessel capacity is “first come, first served” as some vehicle space allocation is established on the ferries to ensure that each island is served on every run. Ferry space for vehicles is limited during the summer months, resulting in long waits of several hours for popular Friday and Sunday sailings. Reservations for vehicles are not available on the ferries, although passengers can purchase tickets in advance.



The Island Express provides scheduled water taxi service between Anacortes and Rosario



A float-plane pilot's view of the Resort

The majority of visitors to the Resort who use the Washington State Ferry System are drive-on passengers. Once on Orcas Island, drive-on ferry travelers use Orcas Road to the Village of Eastsound and Olga Road on to the Resort. Just west of the Village of Eastsound, Orcas Road averages 4,260 vehicle trips per day. Olga Road (east of Eastsound) averages 3,355 trips per day based on historical trends of average annual daily traffic.

Walk-on visitors are met at Orcas Landing by Rosario Resort staff and transported to the Resort by one of the

Resort's three shuttle vans or by a shuttle bus operated by the Orcas Island Shuttle. The Orcas Island Shuttle schedule includes four eastbound and four westbound daily trips during the summer. The shuttle route includes stops at Lieber Haven, Olga, Moran State Park, Rosario, Cascade Harbor Inn, Ship Bay, Eastsound Airport, Eastsound village, Deer Harbor, Westsound, and the Orcas Landing Ferry Dock. Orcas Island Shuttle also conducts a special shuttle between the Resort and the top of Mount Constitution during the summer.

Table 2.8-1: Existing Transportation Mode Split.

Overnight/Extended Stay Guests	Persons	% Person Trips	AVO*	Annual Vehicles	% Vehicles
Hotel/Condo/Guests					
Air plane	3,400	4.1%	4	850	2.7%
Water Taxi	6,800	8.2%	4	1,700	5.5%
Walk on Ferry served by Taxi/Transit	2,150	2.6%	2.4	896	2.9%
Private Automobile	37,699	45.4%	2.4	15,708	50.5%
Stayed on Private Boats	18,000	21.7%	3	6,000	19.3%
Total overnight Guests	68,049	81.9%		25,154	80.8%
Day Visitors					
Shuttles, Taxi, Bike	3,500	4.2%	3	1,167	3.7%
Private Automobile	11,500	13.8%	2.4	4,792	15.4%
Total Day Visitors	15,000	18.1%		5,958	19.2%
Total Annual Guests	83,049			31,112	

Note: AVO – Avg. Vehicle Occupancy
 Source: Rosario Resort, 2005

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Rosario’s management has established a fleet of approximately 10 rental cars for Resort guests, which allows walk-on access from the ferry and the convenience of automobile access while on the island.

Aircraft Access

The quickest way to the Resort is by air, especially by floatplanes, which fly directly to Rosario’s dock. The Resort is roughly 55 minutes flying time from Seattle’s Lake Union via Kenmore Air.

Kenmore Air operates six daily float-plane flights to and from Seattle during the summer months. These float-planes provide service directly to the Rosario Marina. After the summer peak season, float-plane access directly to Rosario’s dock is available four times daily in the fall and spring and three times daily during the winter. Kenmore Air flies four models of planes: piston and turbine DeHavilland Beavers, turbine DeHavilland Otters, and piston Cessna 180s. The Beavers have a capacity of seven passengers, the Otters have a capacity of ten, and the Cessnas carry three.

Orcas Island’s airport, located in the Village of Eastsound about 15 minutes from the Resort, is a 1-hour scenic flight from Boeing Field near Seattle via San Juan Airlines or a chartered flight. Flights can also be arranged for a 15-minute trip from Bellingham or Anacortes. Rosario Resort and Orcas Island Shuttle vans can meet travelers at the airport and provide transportation to the Resort.

While faster, air travel can be unpredictable, since the small propeller-driven aircraft used on these flights are at the mercy of local weather conditions that can halt flights, especially during the weather-prone off-season. These flights are subject to Visual Flight Regulations (VFR) and depend on daylight and clear weather for operation. Typically, the peak summer month flights are not affected by fog. Beginning in October, fog becomes a factor in on-time float-plane service delivery. Shortened daylight hours limit the regular flight schedule during winter. Another limiting factor for float-plane service is the condition of the water as severe chop can prevent landing on East Sound, forcing pilots to use the more sheltered waters of West Sound, about 40 minutes driving time from the Resort.

Water Access

Cascade Bay is a small but popular harbor and a regular destination for pleasure craft cruising the San Juan Islands during the summer. By boat, the Resort is an easy cruise from Anacortes, Bellingham, and Victoria and is also a popular destination for boaters from Seattle and Vancouver. Currently, the Marina has 34 slips and 28 offshore moorage buoys, and there is additional room for anchoring in Cascade Bay.

The Island Express provides water taxi and freight service throughout the San Juan Islands including scheduled service to Rosario. The Island Express is a state-of-the-art twin hull vessel with seating for 32 passengers inside the



Cascade Lake in Moran State Park – the Resort’s water supply and convenient scenic and recreational amenity for Resort guests

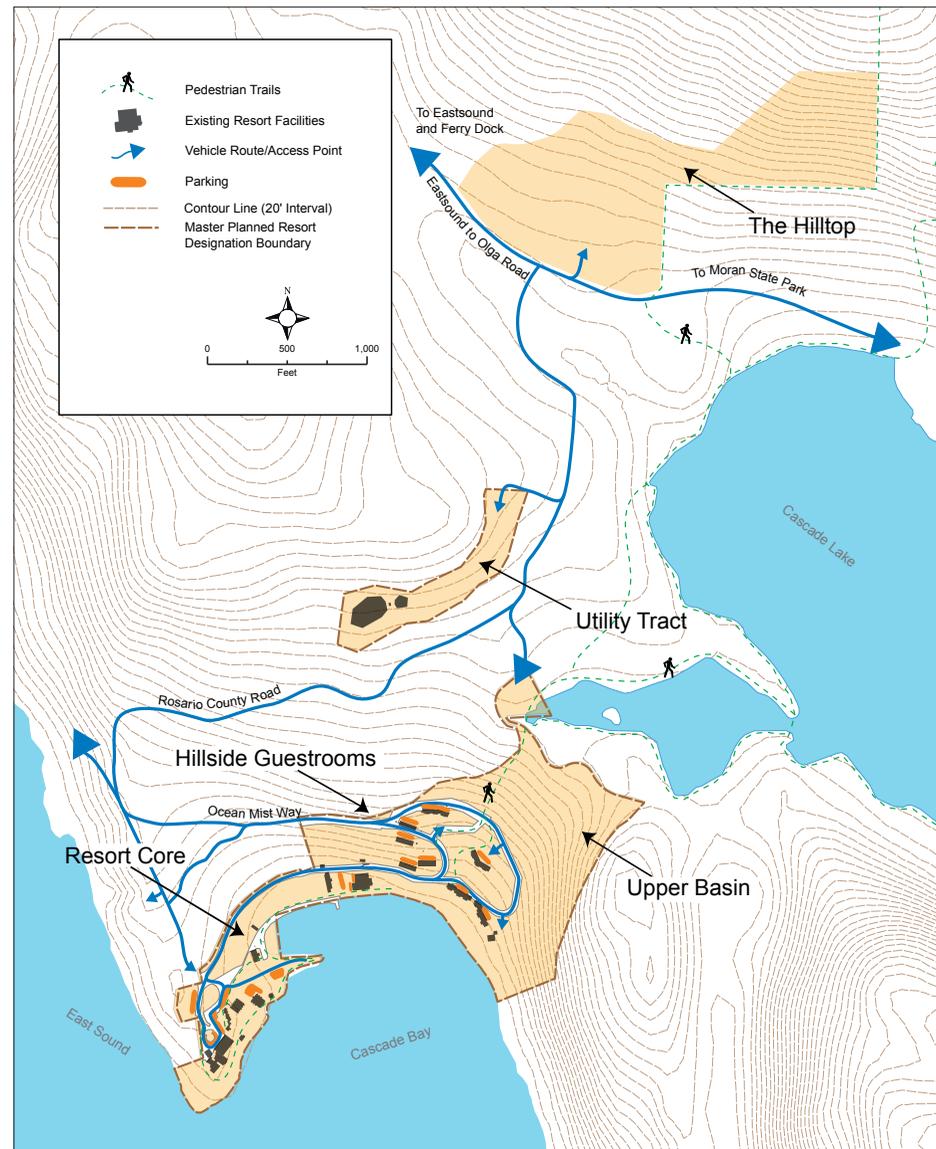


Figure 2.8-1: Existing Circulation Map

heated cabin and 10 outdoor seats. The Island Express departs from the Cap Sante Marina in Anacortes Friday evenings at 7:15 pm and arrives at Rosario Marina 40 minutes later. Return service to Anacortes leaves at 1 pm on Sunday. Passengers can park at Cap Sante Marina free of charge.

2.8.2 Circulation

The principal modes of travel within the Resort are by private automobile, Rosario-operated shuttle van, and on foot. Rental bicycles are also available. On-site circulation is facilitated by one main road as well as pedestrian trails as shown in Figure 2.8-1. The Resort’s road system connects to the County’s Rosario Road, which accesses the Resort. A three-way intersection at the Resort entrance distributes visitors south past angled parking stalls to a traffic circle in front of the Moran Mansion, east toward the harbor and parking lots serving Buildings 1100, 1200, and 1300, or northeast past the Green area and Figure 8 Lagoon. This road continues parallel with the waterfront past the Discovery House Conference Center before ascending the steep hill to access other lodging units. A loop of this road also provides access to the Cascade Harbor Inn and the adjacent parcels belonging to Robert Scharnhorst and Meade Rosario Trust before climbing the hill and reconnecting with the other road and Ocean Mist Way, a secondary access road that joins the County Road west of the Resort property. These roads are generally narrow with limited visibility, forcing

Rosario

vehicles to reduce speed to pass one another. The road also lacks a shoulder, sidewalks, or streetlights, which can create pedestrian/automobile conflicts.

Pedestrian paths and other facilities are limited at the Resort, especially on the steeply sloping eastern half of the site where most of the guest lodging is located. The most significant of these is the Cascade Lake Trail, a pipeline access trail that climbs the hill following the steep ravine to the Cascade Lake Dam. From here, a smaller tract provides direct access to the tennis courts and Moran State Park.

The historic core of the Resort is served by pedestrian trails connecting the Moran Mansion to the harbor and trails that parallel the shoreline between the Moran Mansion and the breakwater, and from the harbor to the Discovery House Conference Center. The path itself continues east along the beach but was truncated by construction of the conference center deck. In addition, a concrete path encircles the Figure 8 Lagoon, including a bridge that crosses the center of the water feature.

The Utility Tract is accessed from Firehouse Lane, a small unpaved road connecting to Rosario Road. The Hilltop fronts on Orcas Olga Road and is served by an unpaved driveway.

2.8.3 Parking

Surface parking is available for approximately 230 cars at Rosario. Rather than a central parking lot, parking is distributed throughout the site near each destination. Parking facilities range from angle parking on the paved turnaround in front of the Moran Mansion to an informal dirt lot serving Building 1300. Cascade Harbor Inn has 50 paved parking stalls adjacent to both buildings. There is currently no designated employee parking at the Resort, although parking is ample at both the Hilltop and Utility Tract.

2.9 VISITATION AND OPERATIONS

Rosario caters to vacation travelers, groups, and small conferences who come to enjoy unparalleled access to nature, history, and scenery as well as recreational opportunities and fine dining. Although year-round weather conditions in the San Juan Islands are generally superior to both Seattle and Vancouver, Rosario has traditionally generated the majority of its revenues during the peak summer season with highest daily revenues on weekends. Rosario's busy season typically begins in June and runs through September. August is the busiest month, with over 91% of rooms occupied. During this time, weekend occupancies average 95%, up from 75% occupancy during the week. During the shoulder seasons consisting of the months of April, May, and October, occupancy averages approximately 52%. Weekend



The existing water treatment plant on the Utility Tract

occupancies average 95% during these months as compared with 35% occupancy during the week. During the winter months (November through March), Rosario's occupancy drops to only 33.5% on average, or 10% occupancy during the week and 85% on weekends. Approximately 60% of Rosario's guests are adults without children, while families with children comprise an estimated 30% of Resort guests. Seniors comprise an estimated 10% of guests and visitors, but this is expected to increase as the population ages.

Cascade Harbor Inn's overall occupancy averages between 40 and 50% over the course of the year, climbing to 90% during the summer and falling to less than 20% during the winter. The guest profile is comprised entirely of individual guests, repeat guests, and small private groups.

The front desks of both Rosario and Cascade Harbor Inn cooperate with one another on an informal basis by referring overflow during peak periods. For example, Cascade Harbor Inn occasionally takes a small overflow from conventions which Rosario Resort otherwise could not accommodate, and Cascade Harbor Inn refers its guests to Rosario Resort's facilities, primarily dining for guests as food service at Cascade Harbor Inn is limited to a continental breakfast. The markets served by Cascade Harbor Inn and Rosario Resort differ significantly, proportionate to amenity level and room rate.

2.10 UTILITIES

Domestic water and sanitary sewage are provided by Rosario Utilities, a community utility company owned by Oly Rose LLC that provides potable water and sewage treatment to the Resort and residences within the community service area. Water customers include Rosario Resort, the Cascade Harbor Inn, and approximately 251 residential customers, including two wholesale customers (both of which are homeowners' associations). Rosario Utilities also provides sewage treatment for the Resort and for nine retail and residential customers, as well as Moran State Park. Rosario Utilities has no service area agreements, and the existing service area is not anticipated to expand.

Although Rosario Utilities owns the surface water rights of Cascade Lake, Orcas Island's water supply is generally limited. The ability to provide adequate supplies of treated water is a significant constraint to future development. The following sections provide information obtained from Rosario Utilities' 6-Year Water Plan that identifies provisions to increase the utility's water supply and to accommodate potential future development. In general, Rosario Utilities recognizes that additional water and sewage treatment capacity will be necessary to accommodate future growth. Existing utilities are illustrated in Figure 2.10-1.

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2.10.1 Water

The sole source of supply for the Rosario Utilities' water system is Cascade Lake. Water is pumped from the west edge of Cascade Lake to a water treatment facility on the Utility Tract. The intake at Cascade Lake consists of a 6-inch pipe and two pumps, one of which is used as a backup. The primary pump is a 15 horse power (HP) multi-stage vertical turbine pump, with a design capacity of 220 gallons per minute (gpm). The backup pump is a 20 HP pump. The discharge side of the pump consists of 800 linear feet (LF) of 4-inch PVC pipe. A flow control valve and meter are located on the raw water line before it enters the water treatment facility. Plant flow is set by the operator at either a nominal flow rate of 110 or 220 gpm. Plant production is limited to 200 gpm at this time due to hydraulic constraints of the 4-inch raw water line.

Rosario Utilities consumptive water rights encompass 4 feet of the surface area of Cascade Lake. This includes the surface water between lake level elevations 347 to 351 feet during average years of precipitation. During low run-off years, water rights include surface water between 345 and 351 feet. These water rights are regulated according to instantaneous withdrawal or diversion and the annual water right (see Table 2.10-1). An instantaneous right represents the maximum pumping capacity of a well or maximum diversion rate for a spring or surface water source. The total domestic use instantaneous withdrawal from Cascade Lake allowed

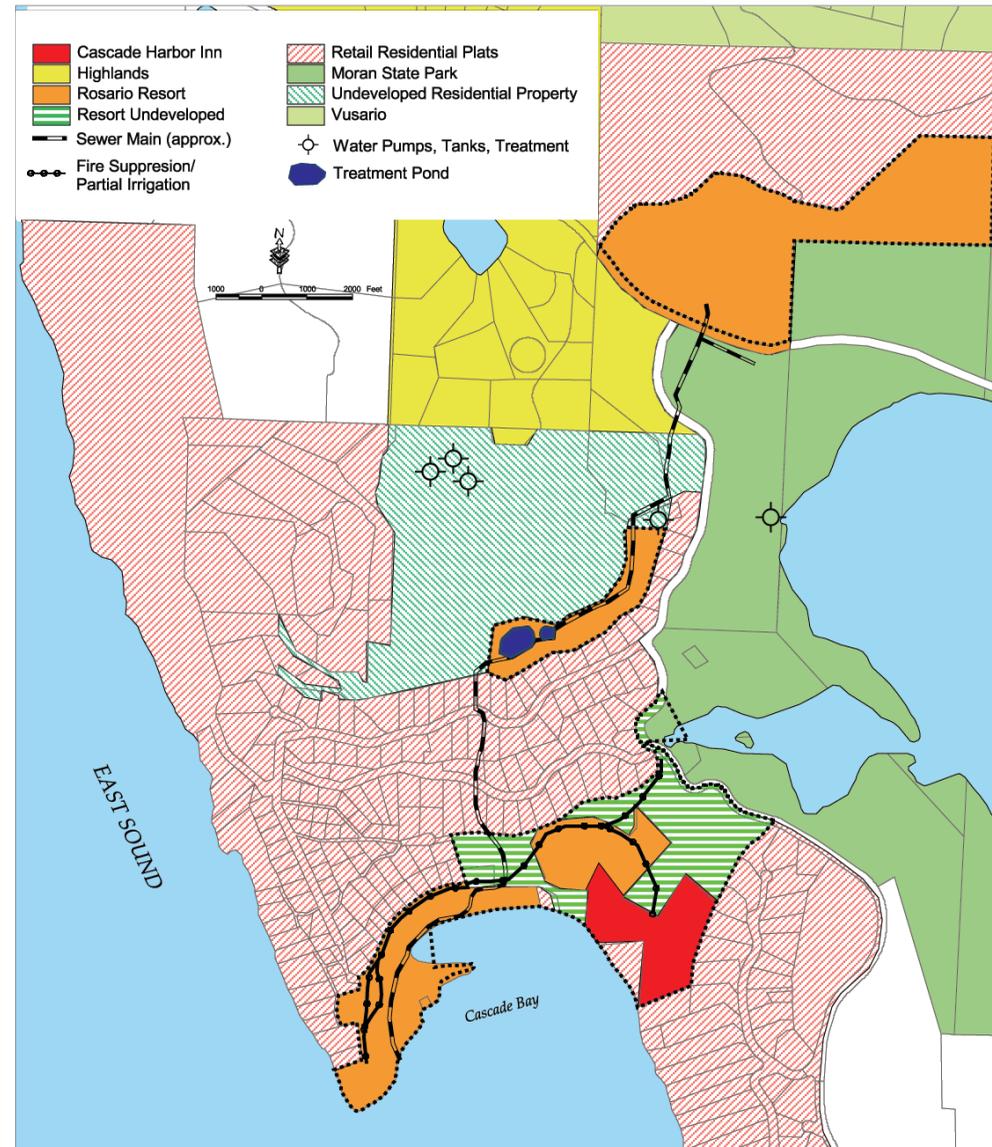


Figure 2.10-1: Existing Utility Systems Map

Table 2.10-1: Existing Rosario Utilities Cascade Lake Water Rights.

Consumptive Water Rights	Annual Withdrawal (ac-ft/yr)	Instantaneous Withdrawal (gpm)	Comments
Power Generation	1,591	1,264 (max.)	421 acre-feet/year from untreated waters of Cascade Lake; 1,170 acre-feet/year from stored water in Cascade Lake (from Cascade Creek)
Irrigation	5	45	Untreated water
Domestic Use	283	330	Potable (treated) water
Fire Protection	As needed		Untreated water
Total:	1,879		

Note: Summary of existing water rights as outlined in Permit No. S1-27616 P. Source: Rosario Utilities 6-Year Water Plan, 2003

under these water rights is 330 gpm, which is equal to 475,200 gallons per day (gpd) (Report of Examination for Change of Surface Water Certificate XIII-A, 2002). An annual right represents the total quantity of water that may be withdrawn or diverted during an entire year. The total domestic annual withdrawal from Cascade Lake allowed under these water rights is 283 acre-ft/year, which is equal to 252,629 gpd.

The Rosario water treatment plant is a conventional filtration plant with ozone disinfection. The Rosario water treatment facility has three filter basins. After water is filtered, it flows into a 550-gallon equalization tank, where it is then pumped to the ozonator. Ozone, produced using an oxygen stream and electricity, is injected into the flow stream. To achieve adequate contact time, the ozonated water goes through 200 linear feet (LF) of 12-inch PVC pipe located underground outside the treatment building.

From there, treated water is pumped to the Utilities’ reservoirs via three 15 HP pumps, each with design points of 130 gpm at 296 feet.

Rosario Utilities owns and operates four storage reservoirs (tanks), with a total capacity of 362,000 gallons. The Utilities’ two wholesale customers, Orcas Highlands Association and Vusario Maintenance Corporation, own their own reservoirs. The distribution system for this water consists of approximately 40,250 LF of pipe, ranging in size from 2 to 8 inches in diameter.

2.10.2 Sewer

Sewage effluent from the Resort is collected at various lift stations and pumped to a central lift station with a 10,000-gallon holding tank, located near the harbor. The rest of the sewage treatment system is located on the Utility Tract. Sewage is pumped into an aerated lagoon consisting of a

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3-day detention pond, a chlorination facility, and a 30-day detention pond. The ponds have electric aerators, and there is also a 10,000-gallon chlorine contact chamber. The effluent is tested twice weekly with results reported monthly to the State Department of Ecology.

This sewage system currently serves Rosario, Cascade Harbor Inn, an adjacent 40-unit building (the Hilltop), seven single-family residences, and Moran State Park. This system has a capacity of approximately 70,000 gpd and generally runs at about 65 to 70% of capacity during the summer. It is possible that the capacity of the system could be increased by adding a third pond. The presence of this sewage system is an asset for the Resort, allowing treatment of its own waste and providing a cost savings to Rosario. This system is likely to remain operational for the foreseeable future, given adequate maintenance and periodic upgrades. If the sewer treatment plant were to be expanded to serve development other than resort properties, private ownership of the system may not be permitted under the provisions of WAC 173-240.

2.10.3 Electricity and Gas

Electricity is provided by Orcas Power & Light Company at service voltage of 120/240V, single-phase for the guest rooms and 120/208 V, three phase for the Mansion, maintenance and laundry, and Utility Tract. Northern Energy Company provides propane gas. DC electric power generated by on-site turbines is used by the Mansion for heating and optional lighting.