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5/22/2025

RE:	Project Name:	HAGER-PALERMO - Conditional Use for Accessory Dwelling Unit
	Applicant:	HAGER DANIEL R & PALERMO DIANNA K 23468 CLEAR CREEK RD NW POULSBO, WA 98370
	Application:	CUP-ADU
	Permit Number:	24-02558

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2
3 **BEFORE THE HEARING EXAMINER FOR KITSAP COUNTY**

4 Emily Terrell, Hearing Examiner

5

RE: Hager-Palermo	FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION
Accessory Dwelling Unit (CUP – ADU)	
File No. 24-02558	

9

10 **INTRODUCTION**

11 Daniel Hager and Dianna Palermo request a Conditional Use Permit to construct a
12 484sf detached Accessory Dwelling Unit (ADU) at 23468 Clear Creek Road NW,
13 Poulsbo, WA 98370. The application is approved subject to conditions.

14 **ORAL TESTIMONY**

15 Kitsap County Planner Erin Lewis presented the staff report. Daniel Hager spoke in favor
16 of the proposal.

17 **EXHIBITS**

18 Exhibits 1-17 listed in the Index to the Record prepared by County staff were admitted
19 during the hearing.

20 **FINDINGS OF FACT**

21 **Procedural:**

- 22 1. Applicant. Daniel Hager and Dianna Palermo, 23468 Clear Creek Road
23 NW, Poulsbo, WA 98370.
- 24 2. Hearing. The Hearing Examiner conducted a remote/hybrid hearing on the
25 application at 9:00 am on May 8, 2025.

Substantive:

3. Site/Proposal Description. The applicants request a Conditional Use Permit to construct a 484sf detached Accessory Dwelling Unit (ADU) at their home located at 23468 Clear Creek Road NW, Poulsbo. The subject site is 8.10 acres, is roughly rectangular, mostly vegetated and slopes moderately from the SE corner to the NW corner.

The ADU will be converted from an existing detached garage. There are no other ADU on the subject property. The proposed ADU represents 29% of the size of the primary residence. The project site is located outside of a UGA. The existing garage is the original cabin on this property.

The primary residence and the ADU share the same roof style and color and are both single story. The ADU meets all required bulk and dimensional standards. The ADU will use the same entrance as noted on the Site Plan (Ex. 11).

Water is provided by Kitsap County PUD #1. There is an existing septic system serving the primary residence. The Kitsap Public Health District has reviewed and approved the proposal for provision of an additional two-bedroom septic system to serve the ADU (Ex. 6).

4. Characteristics of the Area. The subject property is bordered on three sides by lots that are developed with single-family residences. The lot to the east is undeveloped. The subject and all surrounding properties are zoned rural residential (RR).

5. Adverse Impacts. No significant adverse impacts are anticipated from the proposal. The County issued an optional SEPA Determination of Non-Significant Impact (DNS) which was not appealed. Impacts are more directly addressed as follows:

- a. Off-Street Parking. KCC 17.490.030 requires three (3) off-street parking spaces per single-family residence and one (1) parking space for an ADU. The Applicant proposes four off-street parking spaces as required.
- b. Stormwater. Development Services and Engineering reviewed and accepts the concepts contained in this preliminary submittal (Ex. 10) and requires the conditions stated in Section 13 of the staff report as an element of the land use approval.
- c. Critical Areas. There are no critical areas on or adjacent to the location of the proposed accessory dwelling unit. .
- d. Access, Traffic, Roads. The proposed ADU will use the same driveway entering the property that the primary residences uses. The County Traffic division reviewed and approved the ADU proposal with no requested conditions of approval.

- 1 e. Fire Safety. Kitsap County Building and Fire Safety Division reviewed and the
2 ADU and found no need for any conditions.
3
4 f. Water/Septic. The Kitsap County Health District approved the site for
5 additional water supply. The District also approved of the proposed new 2-
6 bedroom septic tank location and design that will serve the ADU (Ex. 6).
7
8 g. Compatibility. The proposal is compatible with surrounding uses. As identified
9 in Finding of Fact No. 4, surrounding uses are all single-family residential. The
10 proposed design is similar to the primary residence so no adverse aesthetic
11 impacts are anticipated.

12 CONCLUSIONS OF LAW

13 Procedural:

- 14 1. Authority of Hearing Examiner. KCC 17.550.030 authorizes the hearing
15 examiner to issue decisions on applications for conditional use permits.

16 Substantive:

- 17 2. Zoning Designation. The property is currently zoned Rural Residential
18 (RR).
19
20 3. Review Criteria. KCC 17.410.042 requires a conditional use permit for
21 detached ADUs in the RR zone. KCC 17.550.030A governs the criteria for conditional
22 use permits. Pertinent criteria are quoted below and applied via corresponding
23 conclusions of law.

24 **KCC 17.550.030.A:** *The hearing examiner may approve, approve with conditions, or*
25 *deny a hearing examiner conditional use permit. Approval or approval with conditions*
may be granted only when all the following criteria are met:

KCC 17.550.030.A.1: *The proposal is consistent with the Comprehensive Plan;*

4. Criterion met. The criterion is met. The proposed ADU provides the ability to
create an affordable housing unit which is a goal supported by several policies in the
Comprehensive Plan in a manner consistent with the zoning established for the subject
property. The proposal is also found consistent with the Comprehensive Plan for the
reasons identified in Section 7 of the staff report (Exhibit 1).

KCC 17.550.030.A.2: *The proposal complies with applicable requirements of this*
title;

5. Criterion met. The criterion is met. The proposal conforms to the County's zoning
code as detailed in Section 4 and 10 of the staff report (Exhibit 1). Staff planning and

1 public works have reviewed the proposal to ensure conformance to the County's zoning
2 code for this level of review. The results of that work have been implemented in
3 detailed conditions of approval, adopted by this decision. Nothing in the record
suggests any outstanding compliance issues. More detailed compliance will be required
during the building and civil permit review.

4 The primary issue of zoning compliance is adherence to KCC 17.415.015B, which
5 adopts standards tailored to detached ADUs outside urban growth areas. Pursuant to
6 those standards, only one ADU is allowed per lot, the owner of the property must reside
7 in the primary residence or the ADU, the ADU shall not exceed 50% of the habitable
8 area of the primary residence, the ADU shall be located within 150 feet of the primary
9 residence unless involving a conversion of an existing structure such as that proposed,
10 the ADU shall be designed to maintain the appearance of the primary residence, all
11 setback requirements shall be met, all health district standards shall be met, ADUs may
not be mobile homes or recreational vehicles, and the ADU shall use the same access
as the primary residence and shall provide an additional parking space. The conditions
of approval recommended by staff require conformance to all of these standards. The
proposed design and site characteristics further establish conformance as detailed in
Findings of Fact No. 3 and 5.

12 **KCC 17.550.030.A.3.:** *The proposal will not be materially detrimental to existing or*
13 *future uses or property in the immediate vicinity; and*

14 6. Criterion met. The criterion is met for the reasons identified in Finding of Fact No.
15 5.

16 **KCC 17.550.030.A.4:** *The proposal is compatible with and incorporates specific*
17 *features, conditions, or revisions that ensure it responds appropriately to the existing*
18 *character, appearance, quality or development, and physical characteristics of the*
19 *subject property and the immediate vicinity.*

20 7. Criterion met. The criterion is met for the reasons identified in Finding of Fact No.
21 5g and via its required conformance to the ADU standards of KCC 17.415.015B.

22 **DECISION**

23 Based upon the conclusions of law above, the conditional use permit application is
24 approved subject to the following conditions:

25 **Planning/Zoning**

1. All required permits shall be obtained prior to commencement of land clearing, construction and/or occupancy.
2. The accessory dwelling unit is subject to the payment of impact fees. Impact fees must be paid at time of permit issuance, or if deferred, must

1 be paid prior to final inspection. No certificate of occupancy will be
2 granted until all impact fees are paid.

- 3 3. Any proposed modification (not including cosmetic work such as
4 painting, papering and similar finish work), remodel or expansion of the
5 accessory dwelling unit building, regardless of whether a building permit
6 is required, shall be reviewed by the Department of Community
7 Development and granted approval prior to such modification, expansion,
8 construction and/or issuance of a building permit.
- 9 4. Only one accessory dwelling unit shall be permitted on the subject
10 property.
- 11 5. The owner of the property must reside in either the primary residence or
12 the accessory dwelling unit and only one of the structures may be rented
13 at any one time.
- 14 6. The accessory dwelling unit's (ADU) habitable area shall not exceed 50%
15 of the primary residence or 900 square feet, whichever is smaller. The
16 proposed size of the ADU is 484 square feet.
- 17 7. Any future expansion of the ADU will require a building permit and would
18 have to comply with all code requirements in place at the time of the new
19 building permit application.
- 20 8. The accessory dwelling unit (ADU) shall be located within 150 feet of the
21 primary residence.
- 22 9. The accessory dwelling unit shall be designed to maintain the appearance
23 of the primary residence.
- 24 10. This permit shall comply with all Kitsap Public Health District regulations
25 and conditions of approval.
11. No mobile home or recreational vehicle shall be allowed as an accessory
dwelling unit.
12. The accessory dwelling unit shall use the same side street entrance as the
primary residence and shall provide one additional off-street parking
space.
13. An attached accessory dwelling unit (formerly called accessory living
quarters) or guest house is not permitted on the same lot unless the
accessory dwelling unit is removed and the ADU-attached or GH complies
with all requirements imposed by the Kitsap County Code.

14. A property with a primary residence and an accessory dwelling unit cannot be segregated to create two separate legal lots unless it complies with all subdivision, zoning and density requirements in place at the time of a complete subdivision application.
15. The accessory dwelling unit cannot be sold separately from the primary residence unless it has legally been segregated onto its own lot.
16. The recipient of any conditional use permit shall file a Notice of Land Use Binder with the county auditor prior to any of the following: initiation of any further site work, issuance of any development/construction permits by the county, or occupancy/use of the subject property or buildings thereon for the use or activity authorized. The Notice of Land Use Binder shall serve both as an acknowledgment of and agreement to abide by the terms and conditions of the conditional use permit and as a notice to prospective purchasers of the existence of the permit. The Binder shall be prepared and recorded by the Department at the applicant's expense.
17. The uses of the subject property are limited to the uses proposed by the applicant and any other uses will be subject to further review pursuant to the requirements of the Kitsap County Code. Unless in conflict with the conditions stated and/or any regulations, all terms and specifications of the application shall be binding conditions of approval. Approval of this project shall not, and is not, to be construed as approval for more extensive or other utilization of the subject property.
18. The authorization granted herein is subject to all applicable federal, state, and local laws, regulations, and ordinances. Compliance with such laws, regulations, and ordinances is a condition to the approvals granted and is a continuing requirement of such approvals. By accepting this/these approvals, the applicant represents that the development and activities allowed will comply with such laws, regulations, and ordinances. If, during the term of the approval granted, the development and activities permitted do not comply with such laws, regulations, or ordinances, the applicant agrees to promptly bring such development or activities into compliance.
19. The decision set forth herein is based upon representations made and exhibits contained in the project application. Any change(s) or deviation(s) in such plans, proposals, or conditions of approval imposed shall be subject to further review and approval of the County and potentially the Hearing Examiner.
20. This Conditional Use Permit approval shall automatically become void if no development permit application is accepted as complete by the

Department of Community Development within four years of the Notice of Decision date or the resolution of any appeals.

21. Any violation of the conditions of approval shall be grounds to initiate revocation of this Conditional Use Permit.

Development Engineering

22. Building permits submitted for this development shall include construction plans and profiles for all roads, driveways, storm drainage facilities and appurtenances. No construction shall be started prior to said plan acceptance.
23. Stormwater quantity control, quality treatment, and erosion and sedimentation control, as required for the development, shall be designed in accordance with Kitsap County Code Title 12 effective at the time the Building Permit is deemed fully complete. If development meets the thresholds for engineered drainage design, the submittal documents shall be prepared by a civil engineer licensed in the State of Washington. The fees and submittal requirements shall be in accordance with Kitsap County Ordinances in effect at the time of Building Permit Application.
24. If the project proposal is modified from that shown on the site plan approved from this permit application, Development Engineering will require additional review and potentially new conditions.

Dated this 21st day of May 2025.



Emily Terrell
Kitsap County Hearing Examiner

Appeal Right and Valuation Notices

Pursuant to KCC 21.04.100 and KCC 21.04.110, this conditional use permit decision is a final land use decision of Kitsap County and may be appealed to superior court within 21 days as governed by the Washington State Land Use Petition Act, Chapter 36.70C RCW.

Affected property owners may request a change in valuation for property tax purposes notwithstanding any program of revaluation.