



May 27, 2025

Silverdale Regional Center Market Study

Kitsap County

Prepared for: Kitsap County

ECONorthwest

1000 Second Ave • Suite 1730 • Seattle, WA 98104 • 206-823-3060



Acknowledgments

ECONorthwest prepared this report with support, guidance and input of several partners, including Kitsap County staff and members of the Kitsap County Planning Commission. Most notably we are appreciative of the involvement and input of interviewees, the Central Kitsap Community Council, and the Kitsap County Planning Commission.

Kitsap County Staff

- Colin Poff, Planning Supervisor
- Jim Rogers, Senior Planner
- Heather Cleveland, Long Range Planner

ECONorthwest Consulting Staff

- Morgan Shook, Project Director
- Jennifer Cannon, Senior Project Manager
- Mackenzie Visser, Project Manager
- Josie Rademacher, Associate
- Zoe Fairlie, Research Analyst

Kitsap County Contact:

Colin Poff, Planning Supervisor

Kitsap County Department of Community
Development
360-337-5777
CPoff@kitsap.gov

ECONorthwest Contact:

Jennifer Cannon, Senior Project Manager

206-388-0080
cannon@econw.com

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Executive Summary

This study assesses the economic and market potential of the Silverdale Regional Center to inform subarea planning and support Silverdale's Puget Sound Regional Council (PSRC) Regional Growth Center Recertification (consistent with PSRC *VISION 2050* Guidance). A key purpose of this market study is to help Kitsap County comply with PSRC requirements associated with regional centers having certain levels of economic activity units (resident and job growth).¹ The ECONorthwest team provided a comprehensive analysis of the existing community, market, and land development conditions and growth trends and development opportunities to inform future planning decisions. In addition, findings associated with targeted stakeholder engagement, development feasibility analysis, and various growth scenarios are highlighted along with recommendations to consider for the subarea plan.

Community, Market Analysis, and Development Findings

Population Growth and Urbanization: Silverdale has experienced steady population growth, likely driven by its appeal as a regional center for housing, employment, and services. This growth reflects broader urbanization trends in Kitsap County, with increasing demand for higher-density housing and proximity to amenities and transit options.

Shifting Demographics: The demographic composition shows a rise in smaller households, including young families and professionals, likely driving demand for multifamily housing and community amenities. At the same time, the area also has a growing share of older adults, aligning with increased demand for healthcare services and senior housing.

Healthcare Demand: Unmet demand for medical and emergency services is a prime concern for the area, with recent medical facility closures, including a hospital closure in Bremerton. In response to regional healthcare needs, the Kitsap Public Health Board (2023) adopted a Resolution Declaring High Costs and Insufficient Access to Care are Public Health Crises.

Multifamily Development: Silverdale's growing multifamily market reflects its increasing appeal as a regional center for housing and employment. Recent trends show a strong focus on multifamily developments, aligning with broader patterns of workforce expansion and regional population growth.

Retail Development: With its strategic location within easy driving distance from various population centers, along SR-303 and SR-3, and inclusion of a mix of goods and services and anchor destinations such as the Kitsap Mall, Silverdale is a retail hub in Kitsap County and the broader Olympic Peninsula. As the region's population grows, there will likely continue to be steady demand for retail development.

¹ The Silverdale Regional Center must have at least 18 current activity units per acre and a planned target of 45 activity units per acre. Based on the existing conditions in the Silverdale Regional Center and considering the Comprehensive Plan updates, the area has 17.8 activity units per acre and planned target of 46.2 activity units per acre by 2044.



Healthcare and Medical Office Development: Silverdale serves as a regional healthcare center anchored by St. Michael Medical Center, the largest private employer in Kitsap County. The medical center’s recent expansions have strengthened its role as a hub for medical services, supporting a growing network of medical offices, including specialty clinics, family care providers, and in-network facilities. Silverdale is well-positioned to attract additional healthcare investments.

Land Development Analysis Findings: Based on Geographic Information System analysis, Silverdale has potential development opportunities particularly on the 80 acres of vacant land within the Regional Center zone, 82 acres of underutilized land in the Commercial and Regional Center zones, and publicly owned land near SR-303 and the Old Town area.

DEVELOPMENT OPPORTUNITIES AND CHALLENGES

The following opportunities and challenges are based on the stakeholder input the project team received from interviewed developers, affordable housing providers, hospital representatives, the Kitsap Economic Development Alliance, the Kitsap Builders Association, the Navy, and more.

Key Opportunities

- ◆ Silverdale has strong demand for 3-story multi-unit housing.
- ◆ Prime redevelopment opportunity was recognized in Old Town (transit oriented development), near Strawberry Creek and hospital facilities, and along Silverdale Way.
- ◆ A new MFTE program can incentivize mixed income multi-unit development.
- ◆ Adaptive reuse of large retail stores is viable and a possible strategy in response to big box store closures.
- ◆ High demand for healthcare and the recent hospital expansion drives need for workforce housing and seasonal housing. Plans to further develop women’s health, cardiovascular, orthopedic, imaging, and urgent care services and to establish a teaching hospital will likely also catalyze growth.
- ◆ Investments in the arts, entertainment, and retail sectors have strong potential to enhance Silverdale's appeal.
- ◆ Opportunities to revitalize the waterfront area—including the park, boat launch, and nearby restaurants— could support broader community development goals and help attract residents and talent.
- ◆ The new Kitsap Transit Center located directly across from the hospital improved accessibility for staff and patients. A new ferry could expand labor and access.

Key Challenges

- ◆ Building height restrictions, minimum parking requirements for multi-family development, high impact fees, delays in permit approval, high fees for affordable



housing development, cumbersome variance procedures, complicated stormwater requirements, and lack of flexibility in the appeals process were all cited as challenges by developers.

- ◆ Limited buildable land and workforce access and less certain financing also pose obstacles for new development.
- ◆ Redevelopment requirements prevent even small projects from moving forward. Adaptive reuse tends to cost more than building on vacant land except for developments with structurally sound framing.
- ◆ Insufficient housing availability, especially for temporary and contract medical staff, has become a significant constraint. On-call staff required to live within 30 minutes of the hospital.
- ◆ Lack of onsite childcare is a barrier for many employees, especially working parents.
- ◆ Insufficient family-oriented recreational and entertainment options presents challenges for staff retention and recruitment.

Development Feasibility Results

The ECOnorthwest team analyzed the feasibility of constructing a range of different residential and commercial developments to determine which were more financially feasible under current conditions. Six different development prototypes were selected and customized to reflect typical development parameters associated with the Silverdale area.

Residential development consisting of townhomes and surface-parked 3-story multifamily apartments were the most feasible residential development types. Development feasibility would be bolstered by reducing minimum parking requirements, increasing the base height limit near the hospital and Old Town. Both the 8-year and 12-year Multifamily Tax Exemption Program options would increase feasibility for multifamily construction. In terms of commercial development, medical office development was the most financially feasible under current conditions and adaptive reuse was challenging but possible under certain conditions. Lastly, horizontal mixed-use development is more likely to be built than vertical mixed-use (vertical mixed-use might need more incentives to pencil).

Growth Scenarios Analysis and Planned Growth Targets

To evaluate Silverdale's ability to meet PSRC's activity unit targets for Regional Growth Center certification, the team constructed three future growth scenarios that reflect a range of policy actions and market conditions. These scenarios are not meant to predict the future with certainty, but rather to test the implications of plausible and actionable changes in land use policy, infrastructure investment, and economic activity that could shape growth patterns in Silverdale over the next 20 years (up until 2044). Each scenario builds on a shared baseline of updated zoning, transit investment, and demographic trends, and layers in specific growth drivers that reflect both local planning opportunities and regional development precedents.



- ◆ **Scenario 1:** More residential growth through the adoption of MFTE and accounts for newly finished hospital expansion.
- ◆ **Scenario 2:** Another expansion of the hospital (in addition to the growth projected under scenario 1).
- ◆ **Scenario 3:** Highest residential growth with Old Town ferry related growth (assumes all the above under scenarios 1 and 2).

The baseline Regional Center projections estimate 46.7 activity units per acre by 2044 which is above the PSRC planned target requirement. Scenarios 1 through 3 yield growth levels well above the minimum threshold. Scenario 1 is the most viable with the MFTE Program adoption and the 74-bed hospital expansion currently underway, leading to 48.9 activity units per acre. Scenario 2 builds on Scenario 1 by assuming that another hospital tower will be built after the current expansion is completed which would lead to 51.2 activity units. Finally, Scenario 3 includes the two hospital expansions, along with transit-oriented housing development in Old Town, leading to 53.1 activity units.

Recommendations

CHALLENGE: INCREASE RESIDENTIAL CAPACITY AND COMMERCIAL INFILL DEVELOPMENT.

- ◆ Implement permit process and fee improvements building off the current PREP work.
- ◆ Promote transit-oriented development (bus and ferry) and consider adding an overlay for growth areas to support re/development nearby the new ferry and transit center.
- ◆ Identify potential infrastructure improvements to support mixed-use and other forms of increased housing capacity including opportunities to enhance walkability, provide stormwater infrastructure, public art and community amenities and branding, and place-making enhancements.
- ◆ Explore incentive programs to pay for key infrastructure improvements (e.g., Tax Increment Financing).
- ◆ Reduce minimum parking restrictions to be lower than 2 spaces per housing unit where possible, complying with SB 5184, and adding site specific flexible standards.
- ◆ Implement a business attraction campaign to aid recruitment efforts as well as identifying and addressing public realm improvements.

CHALLENGE: ADVANCE REDEVELOPMENT IN THE REGIONAL CENTER.

- ◆ Identify ways to incentivize adaptive reuse development and redevelopment particularly in opportunity areas particularly areas impacted by business closures.
- ◆ Consider adding staff or organization promoting redevelopment. Explore the establishment of a supportive redevelopment organization, supporting the acquisition and sales of property to facilitate key development.



- ◆ Advance public-private partnerships focused on catalyzing economic development.

CHALLENGE: IMPROVE COMMUNITY QUALITY OF LIFE AND MAKE SILVERDALE MORE LIVABLE.

- ◆ Support the addition of more restaurants, arts, and entertainment businesses and more childcare facilities (meeting the needs of medical and Navy workers)
- ◆ Improve and enhance public spaces, recreational facilities and pedestrian facilities (e.g., Clear Creek Trail and the waterfront public spaces).
- ◆ Broaden transportation options and transit services. Prioritize multimodal improvements such as sidewalk and bicycle/pedestrian facilities.
- ◆ Promote place-making efforts to help establish the area as a pedestrian friendly destination for residents to connect with others and spend their time and disposable income.

CHALLENGE: UPDATE THE VISION AND GOALS TO REFLECT CURRENT OPPORTUNITIES AND TO SUPPORT REGIONAL CENTER GROWTH.

- ◆ Promote increased integration of housing to advance economic stability in the Regional Center to lessen the impact of possible business closures (due to e-commerce and online retail outperforming in person retail).
- ◆ Increase the housing capacity by focusing on mixed-use, workforce housing, multi-family housing, and middle housing development.
- ◆ Actively promote medical related development, using the recent hospital expansions as a catalyst for continued growth (infill, redevelopment, etc.).
- ◆ Support adaptive reuse development opportunities particularly considering the aging of many commercial buildings and the business closures.
- ◆ Recognize the need to invest in creating more 3rd places, entertainment, restaurants, and childcare facilities.
- ◆ Advance transit-oriented development opportunities particularly near the new transit center and in the Old Town neighborhood nearby the proposed new foot ferry providing a connection between Silverdale and Bremerton.
- ◆ Work with the hospital and other key stakeholder groups to fortify partnerships and advance key development opportunities. Consider convening a focus group with medical and healthcare related workers and sector affiliates to collaborate and improve the understanding of what is needed in Silverdale to attract more residents and improve the economy and quality of life.
- ◆ Convene a focus group with key stakeholders such as the Navy, the Port of Silverdale, and Kitsap Economic Development Alliance to collaborate and improve the understanding of what is needed in Silverdale to attract more residents and improve the economy and quality of life



1. Introduction

This project provides an assessment of the economic conditions and market potential of the Silverdale Regional Center to support subarea planning, strategy development, and financial planning. This study will provide a comprehensive analysis of existing conditions, growth trends, and development opportunities to inform future planning decisions and will evaluate the feasibility of various development scenarios and their potential economic impacts.

A key goal is to support the creation of a subarea plan that is consistent with the Puget Sound Regional Council (PSRC) *VISION 2050* Guidance for Regional Growth Center Plans. PSRC states that: “[regional growth centers] have an important regional role, with dense existing jobs and housing, high-quality transit service, and planning for significant growth. These centers may represent areas where major investments — such as high-capacity transit — offer new opportunities for growth.” They are positioned where most of the region’s significant business and cultural facilities locate and grow.

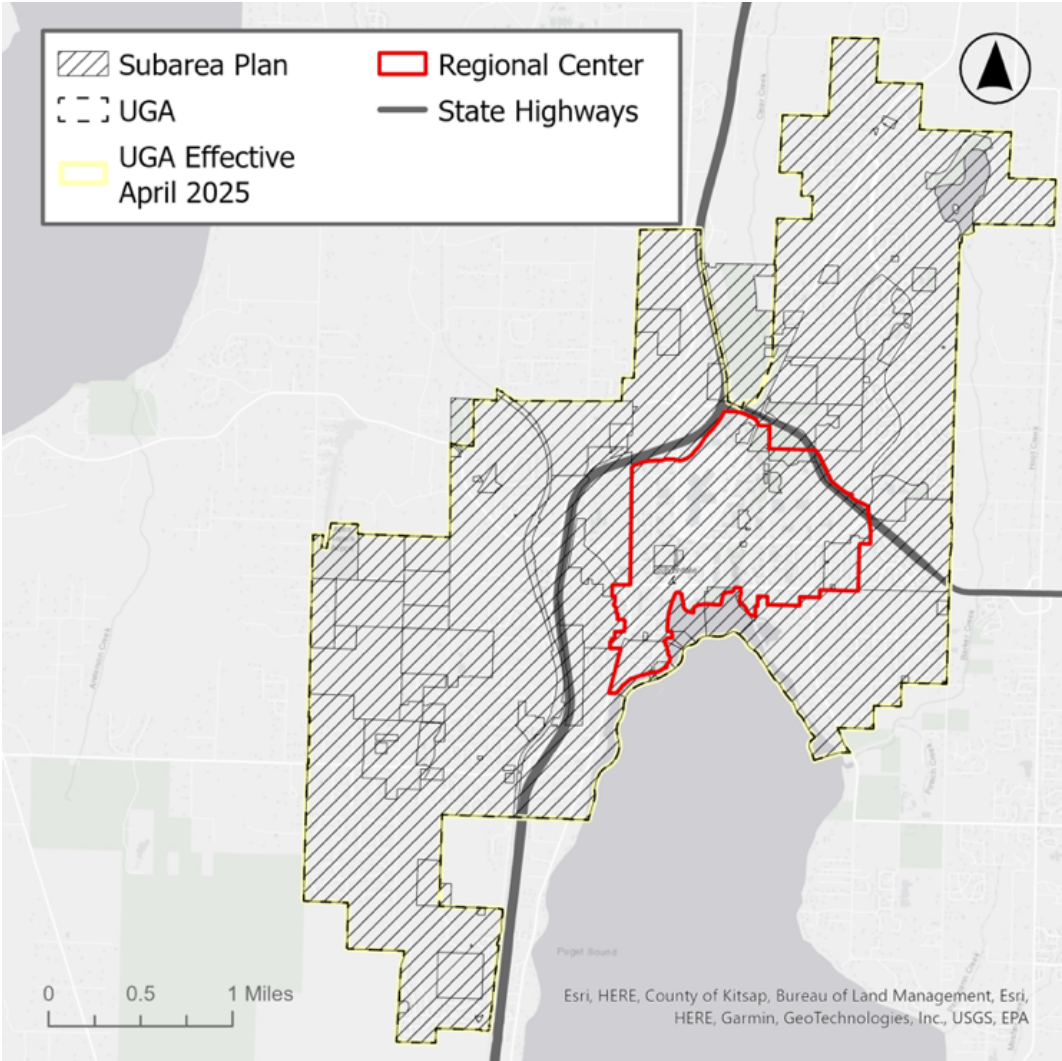
PSRC requirements establish minimum requirements for jobs and population, known as “**activity units**”. Each resident or job counts as one activity unit. **To be designated as a regional center, Silverdale Regional Center must have at least 18 current activity units per acre and a planned target of 45 activity units per acre.**² A revised Regional Center boundary was adopted for Silverdale in 2024 and with this revised boundary, resulted in an estimated 17.8 activity units per acre.

Among the 30 regional growth centers in the Puget Sound Region, the Silverdale Regional Center, established in 2003, is the only center in an unincorporated area. The Silverdale Center Subarea Plan is an adopted element in the recently updated Kitsap County Comprehensive Plan (2024) and the Subarea Plan is expected to be updated again in 2025. The subarea plan offers Silverdale focused policy direction regarding land use, natural systems, economic development, housing, transportation, and capital facilities over the 20-year planning horizon.

² Additional information on the PSRC consistency requirements is provided in the Appendix.



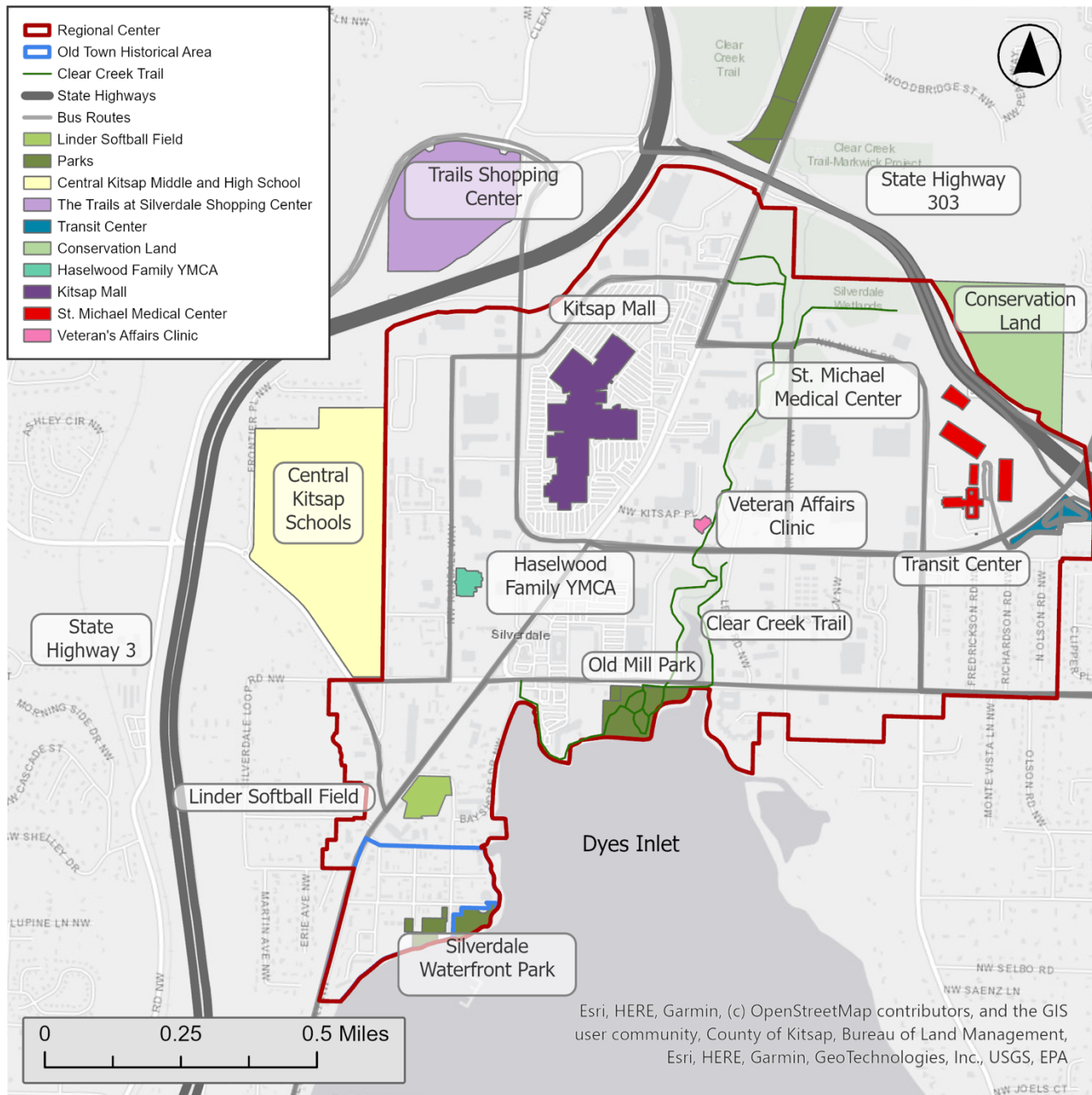
Exhibit 1: Silverdale Site Location Map



Source: ECONorthwest, Kitsap County Assessor Data

Exhibit 2: Core Community Features in Silverdale

Source: Kitsap County Assessor Data



The Silverdale Urban Growth Area (UGA) is located in the center of Kitsap County south of Bangor Base (US Naval Base) and the City of Poulsbo, along the north edge of the Dyes Inlet, and north of the cities of Bremerton and Port Orchard. The area is currently home to just over 20,000 persons and wraps around State Routes (SR) 3 and 303 (traversing north-south). Silverdale offers various recreational natural features such as the Clear Creek Trail and Old Mill Park along the waterfront providing amenities for the community.

As shown in Exhibit 2, the Silverdale Regional Center includes key facilities and development such as the Kitsap Mall, a mix of commercial, office, residential and service uses; the Old



Town historical area; the St. Michael's Medical Center and Hospital facilities; a new Veterans Affairs Clinic; and the Silverdale Community Center.

In coordination with the subarea planning, this market study is intended to describe key opportunities in support of growth, the expected population and employment growth, and what that could mean for redevelopment. The market study recommendations will help identify needed investments, potential funding and finance approaches, and equitable development considerations. A comprehensive analysis of existing conditions, growth trends, and the feasibility of development opportunities and potential economic impacts is provided to inform future planning decisions.

As shown in the outline provided below, this report includes six sections, and an Appendix comprised of two additional sections.

- » **Section 1, Introduction:** Includes information about the purpose of the market study and about the Silverdale context and setting
- » **Section 2, Community, Market, and Economic Analysis Findings:** Summarizes the findings about community demographic shifts, market conditions and opportunities, and economic analysis findings (employment projections).
- » **Section 3, Land Development Analysis Findings:** Highlights the Geographic Information System analysis findings exploring buildable land development potential in the Regional Center, focusing on vacant and underutilized land and publicly owned parcels.
- » **Section 4, Development Opportunities and Challenges:** Summarizes the stakeholder engagement findings and the development feasibility analysis results.
- » **Section 5, Growth Scenarios Analysis:** Describes the scenario analysis approach and examines the findings of 3 different scenarios representing varying levels of growth and considerations.
- » **Section 6, Recommendations:** Concludes the work by summarizing Silverdale's regional significance and offering various recommendations in support of the subarea plan update efforts.

The Appendix includes two sections with additional community demographic analysis findings and additional land use analysis findings (more detailed than what is provided in sections 1 to 3).



2. Community, Economic, and Market Analysis Findings

As of the 2020 Census, the Silverdale UGA had just under 19,700 residents. Using this as the baseline, Silverdale's 2044 Puget Sound Regional Council (PSRC) population target was set at roughly 29,100. Under the Preferred Alternative, Silverdale is projected to exceed this target by more than 5,000 residents, totaling approximately 34,200 in 2044. A summary of Silverdale's demographic and economic household trends is below. Please see Appendix A: Community Profile for charts and more detailed data.

Demographic Trends

Demographic trends indicate that Silverdale is attracting young professionals and families, marked by increasing shares of children and young adults (up four percentage points), and family households (up five percentage points) from 2013 to 2023. Silverdale also has the lowest median age among nearby urban areas, including Bremerton, Kingston, Port Orchard, Poulsbo, and Bainbridge Island. At the same time, an increasing share of residents over 65 (up eight percentage points) indicates that like many other communities in the County, Silverdale may need to expand certain healthcare services, housing, and amenities to meet the needs of its growing population of older adults.

Silverdale's housing market also reflects these demographic trends: Silverdale has a higher share of renters than the County as a whole, with residents nearly evenly split between renters and homeowners (47% to 53%, respectively). Rental and for-sale units have clear distinctions in the area, where almost all for-sale homes are single-family homes, while most rental units are within multifamily buildings. Rental households are more likely to be smaller, with one or two members; nonfamily households (residents living alone or with roommates) are also more likely to live in multifamily housing. On the other hand, ownership households tend to be larger family households. These housing patterns suggest that rental housing in Silverdale is likely to serve individuals and smaller households who may be in transition, such as young professionals, retirees, or those new to the area, while ownership housing may cater more to families and longer-term residents.

These trends highlight the importance of maintaining a balanced housing stock to meet the needs of its diverse and growing population. As residents move to the area for employment and other opportunities, many may initially seek smaller, more affordable rental units. Over time, as these residents establish roots and their household needs change, they may look for larger, family-friendly housing to purchase. Later in life, as residents age, they often sell their larger homes in favor of smaller, more manageable, and more accessible units. A diverse housing supply that includes a range of housing types and price points is essential to support this progression, ensuring long-term stability for residents and employees. Without



these options, bottlenecks in the housing market could hinder mobility, exacerbate affordability challenges, and limit Silverdale’s ability to accommodate its growing population.

Economic Trends

From 2013 to 2023, the share of high-earning households increased considerably, with over a quarter of Silverdale households earning \$150,000 and over half earning more than \$100,000 annually as of 2023. While these trends are mirrored in the County overall, Silverdale’s share of high-earning households increased faster than the County over the past decade, suggesting Silverdale is attracting workers in industries with high earning potential.

Household incomes in Silverdale vary significantly between renters and homeowners, with renters earning an average of \$70,000 annually compared to \$130,000 for homeowners. This disparity may be explained by several factors: renter households often have fewer members and may rely on a single income, while homeowners are more likely to have multiple earners and typically require higher incomes to qualify for a mortgage. However, over half of renters spend at least 30% of their gross income on rent, and a quarter spend over 50%, indicating a potential gap between attainable and existing rental units, which may contribute to affordability challenges for Silverdale renters.

It is also important to note disparities in incomes and homeownership rates across different demographic groups. In Silverdale, White households tend to have higher incomes compared to Hispanic, Latino, or Asian households, and both White and Asian households have higher homeownership rates than Hispanic or Latino households. Household demographics also vary, with certain groups having larger average household sizes. Amid a diversifying population, it is important to consider these disparities and ensure equitable access to economic opportunities, affordable housing options, and supportive resources that meet the needs of all residents.

Employment Trends

As of the 2020 Census, the Silverdale UGA had roughly 13,300 employees. Using this number, Silverdale’s 2044 PSRC employment target was calculated as 11,000 additional employees or 24,300 total employees. Under the preferred alternative (identified in the Kitsap County Comprehensive Plan), Silverdale is estimated as falling slightly short of this target, adding about 10,400 jobs by 2044, or 433 jobs per year. A large share of this employment growth is planned for the Silverdale Regional Center.

One notable trend is Silverdale’s shifting workforce demographics. From 2013 to 2023, the share of workforce-aged residents fell by just under 10 percentage points, from 62 to 53. However, this change is nearly all accounted for by a decrease in residents aged 35 to 64 and an increase in residents over 65. At the same time, the share of younger adults aged 20 to 34 increased, suggesting that while some of its workforce has transitioned into retirement, Silverdale is attracting younger professionals to rebuild its employment base.



Key Industry Sectors

Defense is a key industry in the region, and Naval Base Kitsap is the County's largest employer. According to a Kitsap Economic Development Alliance (KEDA) report, Naval Base Kitsap contributes \$4 billion to the local economy and employs over 30,000 employees. KEDA also identified adjacent key industries, including maritime, technology, and advanced manufacturing. In Silverdale, roughly 14% of employees work in the Armed Forces, and industries that likely support the base, such as manufacturing and public administration, employ a quarter of civilian employees (Exhibit 46).

Of residents in the civilian labor force, Silverdale's largest employment sector is educational services, health care, and social assistance, employing just under a quarter of civilian residents (23%). In this sector, roughly 16% of civilians work in health care and social assistance, the largest industry in Silverdale. The area's healthcare sector is anchored by St. Michael Medical Center, which recently underwent a \$645 million expansion. According to KEDA, St. Michael's is the largest private sector employer in the County with over 1,900 employees. The hospital is also the center of a network of medical offices, including in-network services, primary care facilities, and specialty practices. With further expansions planned, St. Michael's supports Silverdale's position as a growing regional medical hub.

As the Kitsap County population grows, including a rising share of older adults, the demand for high-quality, reliable medical services is expected to increase even further. Unmet demand for medical services and emergency services is already a prime concern for the area, with recent medical facility closures (hospital closure in Bremerton) prompting the Kitsap Public Health Board (2023) to adopt a "Resolution Declaring High Costs and Insufficient Access to Care are Public Health Crises."³ With growing need in the Kitsap Peninsula and beyond, there will likely be ongoing demand for medical space and employees, driving population growth and corresponding demand for housing and services.

Commuting Patterns

Silverdale's workforce is largely composed of employees who commute from surrounding areas across the Kitsap Peninsula, with only 10% of workers living within the Silverdale UGA. About 60% of commuters travel less than 25 miles, with residences concentrated in nearby areas such as Central Valley, Sheridan, Meadowdale, and Illahee or in adjacent urban locations including Bremerton, Poulsbo, and Port Orchard.⁴ However, a quarter of employees commute 25 to 50 miles, and just under 15% commute more than 50 miles to work. This dynamic suggests potential housing availability and affordability challenges, which may limit employees' opportunities to reside closer to their workplaces.

Additionally, only 4% of employees currently use public transit to commute to work. However, Silverdale has made significant recent investments into its transit infrastructure

³ Source: <https://www.kitsappublichealth.org/ch/healthcare>. The [Kitsap Health District](#) reports that data and community input indicate Kitsap County is underserved across a wide range of healthcare fields, including primary, obstetric, pediatric, emergency, specialty, mental and behavioral health.

⁴ Data Source: U.S. Census Bureau 2022, <https://onthemap.ces.census.gov/>.



and is planning for new routes and frequencies. In June 2024, Kitsap Transit unveiled the Silverdale Transit Center (STC), a \$25 million facility designed to enhance public transportation in the region. Located on Ridgetop Boulevard adjacent to State Route 303, the STC features eight bus bays, covered waiting areas, a dedicated on-ramp for buses to SR 303, bicycle storage, in-ground inductive charging for electric buses to support Kitsap Transit's expanding electric fleet. Strategically situated across from St. Michael's Medical Center and near residential developments, the STC aims to reduce vehicle miles traveled and increase connectivity with the broader region. The County plans to establish mode split goals to increase the share of overall trips made through multimodal transportation.

Market Analysis

The market analysis examines Silverdale's residential, retail, and office market trends to identify opportunities that align with future growth. These sections explore how local market activity supports housing demand, employment, and services, providing insights into the most feasible development types. By understanding current conditions and future needs, this analysis will ultimately inform strategies to support Silverdale's role as a regional hub while addressing the area's evolving economic and community priorities.

Residential Market Analysis

The majority of the Silverdale UGA's existing homes (94%) are single-family units.⁵ However, in recent years, the strongest development growth in Silverdale's residential market has been in multifamily development. From 2020 to 2024, roughly two-thirds (66%) of new units permitted were in multifamily buildings with at least fifteen units. On the other hand, just under one-third (31%) of permitted units were single-family homes, and roughly 3% of units were in small multifamily or middle housing developments of two to 14 units. Great housing growth has been unfolding recently in Kitsap County nearby Silverdale with several developments being built such as the Royal Valley development, the El Dorado Development, the Dicky Pit (aka Stoneridge) development, and multifamily such as Fieldstone Senior Apartments, the Highlands at Silverdale, and Rivulet Apartments. Several of these developments have been built outside of the regional center, building on much of the remaining portions of available vacant land. Due to the decreasing opportunity areas outside of the Center, the development pressure is expected to shift into the Regional Center.

⁵ Source: Kitsap County Assessor Data



Exhibit 3: Residential Units Permitted Per Year, Silverdale UGA

Building Size	2020	2021	2022	2023	2024	No Date	Total
Single Family	57	92	68	76	83	36	412
2-14	0	22	0	0	0	13	35
15-29	0	0	52	248	0	0	300
30-49	0	204	32	168	42	0	446
50+	0	0	114	0	0	0	114
ADU	0	0	0	0	0	1	1
Total Units	57	318	266	492	125	50	1,308

Data Source: Kitsap County Permit Data. Note: Includes only issued permits. Building size refers to residential units in the development and describes the scale of the residential development.

As shown above, most permitted multifamily units were in mid-size developments with 15 to 49 total units. However, Silverdale has also seen several larger multifamily developments built in recent years.⁶ Examples of these developments are shown in the table below.

⁶ Please note that these developments were likely permitted prior to 2020, and are not reflected in the permitting data.



Exhibit 4: Recent Multifamily Construction Examples, Silverdale

	NAME	YEAR BUILT	SCALE	TYPE
	The Highlands at Silverdale	2024	570 units, 4 stories	Market-rate apartments
	Rivulet Apartments	2023	78 units, 3 stories	Market-rate apartments
	Fieldstone on Clear Creek	2020	127 units, 4 stories	Senior apartments

Data Source: CoStar. Note: The Highlands at Silverdale and Fieldstone on Clear Creek are outside of the Regional Center boundary.

The growth of larger multifamily apartment developments often suggests population growth, urbanization, and rising housing demand in an area. These developments typically respond to housing demand driven by an expanding workforce, indicating that the area is attracting new businesses or supporting the growth of existing industries. Such growth is often linked to the expansion of key economic sectors, such as healthcare or manufacturing, which generate higher employment levels and draw workers seeking accessible, well-located housing. In addition to supporting employment growth, the rise of larger apartment complexes can stimulate further economic activity by increasing population density, which

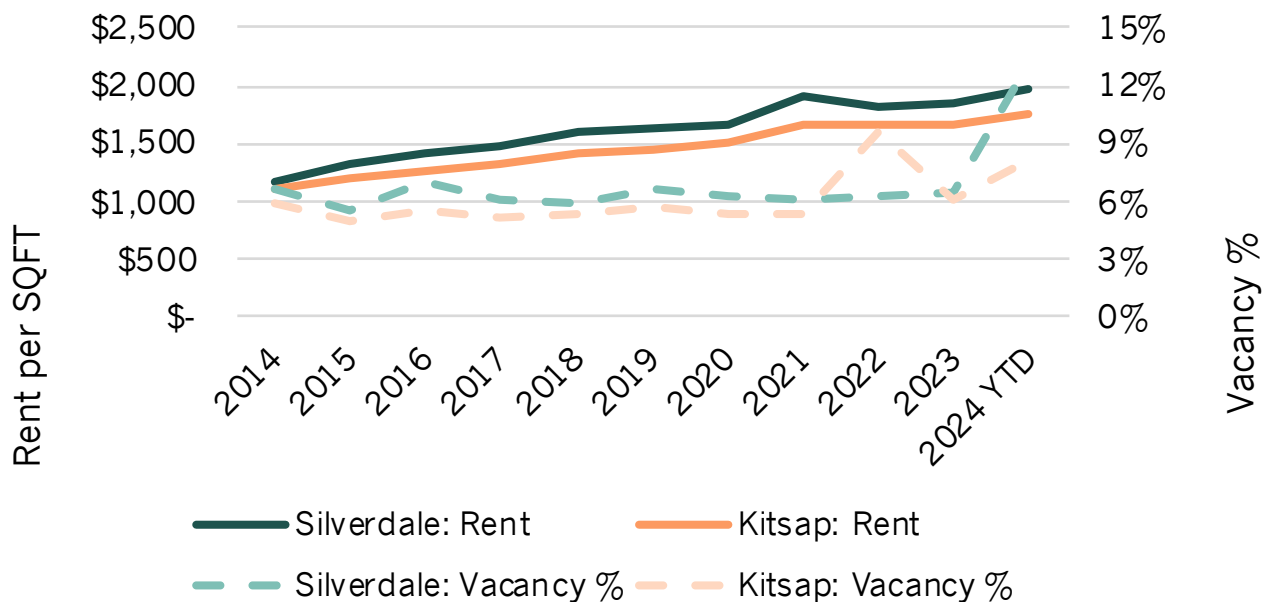


supports local businesses, retail, and service providers, creating a positive feedback loop of growth and development.

MULTIFAMILY MARKET TRENDS

Relatively low vacancy rates, increasing rents, construction trends, and leasing activity indicate demand for multifamily units in Silverdale and the broader region. A housing vacancy rate is typically described as the percent of units that are unoccupied. Housing market assessments often use five to ten percent as a standard vacancy rate since it implies a balance between housing supply and demand; average rental housing vacancy rates fluctuated roughly between six and eight percent in the United States from 2015 to 2022.^{7 8} Low vacancy rates may indicate a limited housing supply and inadequate housing production to satisfy demand, while in contrast, high vacancy rates imply an over-supply of housing, reduced desirability of an area, or low demand.

Exhibit 5: Multi-Family Asking Rents and Vacancy



Data Source: CoStar

Exhibit 6: Multi-Family Asking Rents and Vacancy

Vacancy rates have been relatively stable at around 6%. While there was a spike in vacancy in 2024, this is likely correlated with the completion of the Highlands at Silverdale. Multifamily rents have steadily increased over the past decade. In Silverdale, rents increased 66% to \$1,790 per month.

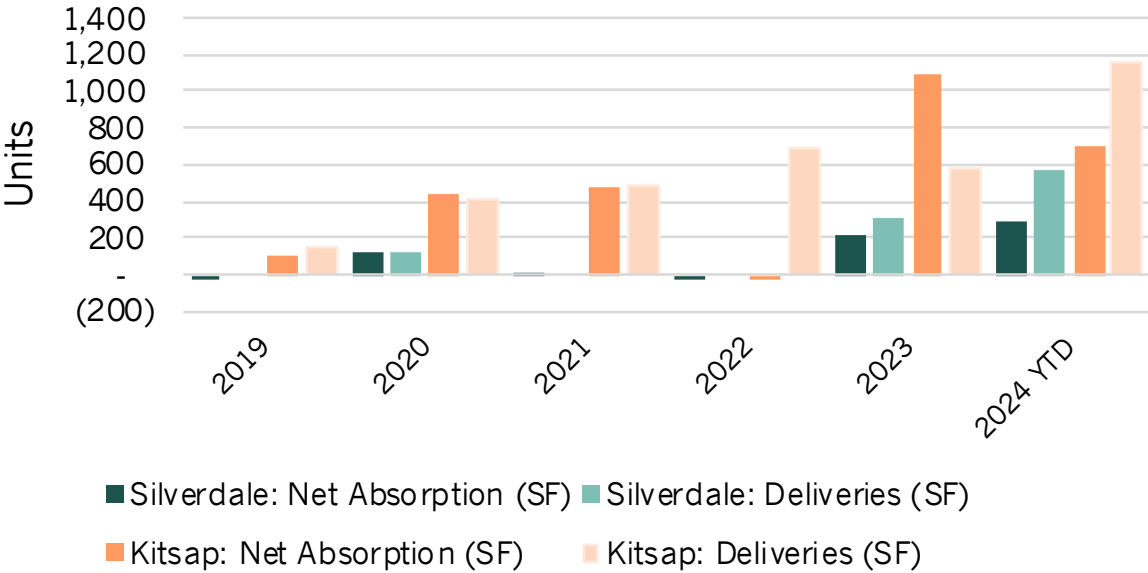
⁷ Sources: Hagen, Daniel A. and Julia L. Hansen. (2010). “Rental Housing and the Natural Vacancy Rate.” Journal of Real Estate Research, April 2010. Pages 413-434. Azibo. (2023). Retrieved at this [link](#).

⁸ Source: U.S. Census. (2023). Retrieved at: <https://www.census.gov/library/stories/2022/05/housing-vacancy-rates-near-historic-lows.html>



Construction activity also reflects Silverdale’s status as a growing regional center: multifamily units in Silverdale make up 20% of total units in the County but 29% of recent units constructed in the past five years. Additionally, new construction accounts for approximately 27% of Silverdale’s total multifamily units, compared to 20% in the County.

Exhibit 7: Multi-Family Flex Deliveries and Absorptions (Units)



Data Source: CoStar

Just over 1,000 multifamily units have been built in Silverdale in the past five years, accounting for roughly 30% of units built in the County. Net absorption has generally been positive, indicating new units are being leased.

Commercial Market Analysis

Silverdale is a retail hub in Kitsap County, characterized by its larger stores and diverse shopping options. Silverdale features many larger chain businesses, with its average retail space being about 64% bigger than the County's. These larger establishments provide several advantages to the community; recognized stores that sell a variety of products and services can draw in customers from throughout the region, resulting in steady foot traffic that boosts sales tax revenues and aids nearby businesses. Additionally, larger businesses often generate job opportunities directly within the stores and indirectly through supply chains and other supportive services.

These retailers are predominantly clustered within shopping centers throughout the area, including the major retail centers highlighted in the table below.

Exhibit 8: Major Retail Centers

NAME	BUILDING AREA (SF)	ACRES	ANCHOR TENANT(S)
Kitsap Mall	1,028,000	75	WinCo Foods, Macy's, JCPenney, Kohl's
Trails at Silverdale	226,000	15	Sprouts, Homegoods, Total Wine & More
Silverdale Plaza	170,000	30	Safeway

Data Source: CoStar. Note: [Macy's](#) has confirmed that it will close down their Kitsap Mall location.

Exhibit 9: Retail Buildings within the Regional Center



Data Source: EConorthwest, Kitsap County Assessor Data

commerce, and changing market dynamics have challenged the viability of some big-box retailers. While many remain successful anchors in the retail landscape, others face declining sales or closures, leaving large parcels of underutilized land. These underperforming or vacant properties present prime opportunities for redevelopment, particularly in areas with growing populations or unmet demand for mixed-use, residential, or community-focused spaces. **Balancing the economic benefits of thriving big-box stores with proactive strategies to repurpose underperforming ones is essential for fostering long-term economic growth and adaptability in the face of changing market trends.**

While the concentration of big-box stores and shopping centers has economic advantages, this development pattern has also resulted in a less mixed-use and walkable environment. Residential, commercial, and recreational spaces are often separated, making the area more auto-oriented and less conducive to pedestrian activity. As shown in the map to the left, commercial buildings, particularly in Silverdale's Regional Center zone, tend to be separated by parking and roadways. In particular, the Regional Center zone has substantial parking area serving its retail stores.⁹

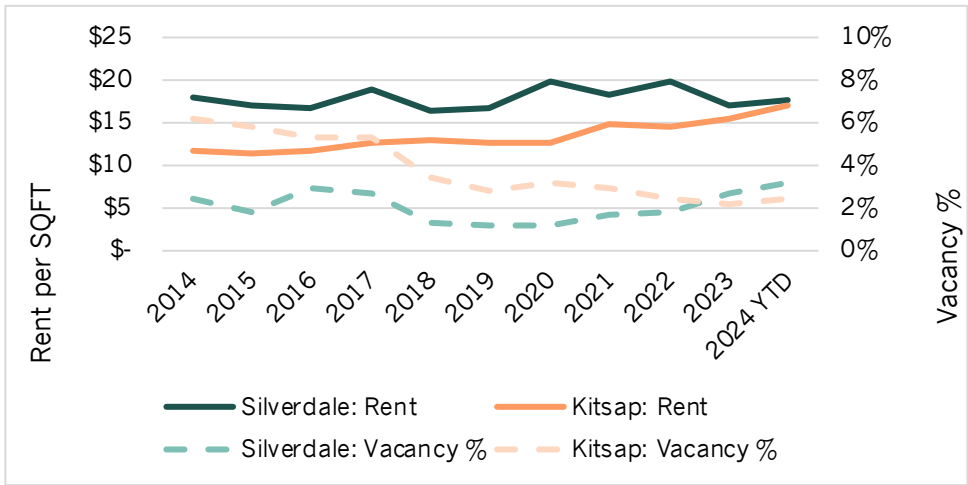
Additionally, shifting consumer preferences, the rise of e-

⁹ The brick-and-mortar retail environment have faced increasing regional and national challenges due to online retailing.

RETAIL MARKET TRENDS

The retail market in Silverdale is relatively stable, with flat rents, low vacancy rates, and close to neutral net absorption. With its strategic location along SR-303 and SR-3, a mix of goods and services, and anchor destinations such as the Kitsap Mall and Trails at Silverdale, Silverdale is well-positioned as a retail hub in Kitsap County and the broader Olympic Peninsula. As the region’s population continues to grow, there will likely continue to be steady demand for retail development.

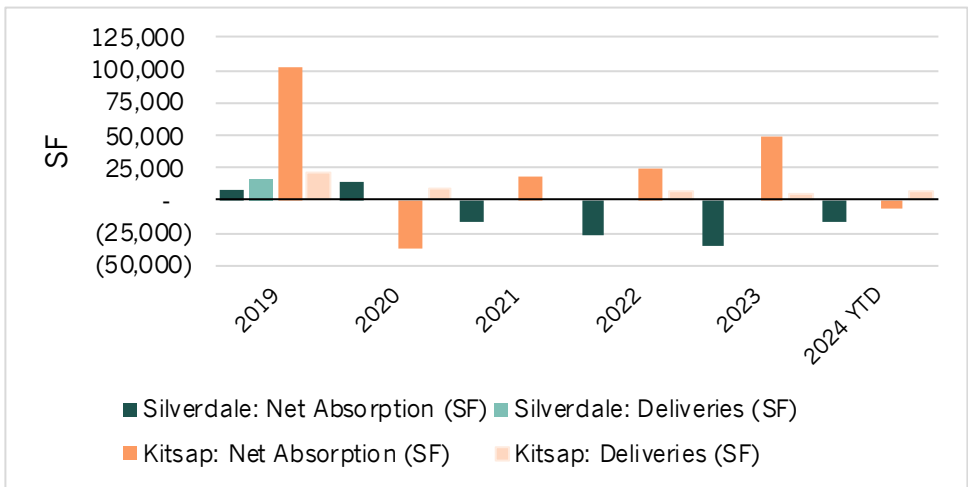
Exhibit 10: Retail Rent per Square Foot and Vacancy



Data Source: CoStar

In recent years, retail rents have been relatively stable in Silverdale and the County. As of 2024, the average retail rent was \$17 per square foot. Vacancy rates are low, with approximately 3% of retail space available for rent in Silverdale.

Exhibit 11: Retail Deliveries and Absorptions (SF)



Data Source: CoStar

Since 2020, relatively small amounts of retail space have been delivered in the County, but none in Silverdale. Silverdale has had small negative net absorption since 2021, indicating slightly more retail space was vacated than leased annually.

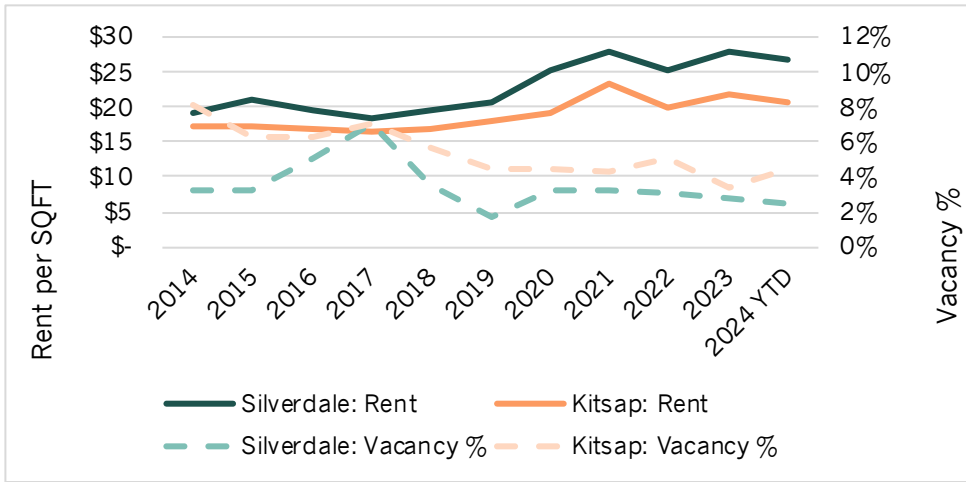
OFFICE MARKET TRENDS

Unlike many other markets that have faced significant challenges, Silverdale’s office market has remained relatively stable, likely in part due to its concentration of medical office spaces. Anchored by the St. Michael’s Medical Center, Silverdale is a regional healthcare center hosting a range of medical facilities and services, including specialty services, family care

clinics, and assisted living centers. Per CoStar, 36% of Silverdale’s total office space is classified as medical office, compared to 25% of the County’s office space.

Unlike traditional office space, demand for medical office space has proven resilient through the COVID-19 pandemic, as healthcare providers expanded services to meet increased patient needs and adapted to new delivery methods like telehealth. Additionally, while some traditional office markets struggled with remote work trends, the requirements for in person medical services and the essential nature of healthcare services has likely insulated Silverdale’s office market from similar declines.

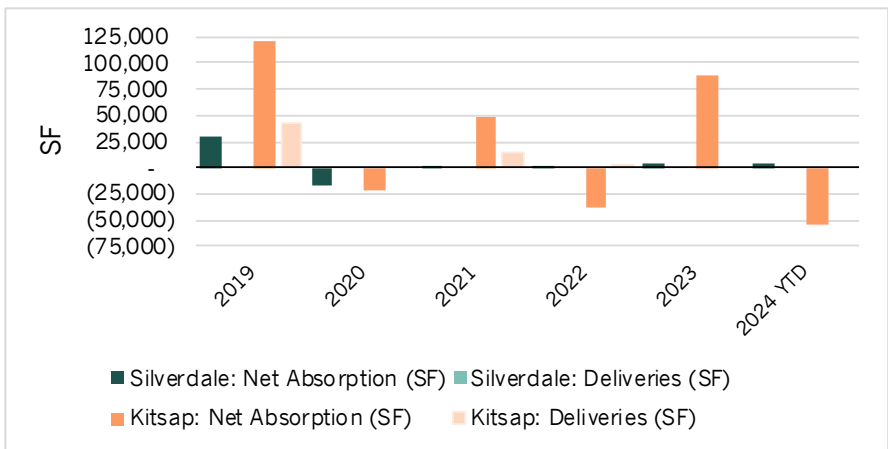
Exhibit 12: Office Rent per Square Foot and Vacancy



Data Source: CoStar

Office rents began increasing relatively steadily in 2018, increasing 39% in Silverdale and 21% in the County overall over the time period. Vacancy rates have remained low since 2019, with only 2.5% of retail space available for rent in Silverdale, compared to 4% in the County.

Exhibit 13: Office Deliveries and Absorptions (SF)



Data Source: CoStar

There were relatively small office deliveries in Kitsap County in 2019 and 2021, but none in Silverdale over the time period. Net absorption was close to neutral in Silverdale, indicating there was likely not much turnover in office space.

3. Land Development Analysis

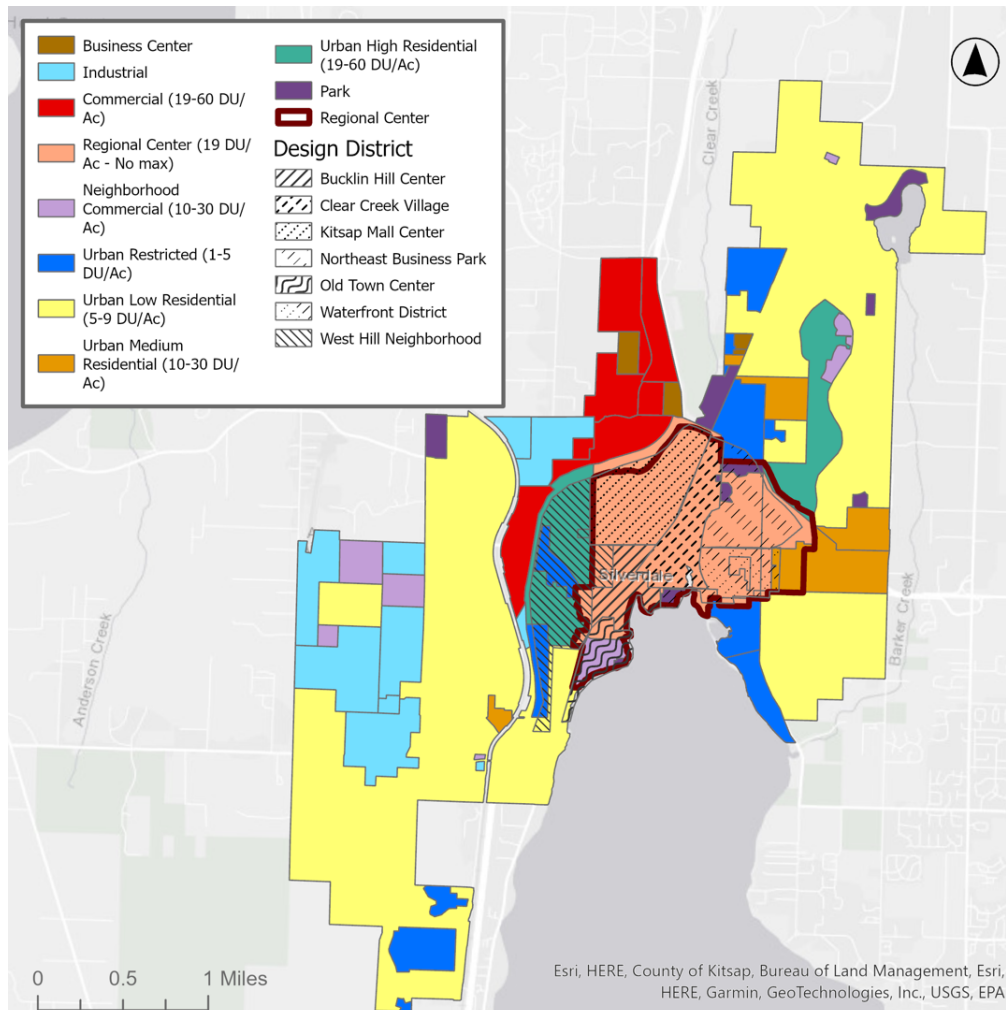
The broader Silverdale UGA has a mixture of zones to accommodate diverse commercial and residential development and future growth while the smaller Regional Center area has more limited zones focused on higher density development (see Exhibit 14 below). As a part of the Comprehensive Plan update (2024), land capacity analysis was completed for Kitsap County. This analysis showed that approximately 168 net acres of buildable land was available in the Silverdale Regional Center. This land capacity analysis was structured for the whole county, using generalized assumptions suitable for the entire county. The previous land capacity analysis completed for the Comprehensive Plan update (2024) and associated code changes demonstrated sufficient capacity to meet the employment and housing targets.

As a part of this Market Study, an updated land capacity analysis was developed specifically for the Silverdale Regional Center to help support the activity unit evaluation. This analysis was updated to account for recent zoning changes, center boundary changes, and refined growth and development potential more accurately reflecting the circumstances of the specific Silverdale Regional Center. For example, the assumptions associated with Right of Way reductions and public facilities were reduced since the space needed for this type of infrastructure would be less extensive for the Silverdale Regional Center in comparison to other areas of the county due to the extensive infrastructure already in place and built out nature of this urban center.

Compared to the previously completed analysis, this updated evaluation resulted in a greater supply of buildable lands estimated at 189 net acres (around 21 more acres) providing space for 5,267 new housing units (for around 13,113 new residents) and 7,575 new jobs which added to existing figures, provides a grand total of 17,955 jobs and 6,225 housing units (for around 15,498 persons). This assessment based on more detailed and customized assumptions reflecting Silverdale's unique circumstances showed that the Silverdale Regional Center, including Regional Center, Neighborhood Commercial, and Commercial zones, has more than sufficient land capacity to meet its population and employment targets.



Exhibit 14: Silverdale Zones



Source: ECONorthwest, Kitsap County Assessor Data

Allowing for different land uses within Silverdale offers benefits associated with diversifying the County's tax base to be less reliant on sales tax revenue (generating more property tax revenue). The Silverdale UGA contains the Regional Center, Urban Medium Residential, and Urban Restricted zones, with Regional Center zoning in most of the area. However, this area is also made up of seven design districts: Kitsap Mall Center, West Hill, Northeast Business, Waterfront, Bucklin Hill Center, Clear Creek Village, and Old Town Center. Recently, the County upzoned all areas in the Regional Center to have increased height and density limits. Notably, all districts except Old Town no longer have a maximum density, and height limits were increased in all districts. Some reductions to parking minimums were also made. Additionally, the county is working to improve the efficiency of the permitting process and has improved transit frequency. A summary of the changes are shown below.¹⁰

¹⁰ Kitsap County initiated a Permit Review Efficiency Program or PREP to review and provide recommendations for improvements to predictability, process efficiency, and overall timeliness of the permitting process. This was also a need identified in the December 2023 customer service survey. The department has been working together with the



Exhibit 15: Comprehensive Plan Changes Associated with Silverdale

SILVERDALE CENTER

Policy	Current (Alt 1)	Preferred Alternative
Assumed Densities	RC- 10 DU/acre C- 0 DU/acre UH- 22 DU/acre UM- 12 DU/acre	RC- 35 DU/acre C- 30 DU/acre UH- 30 DU/acre UM- 20 DU/acre
Density Ranges	RC- 10-30 DU/acre C- 10-30 DU/acre UH- 19-30 DU/acre UM- 10-18 DU/acre UL- 5-9 DU/acre	RC- 19-No max DU C- 19-60 DU/acre UH- 19-60 DU/acre UM- 10-30 DU/acre UL- 5-9 DU/acre (14 for SFR attached only)
Maximum Structure Height	RC- 55/65 feet C- 35 feet UH- 55 feet UM- 45 feet	RC- 65 feet/ 125 feet C- 55 feet/85 feet UH- 55 feet/85 feet UM- 45 feet/85 feet
Center Boundary	Current boundary	Alt 2 with Ridgetop property removed and Old Town included
Center Incentives	None	Improved Permit Processing
Transit Frequency	Current	30-minute frequency



A summary of Silverdale's land development opportunities based on GIS analysis is provided below. Please see Appendix Section B: Land Use Analysis for charts and more detailed data.

Vacant Land

Around 2,100 acres of land in Silverdale UGA are vacant, including publicly owned properties, and about 180 of those acres are within the regional center. Vacant parcels often offer more straightforward development opportunities than non-vacant ones because they eliminate the need for costly demolition, relocation, or adaptive reuse of existing structures.

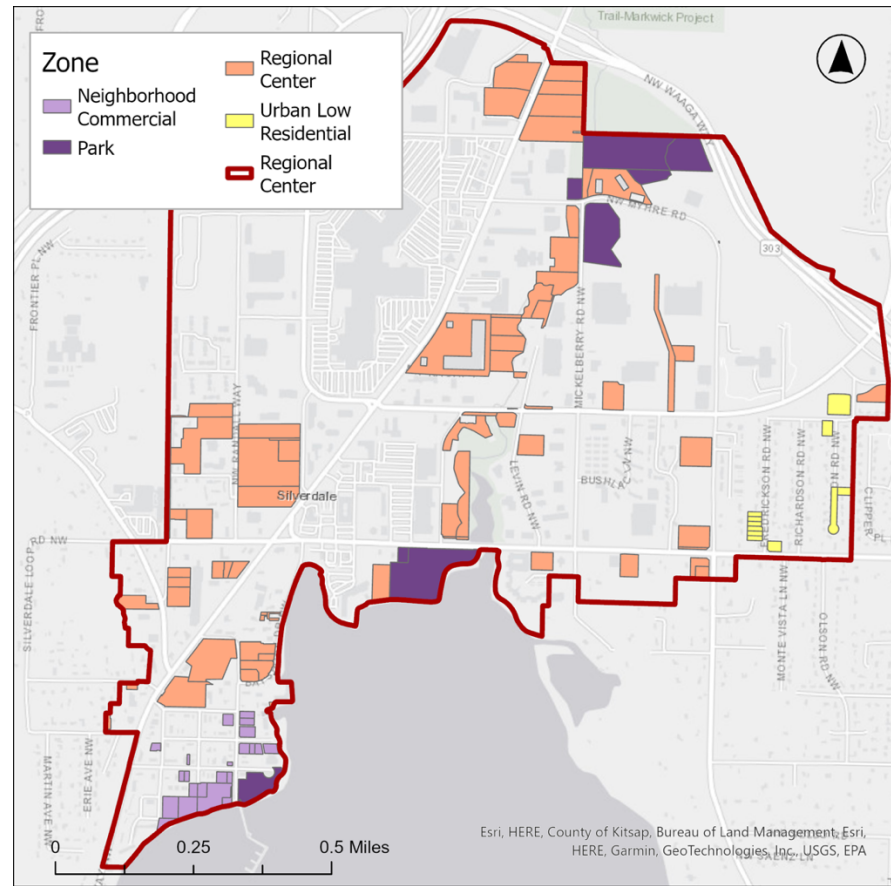
professional consultant through an evaluation of the current processes and interviews and has moved on to recommendations: <https://www.kitsap.gov/dcd/Pages/Permit-Review-Process-Improvement.aspx>



The map to the right shows vacant parcels in Silverdale.¹¹ Around 60 percent of the vacant parcels within the regional center, or 81 acres, are in a regional center zone. Of the vacant land, 18 percent of parcels are in residential zones. These zones also have a few larger vacant parcels with 5 parcels ranging from 3 to 6 acres.

About 75 percent of the vacant land, or 100 acres, is in Commercial zones. Of the Commercial land, Regional Center makes up the largest portion (77%), followed by Neighborhood Commercial (22%). In the Silverdale UGA, nearly all vacant parcels are zoned Regional Center.

Exhibit 16: Vacant Parcels



Data Source: ECONorthwest, Kitsap County Assessor Data

The most promising development opportunities for vacant land are likely within the Regional Center and Commercial zones. These areas are more centrally located, already zoned for denser, mixed-use development, and are generally adjacent to existing developments. In the Regional Center zone, much of the land marked as vacant land is likely currently used as parking for existing commercial buildings. Depending on the needs of these establishments, these parcels could pose an opportunity for redevelopment infilling with existing retail.

Underutilized Land

Roughly 278 acres in the Silverdale UGA, and 42 acres within the Regional Center, are non-vacant but “underutilized,” with a building-to-land ratio of less than 50%, indicating the structures on the property are worth less than half of what the land is worth alone. Because the land may be more valuable than the current use, underutilization indicates the parcel may be positioned for redevelopment into a more profitable use. Using this metric,

¹¹ For the full table of underutilized properties and acres, see

Exhibit 47 in the appendix.



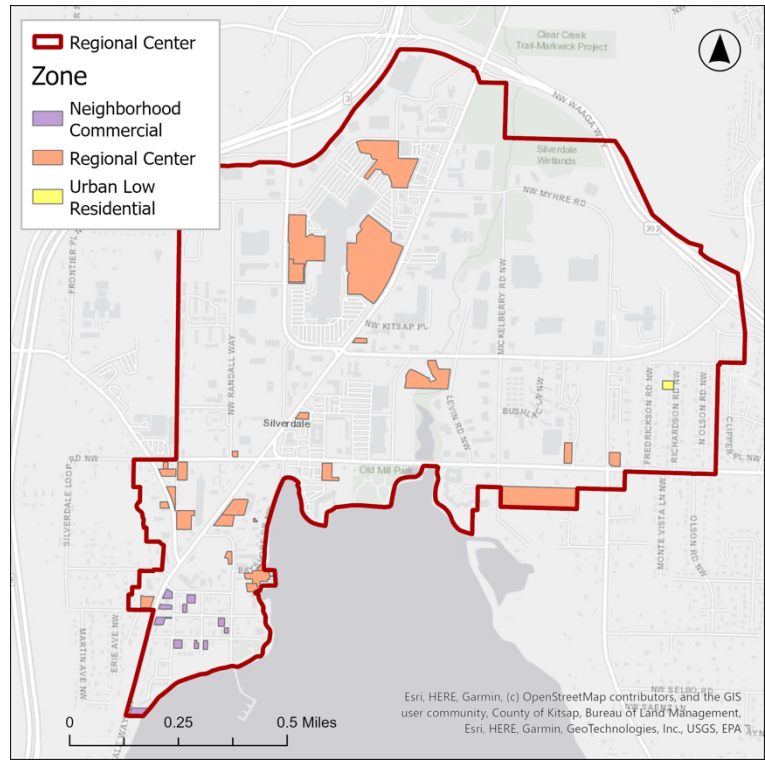
opportunities for redevelopment in Silverdale are currently concentrated in lower-density residential zones and commercial areas.

Exhibit 17 shows underutilized parcels in Silverdale.¹² Nearly all of the underutilized land within the regional center, or 41 acres, is in a commercial zone. Most of the underutilized commercial land is within the Regional Center zone (94%). This zone also has a few larger underutilized parcels, with three parcels ranging from five to 10 acres, that could be good candidates for redevelopment. In the Silverdale regional center all but one underutilized parcel is commercially zoned.

Additionally, roughly 114 acres of industrial land outside of the regional center is underutilized; however, this land is unlikely to be redeveloped. In addition to being located near the edges of the UGA, industrial land is typically unlikely to be redeveloped into non-industrial uses due to zoning restrictions, existing infrastructure, and potential environmental contamination. Depending on their use, the improvement value may also not accurately reflect the actual value of the site. Underutilization is not a reliable metric for industrial sites, as their value is often tied to factors like location, specialized infrastructure, and functionality, which are not reflected in improvement-to-land value ratios. Many industrial properties may appear underutilized on paper but are highly valuable due to their role in creating jobs and supporting logistics, manufacturing, or regional economic activity.

It is important to note that an underutilization analysis, such as this one using the improvement-to-land value (ILV) ratio, is a valuable tool for identifying parcels that may be candidates for redevelopment, but it may not capture every parcel with redevelopment potential. While the ILV ratio highlights properties where the value of improvements is relatively low compared to the value of the land, it may overlook other key factors influencing redevelopment. For example, parcels with aging infrastructure, shifts in market demand, or ownership changes may not appear underutilized based solely on ILV but could still present strong redevelopment opportunities. In addition, parcels with excess parking facilities could not have been deemed underutilized but could have redevelopment potential. Additionally,

Exhibit 17: Underutilized Parcels



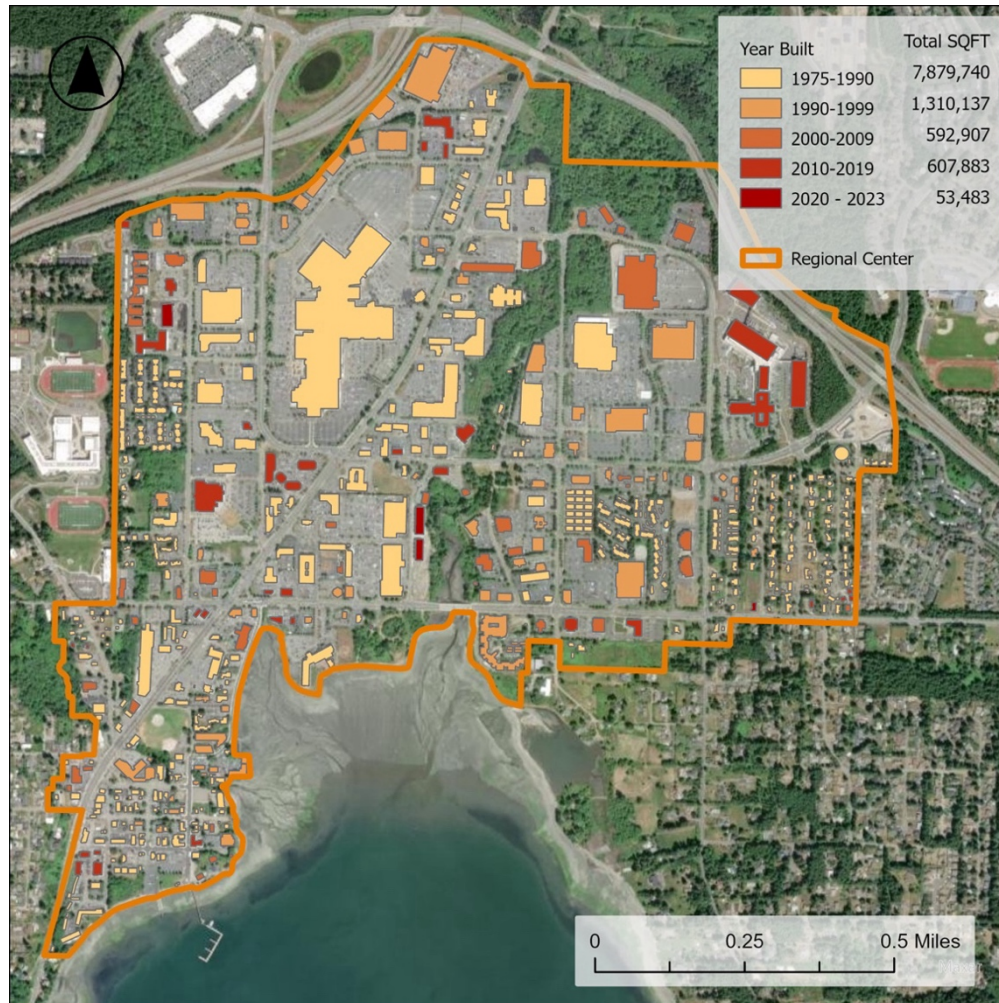
Data Source: ECONorthwest, Kitsap County Assessor Data

¹² For the full table of underutilized properties and acres, see Exhibit 48: Land with Improvement Value Ratio Less than 0.5 by Zone, Silverdale in the appendix.



external factors like new infrastructure investments, policy improvements, or economic shifts can open up redevelopment possibilities that are not immediately evident in the data. Given these considerations, this analysis should be used as a starting point to identify potential redevelopment opportunities, supplemented with additional analyses and local knowledge.

Exhibit 18: Building Age, Silverdale Regional Center



Data Source: EConorthwest, Kitsap County Assessor Data

In general, Silverdale's larger commercial buildings tend to be older (over 35 years old). In particular, Kitsap Mall, several strip malls, and a few big box stores in the center of the zone were built prior to 1990. In conjunction with shifting demand for these types of commercial space, these buildings could have the potential for redevelopment, either through adaptive reuse or tear-down and reconstruction. However, building age alone is not a guarantee of redevelopment. Some older buildings retain significant functional value or hold historical or cultural significance that incentivizes preservation and renovation over redevelopment. Additionally, economic conditions, zoning regulations, and ownership factors can influence whether a property is redeveloped, regardless of its age. Like an underutilization analysis, these findings should be used as a starting point to identify potential redevelopment opportunities, not a given.

Publicly Owned Land

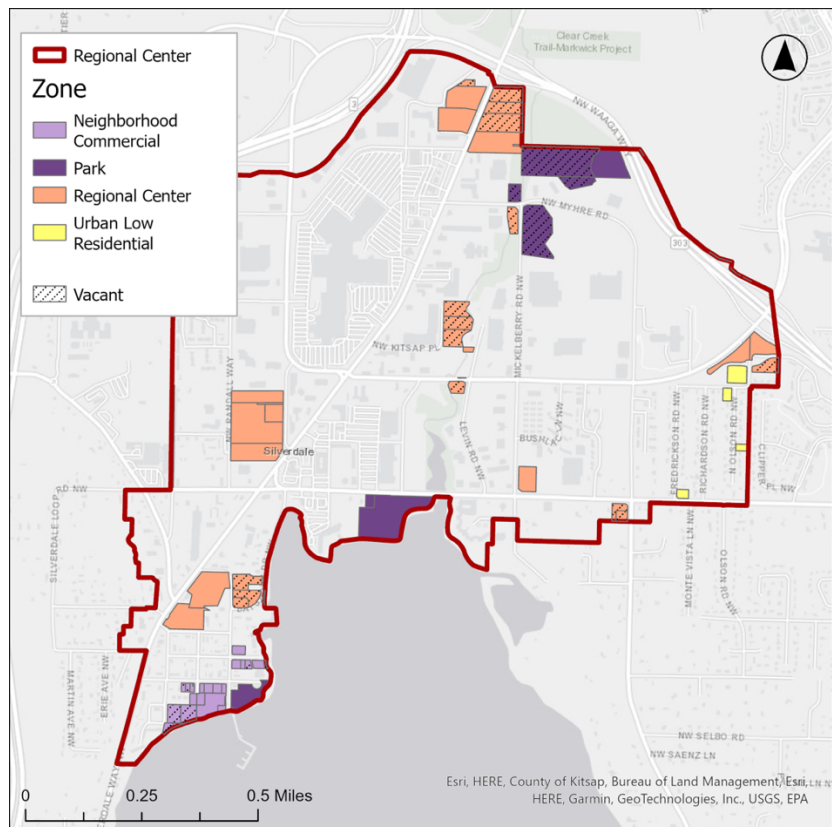
In total, 74 acres across 71 properties are publicly owned within the Silverdale regional center.¹³ The majority of public land within the UGA is non-vacant and not underutilized, including schools (educational services), parks, utilities, and transportation. Within the regional center, there are 8 public parcels zoned as regional center that are between 2 and 5 acres.

Another area with redevelopment potential could be the cluster of Neighborhood Commercial parcels along the water and adjacent to the Silverdale Waterfront Park. The Port of Silverdale owns these parcels; while some have existing businesses, some are undeveloped or underutilized (such as parking lots). Assuming these parcels are developable, they likely have high development potential due to their location along the water and in Silverdale's Old Town.

There are also 140 acres of undeveloped, publicly owned land. In particular, Kitsap County owns 27 acres of undeveloped Urban High Residential land along SR-303 and adjacent to the Regional Center. While this parcel is outside the regional growth area, this land could provide a future development opportunity for the City to incentivize certain types of development near the hospital and transit center by selling or ground leasing the land to a developer at a discounted price.

The majority of the remaining undeveloped land is related to infrastructure, including land owned by Kitsap County Public Works (34% of the undeveloped area), the Silverdale Water District (15%), and Kitsap Transit (7%). While it is possible that these parcels are earmarked for specific projects, the County may want to consider exploring the possibility of negotiating their use, particularly on larger or well-located parcels.

Exhibit 19: Publicly Owned Parcels, Silverdale



Data Source: ECONorthwest, Kitsap County Assessor Data

¹³ See

Exhibit 47 in the Appendix for a full table of publicly owned parcels and acres by zones.



4. Development Opportunities and Challenges

Targeted Stakeholder Engagement Findings

The following opportunities and challenges are based on the stakeholder engagement findings completed for this market study. The project team convened a series of interviews with developers, affordable housing providers, hospital representatives, the Kitsap Economic Development Alliance, the Kitsap Builders Association, the Navy, and more to learn about insights associated with Silverdale's economic growth and future prospects.

Silverdale Housing Development Opportunities and Challenges

OPPORTUNITIES

- ◆ The prime residential market receiving the most demand is multi-unit (multifamily).
- ◆ Several Silverdale neighborhoods were deemed to have redevelopment potential by interviewees including: Old Town (transit-oriented development), near Strawberry Creek, near old school, near hospital facilities, Silverdale Way, and more.
- ◆ The Silverdale UGA will be eligible to adopt a new Multifamily Property Tax Exemption Program (MFTE). The state is pursuing revisions to the MFTE program through HB 1494 which would enable Silverdale to be eligible to integrate the MFTE program (keeping with program requirements).¹⁴
- ◆ There are opportunities to build the smaller scale multi-unit developments at around 3 stories. Developers reported a need to keep multi-unit housing developments to wood frame structures, no higher than five to six stories.

Adaptive Reuse Opportunities

- ◆ Several projects in Bremerton provide adaptive reuse examples (B Flats, C Square).
- ◆ Several big box store closures could become adaptive reuse opportunities.

Medical Related Development Opportunities

- ◆ The St. Michael's hospital expansion increases the demand for workforce housing and seasonal housing (traveling nurses/doctors for 3 months at a time).
- ◆ Another opportunity is to forge a partnership with Kitsap Transit to provide transit opportunities to and from the hospital (many improvements have been advanced as described below).

¹⁴ As of April 17, 2025, HB 1494 passed both houses and was being sent to the Governor for signature.



- ◆ Since relocating to a consolidated campus in Silverdale in December 2020, St. Michael's Hospital has significantly expanded its physical footprint and clinical offerings. The hospital recently opened a new cancer center with expanded oncology services and has plans to further develop women's health, cardiovascular, orthopedic, imaging, and urgent care services. The upcoming completion of the North Tower in December will add 74 new inpatient beds to the existing 262, reflecting a response to anticipated population growth and increased service demand.
- ◆ St. Michael's Medical Center is establishing itself as a teaching hospital, having introduced new residency programs in surgery, cardiovascular care, and family practice. This effort is part of a broader strategy to cultivate medical talent locally and encourage specialists to build long-term practices within Kitsap County.
- ◆ The hospital serves a large geographic area, with a growing number of patients coming from Mason and Jefferson Counties. Notably, approximately 40% of patients in the cardiovascular program originate from these counties. These visits often bring accompanying family members who contribute to the local economy by staying in hotels and dining in the area. Programs like the structural heart service line have seen year-over-year growth of up to 40%, underscoring sustained demand for specialized care.
- ◆ Investments in the arts, entertainment, and retail sectors have strong potential to enhance Silverdale's appeal. There are also opportunities to revitalize the waterfront area—including the park, boat launch, and nearby restaurants—which could support broader community development goals and help attract residents and talent.
- ◆ Adding a Kitsap Transit Center directly across from the hospital has improved accessibility for staff and patients. There is also growing interest in foot and fast ferry options, which could expand the hospital's labor shed and patient access.
- ◆ St. Michael is recognized for the quality of its cardiovascular and oncology programs. It is one of only two hospitals in Washington to earn the Pathway to Excellence nursing designation, and its emergency department ranks among the five busiest in the state. The hospital also has a strong record of community engagement, offering charity care and partnering with local nonprofit organizations. Many hospital staff live in the community, reducing reliance on long-distance commuting.

Navy Related Development Opportunities

- ◆ Navy medical clinics and centers at northwest Navy installations offer limited healthcare services. This means that Sailors, Marines, and their families, often either have to drive a couple of hours to get to the nearest full-service military medical center – Madigan Army Medical Center in Tacoma – for more healthcare services or they find a private physician, urgent care facility or hospital which can be difficult.
- ◆ In some of the local communities near Navy installations, there is a shortage of healthcare workers and medical facilities which has contributed to a decline in accessible and affordable healthcare for military personnel. This healthcare worker shortage also affects staffing at Navy medical care facilities.



- ◆ The Navy stakeholder contacts reported that it is challenging to fill childcare provider positions at Navy Child Development Centers (CDC) and that they do not have capacity in childcare centers to accommodate all the military families. Navy CDCs continue exploring ways they can attract qualified candidates and increase retention. The Navy CDCs focus on providing childcare for military personnel and only provides to the civilian workforce if space is available. More childcare providers in the community are needed to effectively support our military and civilian workforce.
- ◆ Per Department of Defense policy, the majority of military housing is off installation. The U.S. Department of Defense (DoD) overarching policy is to "rely on the private sector as the primary source of housing for accompanied and unaccompanied personnel normally eligible to draw a housing allowance" (DoD Housing Management, DoD Manual 4365.63). An increase in affordable housing would be important to Naval Base Kitsap for the recruitment and retention of military and civilian personnel.
- ◆ There is not enough parking on the Navy Base -Bremerton, so making sure commuters have transportation options would be a positive for Naval Base Kitsap (~8,600 parking spaces and ~18,000 people that work on Naval Base Kitsap-Bremerton daily (~21K with 2 aircraft carriers); deficit of ~4,600 spaces). Naval Base Kitsap military and civilian personnel currently use Kitsap Transit services such as Park and Ride areas, Worker Driver buses, and regular buses, as well as ferry from Port Orchard and Seattle.

CHALLENGES

- ◆ New development projects along the waterfront face building height restrictions.
- ◆ The existing minimum parking requirements (such as 2 spots for every housing unit in some areas) can be challenging. Developer interviewees discussed how multi-family projects become too challenged to advance due to parking requirements (\$50,000 a stall to build structure parking). There is a need to customize parking to different site conditions. Changes should comply with SB 5184 which reduces parking requirements.¹⁵
- ◆ The development impact fees are high and delays in the permit approval and lack of flexibility in the appeals process are both additional challenges.
- ◆ Silverdale is more expensive to develop than in Downtown Bellevue and the financing varies depending on the location. Lenders will give you a strike with the comparison developments in the area because they are older builds and that makes projects limited, and this can result in smaller loans.
- ◆ Silverdale is challenging to develop based on access issues with workforce. If the workforce that is hired exceeds a certain travel time, they won't do the project.
- ◆ Ongoing changes in the rental market require different units.

¹⁵ More information at: <https://wacities.org/advocacy/news/advocacy-news/2025/04/18/another-bill-restricts-cities--ability-to-ensure-parking-is-provided-with-development>



- ◆ Silverdale faces significant capacity challenges due to the limited availability of buildable land. The county needs to implement policy changes to allow housing in vacant commercial spaces. Regrettably, promising projects that could help address affordable housing or workforce needs are either halted or become prohibitively expensive due to excessive regulatory requirements (such as reducing minimum parking requirements, decreasing impact fees, increasing building height, and shorten permitting timelines). Current redevelopment requirements. Current redevelopment requirements prevent even small projects from moving forward.
- ◆ The county should reduce stormwater management requirements, lower fees for affordable housing developments, streamline variance procedures for efficiency and success, and maintain skilled, supportive staff at the Department of Community Development (DCD) to support increased capacity in Silverdale.
- ◆ Infill redevelopment has lots of challenges, for increasing density to be successful the county must be considerate of costs added to projects. The county could consider an inclusionary zoning policy with an in lieu fee or other programs that would provide funds to support affordable housing initiatives (such as supplementing the CIAH program funded by the recent tax increase).

Adaptive Reuse Challenges

- ◆ For adaptive reuse, developers will use the skeleton to create new uses such as converting an old Sears building to a live/work development project.
- ◆ Adaptive reuse tends to cost more than building on vacant land except for developments with structurally sound framing.

Medical Related Development Challenges

- ◆ Housing availability, especially for temporary and contract medical staff, has become a significant constraint, and the hospital has lost staff contracts due to the unavailability of short-term or affordable housing. On-call staff are required to live within 30 minutes of the hospital, but finding housing within that radius at a reasonable cost is increasingly difficult.
- ◆ As demand for outpatient services continues to rise—particularly in primary care and obstetrics—existing campus space is becoming insufficient. Additional land acquisition will likely be necessary to continue growing these programs. Current partnerships, such as in gastrointestinal care, are already facing space-related capacity limitations.
- ◆ The lack of onsite childcare is a barrier for many employees, especially working parents. Other systems, such as Multicare, offer childcare on-site, providing a potential model for replication.
- ◆ Residents and staff have noted a lack of family-oriented recreational and entertainment options in Silverdale. Activities such as bowling, roller skating, indoor play areas, and movie theaters have diminished over time. This presents challenges for



staff retention and recruitment, particularly for families considering relocation to the area.

- ◆ To support expanding service lines and partnerships, the hospital is actively researching additional real estate for administrative and outpatient space. Current facilities are reaching capacity, which may limit further programmatic growth if not addressed.

Recent Transit Improvements and Future Plans

- ◆ The **new circulator Routes** 265 and 266 provide connecting service to almost all areas of employment, services, and housing in the Silverdale Regional Center. The Route 266 operates every service half hour and was designed to be upgraded to every 15 minutes. These two routes offer bidirectional services replacing former loop routes which required passengers to ride longer to reach a destination. The new routes offer increased seating capacity as a result of the more frequent direct service. The routes operate later into the evening than the prior services.
- ◆ The **new Transit Center** offers increased bus operating capacity, closer proximity to housing, jobs and services than the old Transfer Station. The new Transit Center improves access for those with disabilities by providing a fully accessible waiting area for passengers. The close proximity to housing options and the hospital provides increased opportunity to use Kitsap Transit.
- ◆ Kitsap Transit currently has commissioned a study for a **new ferry route** connecting Silverdale to Bremerton. The study will focus on the feasibility of a new route. There are no current efforts to plan for transit-oriented development at this point. However, two recent applications for apartments off of Bucklin Hill Rd have been conditioned to include free transit passes for residents with reduced parking ratios. The projects have not been constructed to date.
- ◆ Kitsap Transit's Long Range Transit Plan call for **service frequency and span of service increases**. However, there is not a funding mechanism yet to pay for such expansions of service. One area in need of transit service is the west side of Silverdale by Anderson Hill Road and Dickey pit.

Development Feasibility Analysis

Why analyze development feasibility?

- ◆ Constructing housing or commercial buildings or redeveloping properties can be costly and risky.
- ◆ Getting funding to build new housing requires lenders and investors to be reasonably confident they will earn enough financial return to justify the risks. Developers often complete development feasibility analysis to support their decisions on whether to build or not build a development.



- ◆ While some feasibility factors are outside a jurisdiction's direct control (e.g., labor, materials costs, interest rates, market rents), local jurisdictions can provide incentives or adjust fees, zoning, programs, etc. to support development feasibility.
- ◆ Customized development feasibility analysis helps test impacts of different incentives or restrictions to provide insights on implementation.

Development Feasibility Approach

ECOnorthwest analyzed the Residual Land Value (RLV), a financial metric representing the maximum amount a developer could pay for a piece of land, after accounting for all other costs and revenues. This metric was used to compare the financial feasibility of building several different types of development (referred to as prototypes) that were customized to reflect typical development parameters associated with the Silverdale area.

FACTORS CONSIDERED AS A PART OF THE DEVELOPMENT FEASIBILITY ANALYSIS







ECO tested the feasibility of six development types:

- ◆ **Mixed-use Apartments:** High-density residential/mixed-use project suited for zones such as the Regional Center zone.
- ◆ **Adaptive Reuse:** Conversion of business closures or other types of development within the Regional Center. Although this wouldn't necessarily add a lot of employment density, it would support the broader goals of the subarea planning effort.
- ◆ **Mid-Rise Apartments:** This type of housing could be built in the Urban Medium zone, near the new Silverdale Transit Center, and would provide more workforce housing.
- ◆ **Low-Rise Apartments:** This type of housing could be built in various areas throughout the regional center.
- ◆ **Medical Office:** This would be more suited for areas near the existing medical facilities. These types of projects would help increase employment density in the center.
- ◆ **Townhomes:** Townhomes can be a form of infill development suited for underutilized or vacant parcels. This would provide more housing and homeownership opportunities throughout the Regional Center.

Specifications for these development types are shown in the exhibit below.



Exhibit 20: Feasibility Analysis Development Types, Silverdale Regional Center

Selection of Feasibility Analysis Development Types for Silverdale					
Mixed-use apartments	Adaptive Reuse	Mid-rise apartments	Low-rise apartments	Medical Office	Townhomes
					
Marina Square Apartments	Prior Sears (Kitsap Sun)	Marina Square Apartments	Rivulet Apartments	The Doctor's Clinic	The Landing at Kingston Cove
<ul style="list-style-type: none"> • 4 to 7 stories • 5,000 sf retail space • 95 to 145 units • Mix of structured and surface parking 	<ul style="list-style-type: none"> • 1 story • 100,000 sf retail • N/A • Surface parking 	<ul style="list-style-type: none"> • 4 to 7 stories • N/A • 95 to 145 units • Mix of structured and surface parking 	<ul style="list-style-type: none"> • 3 stories • N/A • 72 units • Surface parking 	<ul style="list-style-type: none"> • 2 stories • 20,000 sf retail • N/A • Surface parking 	<ul style="list-style-type: none"> • 3 stories • N/A • 4 • Private garage parking





Source: EConorthwest

Development Feasibility Analysis Results

RESIDENTIAL DEVELOPMENT KEY FINDINGS

The residential development feasibility results for the four prototypes tested by EConorthwest are summarized below in the following exhibits. Under current conditions (no new incentives or code changes), the residential development prototypes providing lower housing capacity were more feasible.

Exhibit 21: Summary of Residential Feasibility Analysis Findings

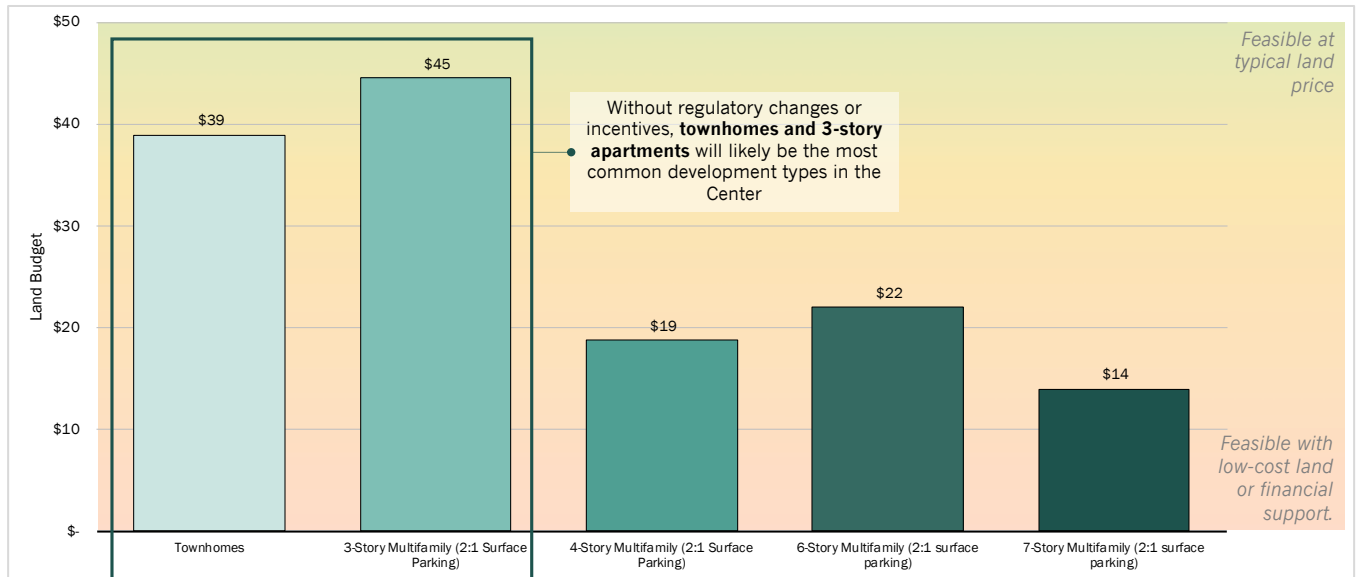
Mixed-use apartments	Mid-rise apartments	Low-rise apartments	Townhomes
			
Marina Square Apartments	Marina Square Apartments	Rivulet Apartments	The Landing at Kingston Cove
<ul style="list-style-type: none"> • The cost of adding retail often outweighs the benefits • Most feasible in markets that already more pedestrian-oriented with small-scale retail • Horizontal mixed-use is more likely 	<ul style="list-style-type: none"> • Likely infeasible with structured parking • Flexibility for parking ratios could improve feasibility • MFTE would increase feasibility • Six stories is the most likely scale of mid-rise 	<ul style="list-style-type: none"> • Proven development type in Silverdale • Regulatory flexibility could help incentivize denser forms • Three stories is the most likely scale of apartments in Silverdale 	<ul style="list-style-type: none"> • Proven development type in Silverdale, strong market • Ownership housing opportunities • Less dense than apartments, but could be a good opportunity for infill on smaller parcels
<div> <div>Less feasible</div> <div>More feasible</div> </div>			

Source: EConorthwest



Townhomes and surface-parked three-story multifamily apartments are the most feasible residential development types tested under current conditions. These product types are cost-effective to build using wood-frame construction and avoid the higher costs of structured parking or elevators associated with higher development. These are also proven development types already in the market, reducing risk and financing barriers. Without additional incentives, these development types will likely continue to be prevalent in the area.

Exhibit 22: Residential Feasibility Analysis Results

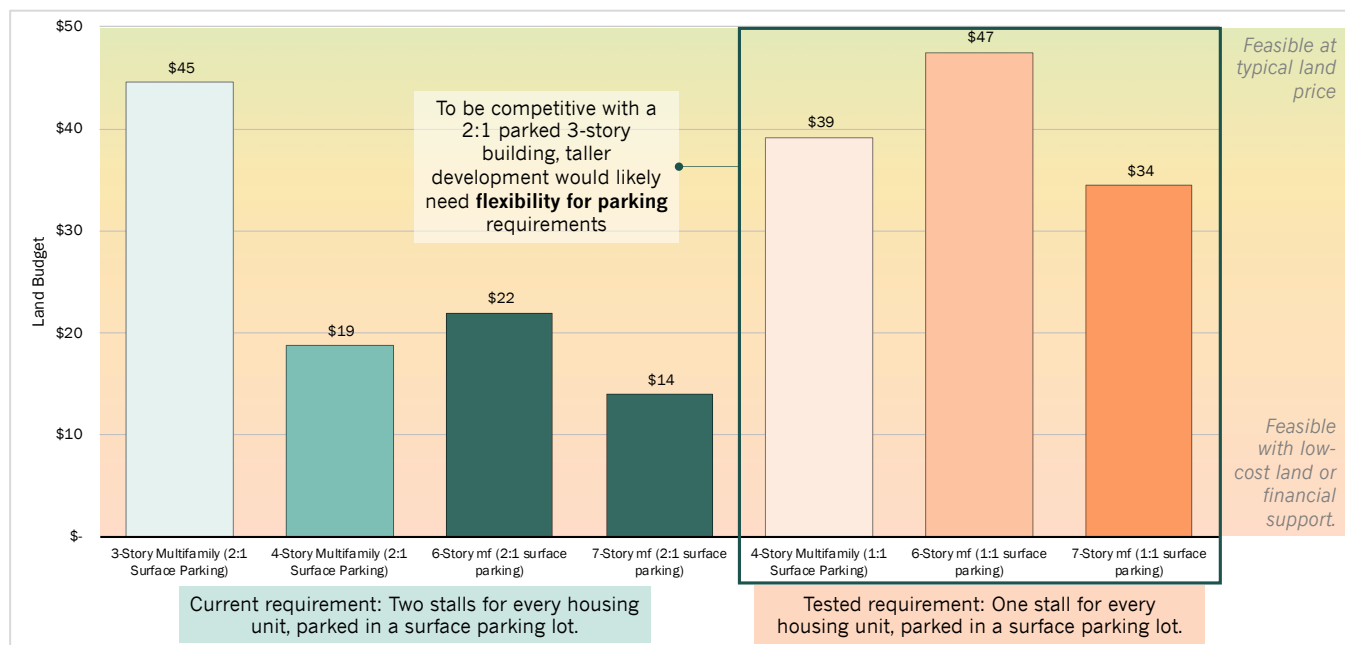


Source: ECONorthwest



Reducing minimum parking requirements could increase development feasibility. Parking is one of the most significant cost drivers for multifamily development. Requiring two parking stalls per unit often necessitates structured or podium parking to fit within the lot, which can add up to \$50,000 or more per stall. In the analysis (as shown in the exhibit below), reducing the parking ratio for taller multifamily apartments (above three stories) to one stall per unit indicated that those development types could be feasible in the market. Lowering the parking ratio—particularly near transit or the hospital—could help incentivize denser development.

Exhibit 23: Residential Feasibility Analysis, Parking Reduction Results



Source: ECONorthwest. Note: Development over four stories would not be allowed under the current base height limit in the Old Town area and the Urban Medium zone.

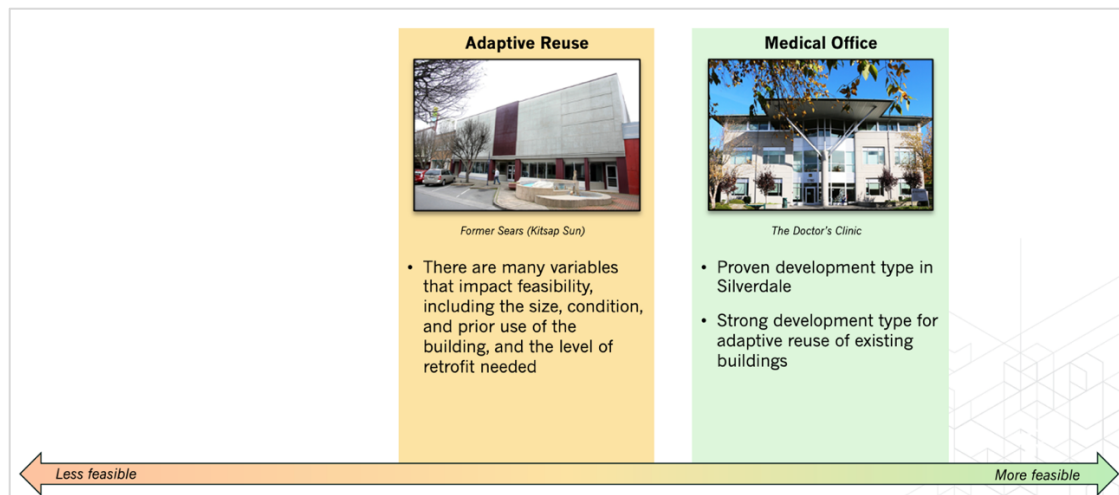
Two of Silverdale’s strongest areas for multifamily development—near the hospital and near Old Town—have a base height limit of 45 feet that may limit development potential. While these areas have strong demand for housing, especially for healthcare workers, existing zoning height limits constrain the ability to build five- or six-story buildings, which can be more efficient than four-story. In our analysis, six-story development was slightly more feasible than four-story (although less than three-story). In conjunction with other incentives, strategic height limit increases in these areas could enable additional units.

Both the 8-year and 12-year MFTE programs would increase feasibility for multifamily construction. A previously MFTE study completed by ECONorthwest showed that a new MFTE program would increase development feasibility substantially in Silverdale. That analysis found that the 8-year MFTE program helps with general feasibility, and using Washington state affordability thresholds for the MFTE program (20% of units at 115% AMI), the 12-year MFTE program increased feasibility slightly more than the 8-year program. Using a deeper affordability threshold (80% AMI) for the 12-year program increased development feasibility, but not as much as the 8-year program. Given the need for residential development in the Regional Center, the MFTE program would be a valuable incentive for denser development where applied.

COMMERCIAL DEVELOPMENT KEY FINDINGS

The commercial development feasibility results for the two prototypes tested by ECONorthwest are summarized below in the following exhibits. Under current conditions (no new incentives or code changes), the medical office prototype was the most feasible. Key findings and considerations for residential development in Silverdale include the following.

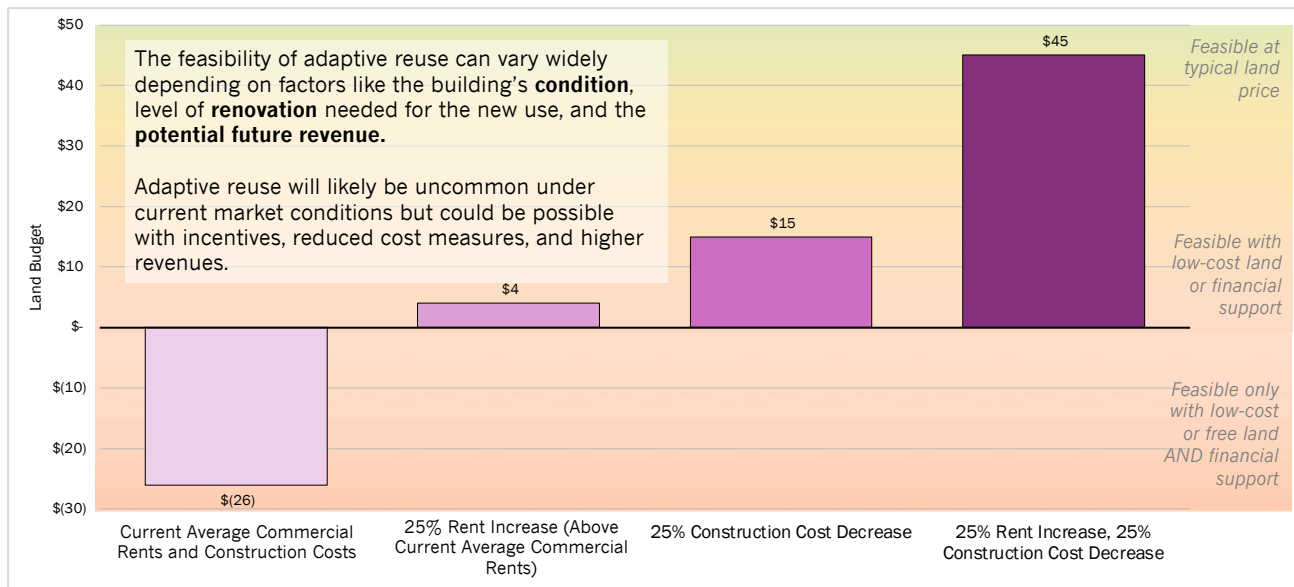
Exhibit 24: Summary of Commercial Feasibility Analysis Findings



Source: ECONorthwest

Adaptive reuse is challenging but possible under certain conditions. While adaptive reuse can be a valuable tool for revitalizing aging commercial areas, it is generally not financially feasible in Silverdale under current conditions. Many of Silverdale's older retail buildings—such as big-box stores near Kitsap Mall—are large, auto-oriented, and structurally designed for single-use retail. Converting these structures to residential, live/work, or medical office uses often requires extensive upgrades to building systems, compliance with modern fire and life safety codes, seismic retrofits, and reconfiguring internal layouts. However, redevelopment potential improves significantly when the building is in sound structural condition, when redevelopment can proceed without extensive demolition, the future use could achieve higher-than-average rents, or when the land is publicly owned or heavily discounted.

Exhibit 25: Commercial Feasibility Analysis, Cost Change Scenario Results



Source: ECONorthwest

Medical office development will likely continue. Silverdale's role as a regional healthcare hub, anchored by St. Michael Medical Center, creates steady demand for medical office space. As the hospital expands and more outpatient and specialty services are added, new development or redevelopment for medical use is likely to remain viable.

Horizontal mixed-use development is more likely than vertical mixed-use. Silverdale's current land use pattern—dominated by large parcels, surface parking, and auto-oriented retail—makes vertical mixed-use development currently challenging to deliver. In dense urban environments, vertically stacked uses can generate sufficient revenue to offset ground-floor commercial space's higher construction and design costs. However, the mixed-use building was substantially less feasible than the same apartment building in our analysis, suggesting vertical mixed-use development is unlikely under current conditions.

The horizontal mixed-use development could be a strategy to activate the Regional Center and build toward a more walkable, vibrant urban environment that could eventually support vertical mixed-use. This approach allows residential and commercial uses to be co-located on the same site or block—often around shared parking, plazas, or open spaces—without the structural complexity and added construction costs of vertical integration. With ample large parcels and surface parking areas particularly around Silverdale Way and near Kitsap Mall, the physical conditions are more suited for this form of development. Infilling existing commercial spaces with housing could help create a pedestrian-friendly feel, support day-to-day amenities near housing, and lay the groundwork for denser mixed-use development over time.



5. Growth Scenarios Analysis

Growth Scenarios Analysis Approach

PSRC VISION 2050 states that 65% of growth should be directed to centers. To be designated as a regional center, Silverdale Regional Center must have at least 18 current activity units per acre and a planned target of 45 activity units per acre (by 2044, in alignment with Kitsap County's Comprehensive Planning Horizon).

Based on the existing conditions in the Silverdale Regional Center and considering the Comprehensive Plan updates, the area has 17.8 activity units per acre. This includes a current split of 19% residents and 81% employees on 717 gross acres of land. The planned growth estimates approximately 46.7 activity units per acre by 2044. The Regional Center includes 717 gross acres of land which includes 70 acres in Conservation areas (including Clear Creek).

Exhibit 26: Existing Activity Units, Silverdale Regional Center

	EXISTING CONDITIONS (2025)	EXISTING SPLIT
Residents	2,385	19%
Employees	10,380	81%
Activity Units	12,765	N/A
Acres	717	N/A
Activity Units per Acre	17.80	N/A

Data Source: Kitsap County.

Exhibit 27: Planned Target Growth in Activity Units, Silverdale Regional Center

	EXISTING CONDITIONS (2025)	PLANNED TARGET GROWTH (2025-2044)	PROJECTED (2044)	PROJECTED SPLIT
Residents	2,385	13,113	15,498	46%
Employees	10,380	7,575	17,955	54%
Activity Units	12,765	20,688	33,453	N/A
Acres	717	717	717	N/A
Activity Units per Acre	17.8	28.9	46.7	N/A

Data Source: Kitsap County. Note: Updated land capacity analysis (2024).



Framing and Logic Model for Growth Scenarios

To evaluate Silverdale’s ability to meet PSRC’s activity unit targets for Regional Growth Center certification, the team constructed three future growth scenarios that reflect a range of policy actions and market conditions. These scenarios are not meant to predict the future with certainty, but rather to test the implications of plausible and actionable changes in land use policy, infrastructure investment, and economic activity that could shape growth patterns in Silverdale over the next 20 years. Each scenario builds on a shared baseline of updated zoning, transit investment, and demographic trends, and layers in specific growth drivers that reflect both local planning opportunities and regional development precedents.

The logic model guiding this approach is:

- ◆ **Land Use Levers:** Zoning changes, MFTE adoption, parking reform, and potential changes to building height limits directly affect the amount and type of housing that can be developed.
- ◆ **Economic Drivers:** Health sector growth, Navy-related demand, and private housing development cycles affect the rate of job and population growth.
- ◆ **Infrastructure and Transit:** The transit center, potential foot ferry service, and future walkability improvements shape where growth is most likely to concentrate.
- ◆ **Policy Choices:** Adoption of housing incentives, redevelopment support, and regulatory streamlining influence the feasibility and timing of development.

By layering these components into three distinct scenarios—from conservative to aggressive—we can test whether Silverdale is positioned to exceed the minimum 45 activity units per acre target and explore what policy mix is most likely to deliver that outcome.

The following draft growth scenarios examine variations on the planned growth estimates based on different employment and housing growth considerations such as the recently finished hospital expansion, the adoption of the Multifamily Tax Exemption Program (MFTE), a more evenly balanced split between housing and employment, and the addition of a new foot ferry and ferry-oriented development in the Old Town area (providing a connection between Silverdale and Bremerton)

DRAFT 2044 GROWTH SCENARIOS, PLANNED FUTURE GROWTH

- ◆ **Scenario 1:** More residential growth through the adoption of MFTE and accounts for newly finished hospital expansion (new hospital expansion includes 74 new beds).
 - This is the most conservative scenario focusing on the newly finished hospital expansion adding 74 new inpatient beds and many new services.
 - This also assumes that Kitsap County would adopt the MFTE program for use in the Silverdale area. The state is pursuing revisions to the MFTE program



- through HB 1494 which would enable Silverdale to be eligible to integrate the MFTE program (keeping with program requirements).¹⁶
- This scenario includes significant changes made to development regulations in the 2024 Comprehensive Plan Update, including removing density limits in the Regional Center zoning designation, increasing height limits in the Center, and some reductions to parking minimums.
 - ◆ **Scenario 2:** Additional expansion of the hospital (in addition to the growth projected under scenario 1 with the current hospital expansion underway and the adoption of MFTE).
 - This includes new future expansions of the hospital and medical facility operations and increased workforce housing development in walkable communities (with the MFTE program in place). The hospital expansion is the catalyst.
 - ◆ **Scenario 3:** Highest residential growth with Old Town ferry related growth (assumes all the above under scenarios 1 and 2, hospital expansions, MFTE program adoption).
 - The county is updating the Silverdale Subarea Plan this year and will have the ability to make changes that can positively affect the needed increase housing capacity, mixed use development, and multi-family development.
 - This includes transit-oriented development around the new transit center and around a potential new foot ferry in the Old Town, all serving as catalysts (the ferry would travel between Bremerton and Silverdale).

The Regional Center will need to intentionally promote both residential and employment growth in the Center to meet the PSRC activity unit target. The following section outlines the activity unit analysis results for the three scenarios.

Planned Target Activity Unit Analysis Results

As stated above, the baseline Regional Center projections estimate 46.7 activity units per acre by 2044. This is above the PSRC planned target requirement to accommodate 45 activity units per acre. All the scenarios evaluated showed increased activity units surpassing the activity unit requirements for regional center certification.

Scenarios 1 through 3 project different growth levels within the Regional Center. Scenario 1 is already set to happen with the MFTE most likely being passed and the 74-bed hospital expansion currently underway. This leads to 48.9 activity units per acre, 2.28 more than baseline. Scenario 2 assumes another hospital tower will be built after the current expansion is completed¹⁷ which would lead to 51.2 activity units. Finally, Scenario 3 includes the two

¹⁶ As of April 17, 2025, HB 1494 passed both houses and was being sent to the Governor for signature.

¹⁷ For the second hospital expansion, it is assumed that new tower, with 74 beds, will be built and need the same increase in employees to support operations. Additional information from the hospital on expansion plans should be integrated in the future.



hospital expansions, along with some housing development in the old town area. This leads to 53.1 activity units, 6.5 more than the baseline.

SCENARIO ASSUMPTIONS

Scenario 1:

The current ratio of FTE to beds at St. Michaels Hospital is about 1,035¹⁸ employees to 262 beds, or 5.7 FTE per bed. Given that there will be 74 new beds added in the expansion, the hospital will need to add 369 new employees to maintain the same FTE per bed ratio. Additional employees will need workforce housing, and if 20 percent¹⁹ of new employees live within the Regional Center 71 new units are needed. There are also indirect and induced effects of the workforce expansion. These new employees and residents will need additional services in the area, including restaurants, grocery stores, hotels, etc. Also with the hospital expansion, other medical offices likely would emerge to assist with patient care. Assuming two new service-based employees²⁰ are needed for every additional hospital employee this would be about 737 new employees. Again, assuming 20 percent want to live in the Regional Center, 142 new housing units would be needed. In total Scenario 1 projects 214 new households, which translates to 532 new residents, (214 HH x 2.49 people per HH) and 1,106 new employees in addition to the baseline scenario.

Scenario 2:

Scenario 2 builds upon Scenario 1, assuming the same hospital expansion was completed. However, Scenario 2 projects additional hospital growth at the same rate as Scenario 1.²¹ In practice this is just doubling the effects from Scenario 1. In total Scenario 2 projects 427 new households, which translates to 1,064 new residents, (427 HH x 2.49 people per HH) and 2,212 new employees in addition to the baseline scenario.

Scenario 3:

Scenario 3 also builds upon Scenario 2, assuming both hospital expansions were completed. However, Scenario 3 projects additional growth related to the Old Town Ferry. Surrounding Old Town and the Ferry Terminal there are 14.4 acres of vacant land in the regional center zone, excluding parks. Assuming 38 units will be built per acre, there will be 547 new households, translating to 1,363 new residents. In total Scenario 3 projects 2,427 new residents and 2,212 new employees in addition to the baseline scenario.

¹⁸ Source: <https://www.kitsapeda.org/workforce/major-employers>.

¹⁹ About 1,150 people are employed and live in Silverdale CDP while overall there are 12,200 jobs in the area. Of those jobs 5,960 employees live less than 10 miles from work. All hospital employees must live within 30 minutes driving distance of the hospital so assuming it takes about 30 minutes to drive 10 miles there are $1,150/5,960 = 20\%$ of hospital employees will live in Silverdale. This has been calculated for the entire Silverdale CDP but we can assume the Silverdale Regional Center has the same ratio. Source: <https://onthemap.ces.census.gov/>.

²⁰ Source: <https://ofm.wa.gov/washington-data-research/economy-and-labor-force/washington-input-output-model>.

²¹ The project team interviewed a St. Michael's Hospital representative and learned about plans to further develop women's health, cardiovascular, orthopedic, imaging, and urgent care services. The project team requested hospital expansion plan information from the St. Michael's Hospital representative and did not get a response in time for this analysis.

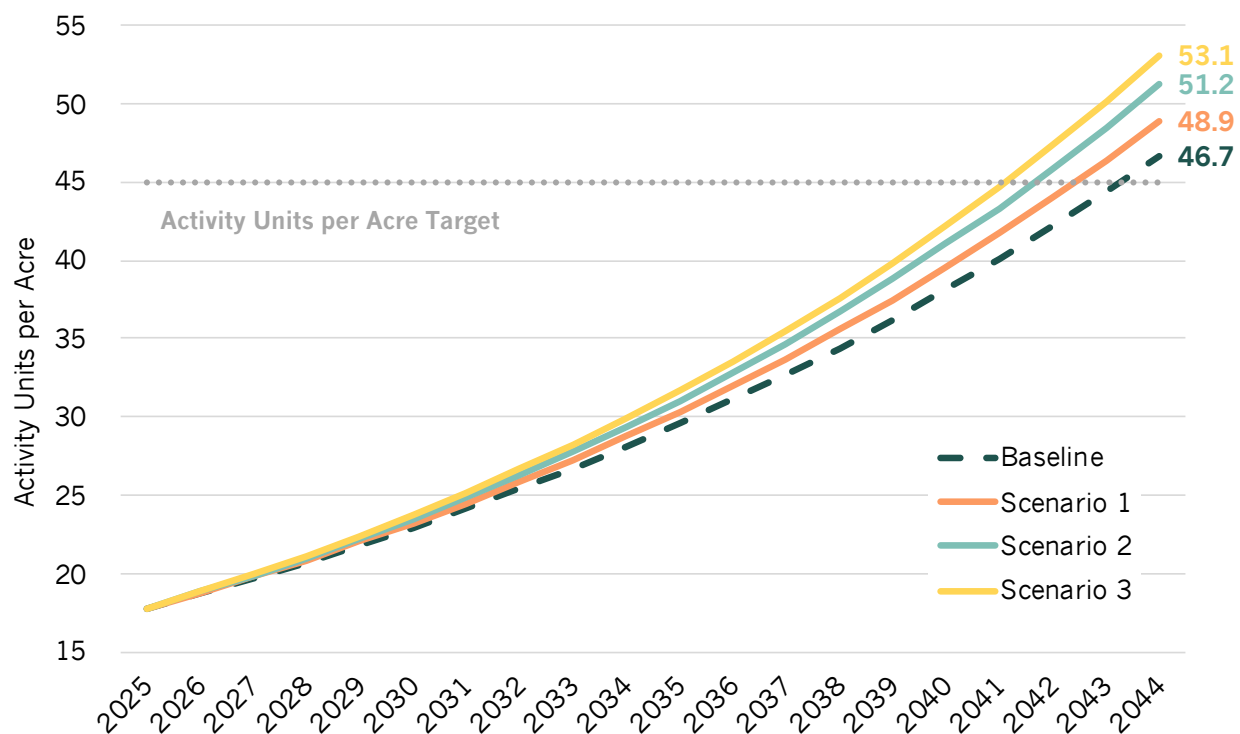


Exhibit 28: Planned Target Activity Units, 2044

ACTIVITY UNITS	BASELINE	SCENARIO 1	SCENARIO 2	SCENARIO 3
Residents	15,498	16,030	16,562	17,925
Employees	17,955	19,061	20,167	20,167
Activity Units	33,453	35,091	36,729	38,091
Resident% / Job % Activity Unit Split	46% / 54%	46% / 54%	45% / 55%	47% / 53%
Activity Units per Acre	46.7	48.9	51.2	53.1

Data Source: Kitsap County. Total gross acres used for this calculation is 717 acres.

Exhibit 29. Planned Target Activity Unit per Acre Growth, Silverdale Regional Center



Data Source: Kitsap County.



6. Recommendations

Description of Silverdale's Regional Significance

The following summary describes Silverdale's regional significance and readiness for remaining a Regional Growth Center. All the growth scenarios evaluated for Silverdale showed increased activity units surpassing the activity unit requirements for regional center certification. They were based on reasonable employment and housing growth considerations such as the recently finished hospital expansion, the adoption of the Multifamily Tax Exemption Program (MFTE), a more evenly balanced split between housing and employment, and the addition of a new foot ferry and ferry-oriented development in the Old Town area. A new subarea plan is being developed for Silverdale to formalize goals, policies, and actions, many supporting readiness for remaining a Regional Growth Center.

SILVERDALE HAS GROWN OVER THE LAST SEVERAL DECADES AND HAS RECEIVED VARIOUS INVESTMENTS SUPPORTING GROWTH.

- ◆ Silverdale has experienced steady population growth and is projected to have positive population growth at a higher rate than the County through 2050. This likely is driven by its appeal as a regional center for housing, employment, and services. This growth reflects broader urbanization trends in Kitsap County, with increasing demand for higher-density housing and proximity to amenities and transit options.
- ◆ Kitsap Transit has invested in various transit improvements to the Silverdale area. The new circulator Routes 265 and 266 provide connecting service to almost all areas of employment, services, and housing in the Silverdale Regional Center. The Route 266 operates every service half hour and was designed to be upgraded to every 15 minutes. In addition, the new Transit Center offers increased bus operating capacity, closer proximity to housing, jobs and services than the old Transfer Station. The close proximity to housing options and the hospital provides increased opportunity to use Kitsap Transit. Lastly, Kitsap Transit currently is studying adding a new ferry route that would connect Silverdale to Bremerton.

SILVERDALE HAS BECOME A HUB FOR EMPLOYMENT IN THE REGION.

- ◆ Silverdale serves as a regional healthcare center anchored by St. Michael Medical Center, the largest private employer in Kitsap County. The medical center's recent expansions have strengthened its role as a hub for medical services, supporting a growing network of medical offices, including specialty clinics, family care providers, and in-network facilities. With the region's population growth and increasing demand for healthcare and senior care services, Silverdale is well-positioned to attract additional healthcare investments. Great demand for more healthcare services has led to significant medical facility expansions. St. Michael's Hospital has significantly expanded its physical footprint and clinical offerings by opening a new cancer center,



completing the development of a new North Tower (with 74 new inpatient beds to the existing 262, total of 336), and they have plans to further develop women's health, cardiovascular, orthopedic, imaging, and urgent care services. As the hospital expands and more outpatient and specialty services are added, new development or redevelopment for medical use is likely to remain viable according to the development feasibility analysis.

- ◆ With its strategic location within easy driving distance from various population centers, along SR-303 and SR-3 and inclusion of a mix of goods and services and anchor destinations such as the Kitsap Mall and Trails at Silverdale, Silverdale is a retail hub in Kitsap County and the broader Olympic Peninsula. As the region's population grows, there will likely continue to be steady demand for retail development.
- ◆ The development feasibility analysis results showed that redevelopment potential improves significantly when the building is in sound structural condition, when redevelopment can proceed without extensive demolition, the future use could achieve higher-than-average rents, or when the land is publicly owned or heavily discounted. In addition, the development feasibility analysis showed horizontal mixed-use development is more likely to be feasible than vertical mixed-use. Infilling existing commercial spaces with housing could help create a pedestrian-friendly feel, support day-to-day amenities near housing, and lay the groundwork for denser mixed-use development over time.

SILVERDALE HAS A GROWING MULTIFAMILY HOUSING MARKET AND LIKELY WILL BE ELIGIBLE TO ADOPT A MFTE PROGRAM.

- ◆ Silverdale has a growing multifamily market due to its increasing appeal as a regional center for housing and employment. Recent trends show a strong focus on multifamily developments, suggesting that Silverdale is becoming a more attractive regional center for living. This aligns with broader patterns of workforce expansion and regional population growth. Additionally, multifamily development points to opportunities for economic activity, as higher-density housing supports local businesses and services.
- ◆ Townhomes and surface-parked three-story multifamily apartments are the most feasible residential development types tested under current conditions. These product types are cost-effective to build using wood-frame construction and avoid the higher costs of structured parking or elevators associated with higher development. These are also proven development types already in the market, reducing risk and financing barriers. Without additional incentives, these development types will likely continue to be prevalent in the area.
- ◆ Both the 8-year and 12-year MFTE programs would increase feasibility for multifamily construction. A MFTE study completed by ECONorthwest (in 2024) showed that a new MFTE program would increase development feasibility substantially in Silverdale. That analysis found that the 8-year MFTE program helps with general feasibility, and using Washington state affordability thresholds for the MFTE program (20% of units at 115% AMI), the 12-year MFTE program increased feasibility slightly more than the 8-



year program. Given the need for residential development in the Regional Center, the MFTE program would be a valuable incentive for denser development where applied.

- ◆ The Silverdale Regional Center has around 80 acres of vacant land in the Regional Center zone and 82 acres within the Commercial and Regional Center zones that could be developed or redeveloped into denser or mixed-use infill development adjacent to existing retail. Some parcels are larger, ranging from 5 to 12 acres, and could be an opportunity for larger mixed-use projects.
- ◆ Silverdale has a high need for more workforce housing for the medical workers especially short-term or attainable housing. They need seasonal and temporary housing for traveling nurses and doctors. Medical professionals on call often have to live within 30 minutes from the hospital. In addition, the Navy also expressed a need for more affordable housing for its personnel. An increase in affordable housing would be important to Naval Base Kitsap for the recruitment and retention of military and civilian personnel. There are various co-benefits associated with increasing workforce housing, permanent supportive housing, and other housing such as increased economic stability, improved quality of life, and greater diversity and mixed income housing.
- ◆ Medical industry needs more office space for medical facilities such as outpatient programs, Gastrointestinal (GI) programs, primary care, Obstetrics (OB) care, etc. In addition, the Navy stakeholders discussed the need more healthcare services since their nearest full-service military medical center is the Madigan Army Medical Center.

Recommendations

CHALLENGE: INCREASE RESIDENTIAL CAPACITY AND COMMERCIAL INFILL DEVELOPMENT.

- ◆ Permit process improvements and permit/impact fees should be reviewed to identify ways to reduce impact fees and reduce or streamline permitting timelines, perhaps as a part of the existing Kitsap County Permit Review Efficiency Program or PREP project underway at the county. This program is providing recommendations for improvements to predictability, process efficiency, and overall timeliness of the permitting process.²² Specific actions to consider are listed below.
 - Consider waiving, reducing, or reimbursing impact fees for certain projects.
 - Add subarea plan goals focused on streamlining redevelopment requirements.
 - Consider updating permitting processes to shorten timelines and evaluate appeals – continue permitting process improvements underway.
- ◆ Promote transit-oriented development (bus and ferry) and consider adding an overlay for growth areas to support redevelopment and development nearby the new ferry in

²² Kitsap County PREP Program: <https://www.kitsap.gov/dcd/Pages/Permit-Review-Process-Improvement.aspx>.



the Old Town neighborhood. Consider differentiating the Old Town “main street” and waterfront areas from the rest of the Neighborhood Commercial zone. Evaluate the potential for the Center to become a receiving area for Transfer of Development Rights, considering eligibility, implications (costs/benefits), and best practices.²³

- ◆ Identify potential infrastructure improvements and investments to support mixed-use and other forms of increased housing capacity including opportunities to enhance walkability, provide stormwater infrastructure, support public art and community amenities and branding, and place-making enhancements in the community. Explore incentive programs supporting strategic infrastructure improvements (see below).
- ◆ Reduce minimum parking restrictions to be lower than 2 spaces per housing unit where possible and consider site-specific flexibility measures (such as reduced requirements near underutilized parking lots). Identify needed changes to comply with SB 5184 which reduces parking requirements.²⁴
- ◆ Additionally, a business attraction campaign could be created to aid recruitment efforts as well as identifying and addressing public realm improvements. The County could support and build capacity for local businesses through partnerships and coalition building focused on identifying physical improvements and providing a range of different financing tools to achieve them.

CHALLENGE: ADVANCE REDEVELOPMENT IN THE REGIONAL CENTER.

- ◆ Identify ways to incentivize adaptive reuse development and redevelopment particularly in opportunity areas and areas impacted by business closures (such as offering infrastructure or surplus land support).
- ◆ Explore the establishment of a supportive redevelopment organization or staff member. Well established redevelopment entities typically support the acquisition and selling of key property sites to facilitate development, particularly in areas that could catalyze additional development. We gained stakeholder input recommending the establishment of a staff person or organization promoting redevelopment projects.
- ◆ Advance public-private partnerships in support of Silverdale’s economic development. These partnerships typically involve the use of public financial assistance programs and other public levers or interventions in partnership with the private sector to facilitate development outcomes. These partnerships can be more effective if the following is addressed:
 - Identify a compelling development strategy with demonstrable public benefit.
 - Generate support for development objectives from elected officials and stakeholders. Become more connected with the development community to help find a capable development partner.

²³ More information at: <https://www.commerce.wa.gov/growth-management/ecosystem-planning/tdr/>

²⁴ More information at: <https://wacities.org/advocacy/news/advocacy-news/2025/04/18/another-bill-restricts-cities--ability-to-ensure-parking-is-provided-with-development>



- Identify priority sites and lay the groundwork for development through pre-development activities (preparing the site for development).
- Identify public assistance tools, right-size the amount of public assistance needed, and further the understanding on the range of tools available.
- Structure a fair deal and monitor project performance.

CHALLENGE: IMPROVE COMMUNITY QUALITY OF LIFE AND MAKE SILVERDALE MORE LIVABLE.

- ◆ Support the addition of more restaurants, arts, and entertainment businesses and more childcare facilities. The Navy stakeholder contacts reported that it is challenging to fill childcare provider positions at Navy Child Development Centers (CDC) and that they do not have capacity in childcare centers to accommodate all the military families.
- ◆ Interviewees also cited the need for more public spaces with recreational facilities and more pedestrian facilities and improvements to park areas such as the Clear Creek Trail and the waterfront public spaces. Stakeholders pointed out how the waterfront could use a refresh and the addition of amenities such as an improved park, boat launch, and more food establishments. Silverdale should increase access to parks, open spaces, and should integrate more natural features such as tree canopy. Many of these amenities help to improve the community quality of life.
- ◆ Broadening transportation options would be a positive for Naval Base Kitsap. Naval Base Kitsap military and civilian personnel currently use Kitsap Transit services such as Park and Ride areas, Worker Driver buses, regular buses, and the Port Orchard and Seattle bound ferries.
- ◆ Promote place-making efforts to help transform the area into a pedestrian friendly destination for residents to connect with others and spend their time and disposable income. Essentially, if done effectively, place-making can connect the community, catalyze economic development, support community health and safety, establish places reflective of the community's uniqueness and diversity, and help create a sense of place.
- ◆ The County could prioritize adding multimodal transportation improvements to the neighborhood such as sidewalk and bicycle/pedestrian path facilities, park and public space improvements, and neighborhood branding and amenities to help make the area more welcoming and distinct.

CHALLENGE: UPDATE THE VISION AND GOALS TO REFLECT CURRENT OPPORTUNITIES AND TO SUPPORT REGIONAL CENTER GROWTH.

- ◆ Promote increased integration of housing to advance economic stability in the Regional Center to lessen the impact of possible business closures (due to e-commerce and online retail outperforming in person retail). Increase the housing



capacity by focusing on mixed-use, workforce housing, multi-family housing, middle housing development more suited to the existing urban fabric.

- ◆ The vision should support medical related development, using the recent hospital expansions as a catalyst for continued growth (infill, redevelopment, etc.).
- ◆ The vision should support adaptive reuse development opportunities particularly considering the aging of many commercial buildings and the business closures.
- ◆ The vision should recognize the need to invest in creating more 3rd places, entertainment, restaurants, and childcare facilities.
- ◆ The vision should recognize transit-oriented development opportunities particularly near the new transit center and in the Old Town neighborhood (site of proposed foot ferry providing a connection between Silverdale and Bremerton).
- ◆ Work with the hospital and other key stakeholder groups to fortify partnerships and advance key development opportunities. Consider convening a focus group with medical and healthcare related workers and sector affiliates to collaborate and improve the understanding of what is needed in Silverdale to attract more residents and improve the economy and quality of life.
- ◆ Convene a focus group with key stakeholders such as the Navy, the Port of Silverdale, and Kitsap Economic Development Alliance to collaborate and improve the understanding of what is needed in Silverdale to attract more residents and improve the economy and quality of life.

Incentive Programs to Consider

ADOPT MFTE WHEN SILVERDALE IS ELIGIBLE.

Adopt the MFTE program in the Silverdale Regional Center in residential target areas. The county should adopt the 8-year and 12-year program options and consider the 20-year option. A minimum threshold should be added for the use of this program to ensure the support is focused on housing development with at least 10 housing units, especially for the 8-year program option. Previous analysis showed that a new MFTE program would increase development feasibility substantially in Silverdale. The county should evaluate MFTE residential target areas and consider potential implications of areas targeted for Tax Increment Financing and other similar programs to avoid unintended impacts impact.

EVALUATE INCENTIVES FOR STRATEGIC INFRASTRUCTURE IMPROVEMENTS.

Examples of incentives to consider include Tax Increment Financing and Latecomer Fee Programs.

Latecomer Agreements or Fees

These fees can also be referred to as recovery contracts, reimbursement agreements, or assessment reimbursement contracts) are tools that allow a property owner to recover a



portion of the costs from street or utility improvements from other property owners who later develop property in the vicinity and use the improvements. RCW Chapters [35.72](#), [35.91](#), and [57.22](#) authorize this mechanism which can encourage developers to build capital projects.²⁵

Tax Increment Financing (TIF)

TIF enables local governments to promote private development in targeted areas by financing public infrastructure and community improvements with the additional property taxes resulting from increased property values due to improvements. TIF is widely used across the nation, but Washington had barriers preventing traditional use of this tool. Due to recent state legislation signed on May 10, 2021, TIF financing has become a viable tool for Washington cities, towns, counties, port districts to fund public infrastructure in targeted locations to spur development and investment ([chapter 39.114 RCW](#)).

Now this tool can be used to capture all the additional local property tax revenue, unlike with previous restrictions under the Washington State Constitution. In Washington, jurisdictions can now have a maximum of two TIF districts with specific geographic boundaries that cannot overlap. Increment areas can have a maximum assessed value up to \$200 million (or 20% of the total assessed valuation of the jurisdiction creating the area, whichever is less). Boundaries for a TIF area cannot be modified and must retire after 25 years. Revenues from the TIF district can only be used for original improvements listed in the establishing ordinance, which includes specific project analysis and procedures.²⁶

As a first step to exploring the use of TIF, the county could identify a list of potential infrastructure projects. These should be screened for eligibility under the state TIF law. Additional work should be completed to detail the location of the district, public improvement costs, TIF revenues, proof development would not happen if the infrastructure was not constructed, and other elements required under the law. MFTE areas should be considered carefully given the property tax implications. Thorough research should be completed that describes different TIF options and eligibility requirements and analysis of future development potential, TIF revenues, and potential mitigation needs. The county must pass an ordinance that designates an increment area (area expected to benefit from the development), identifies the infrastructure improvements to be financed, and states whether bonds will be issued.

Example eligible infrastructure improvements can include:

²⁵ Local Examples: [Bellingham Latecomer Application](#) (2019) for street/storm, water, and sewer infrastructure including an application, administrative, and recording fee. [Port Townsend Street and Utility Latecomer Application](#) (2019), latecomer agreement application form including an information sheet and critical information summary.

²⁶ Local Examples: [Pasco - Broadmoor Tax Increment Financing Program](#) involved coordination with property owners to fund and construct infrastructure to build new commercial and residential uses on vacant parcels near the Columbia River and an adjacent highway. [Port of Vancouver - Vancouver, WA Waterfront Development](#): Vancouver was one of the first in Washington State to support a catalytic public-private partnership using TIF to fund public amenities along the Vancouver Waterfront in tandem with new private investment in retail, restaurants, and housing. Resources: [TIF Guidance](#), MSRC; [TIF in Washington presentation, Department of Revenue, Washington State](#); [TIF FAQ](#), [Washington Economic Development Association](#) (2021); and [Tax Increment Financing Type Programs in Washington](#), Washington Department of Revenue (2024).

- ◆ Street and road construction
- ◆ Water and sewer system construction and improvements
- ◆ Sidewalks and other non-motorized transportation improvements and streetlights
- ◆ Transit facilities
- ◆ Park and community facilities and recreational areas
- ◆ Stormwater and drainage management systems

Exhibit 30. Overview of How Tax Increment Financing Works

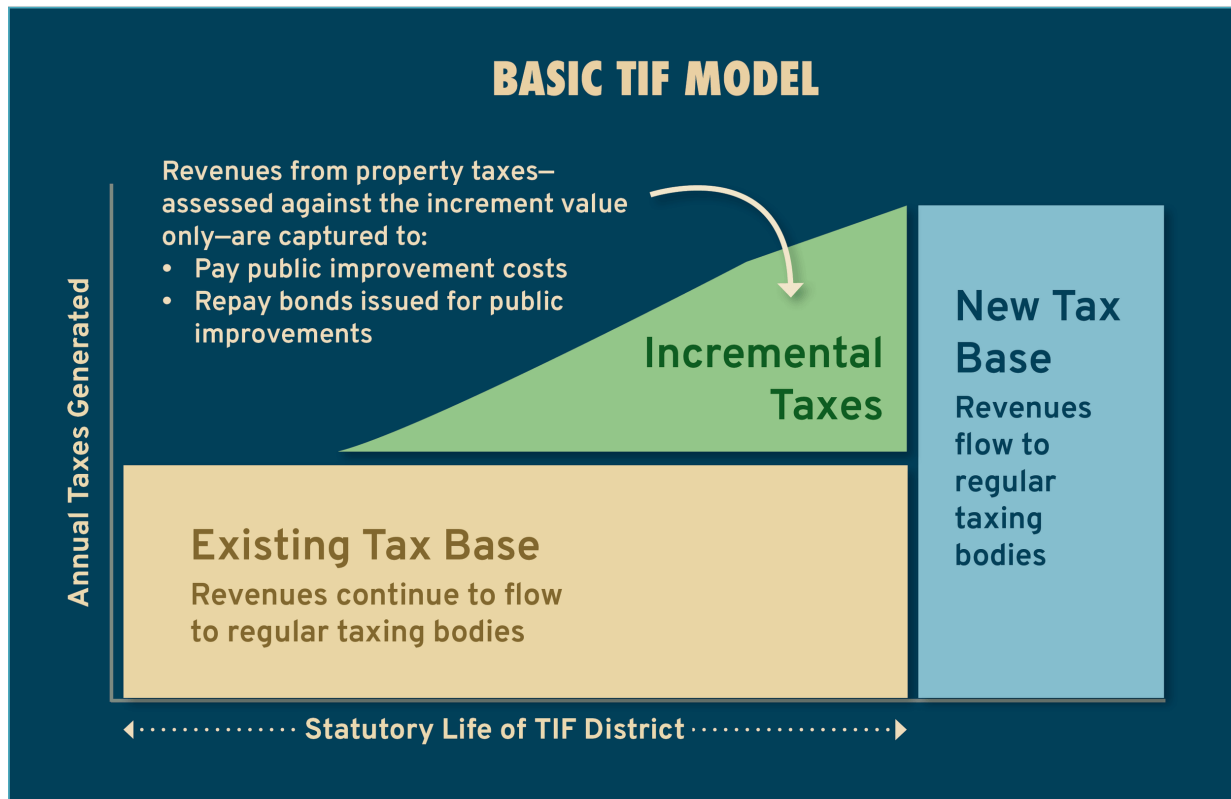


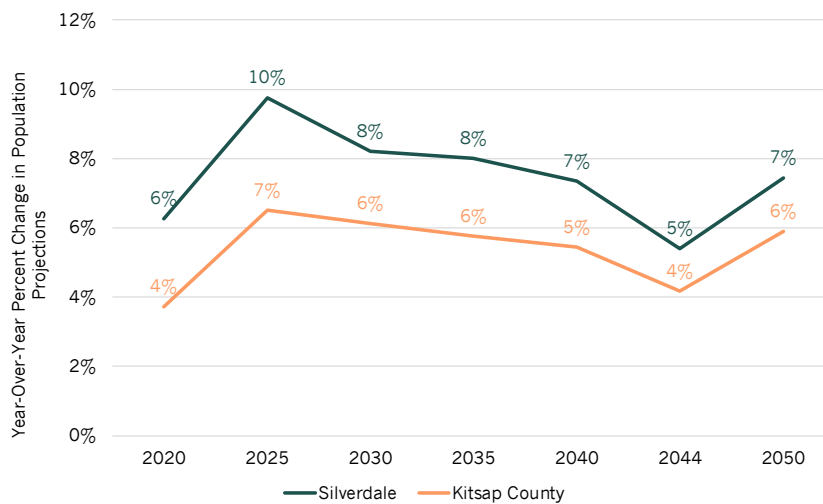
Image Source: ECONorthwest

Appendix

Section A: Community Profile

Population Growth and Projections

Exhibit 31: Percent Change in Population Projections, 2020 – 2050



Data Source: PSRC Population Projections. <https://psrc-psregcncl.hub.arcgis.com/search?q=LUV-it>

As of the 2020 Census, Silverdale had just under 19,700 residents.

Using this as the baseline, Silverdale's 2044 PSRC population target was set at roughly 29,100.

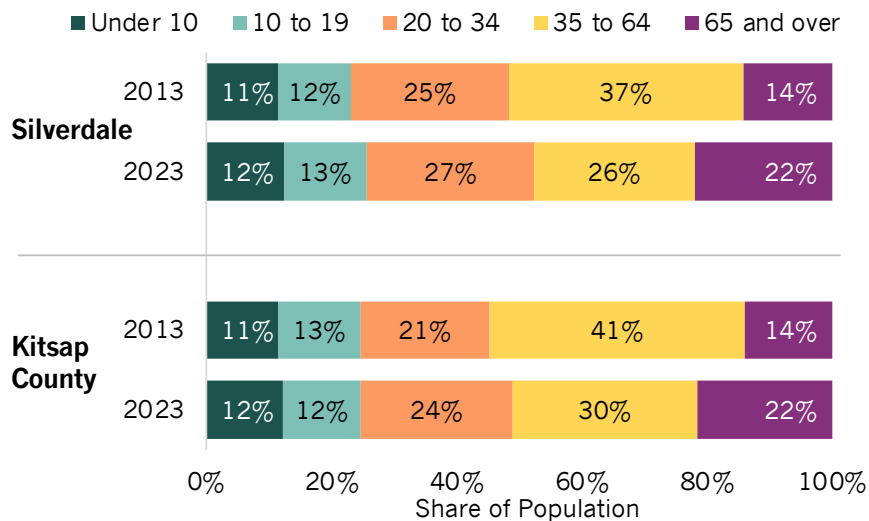
Under PSRC population projections, Silverdale is expected to have positive population growth at a higher rate than the County through 2050.

Age Demographics

Demographic trends indicate that Silverdale and the Kitsap Peninsula are attracting young professionals and families, likely drawn to growing employment opportunities, homeownership potential, and quality of life. At the same time, growth in the share of residents over 65 indicates that like many other communities, Silverdale will likely need to expand healthcare services, senior-friendly housing, and amenities to meet the needs of its growing population of older adults.



Exhibit 32: Age Distribution for Kitsap County and Silverdale CDP, 2013-2023



Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Exhibit 33: Median Age for Kitsap County and Silverdale CDP, 2013-2023

	Median age (years)		Diff	% Δ
	2013	2023		
Silverdale	37.1	38.8	1.7	4.4%
Kitsap County	39.3	39.9	0.6	1.5%

Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Silverdale has a higher share of individuals, ages 20 to 34 years old, than Kitsap County (27% versus 24% of residents).

Unlike many other regions, the share of children in the population increased over the time period.

Nearly a quarter of Silverdale residents are over 65, a 5 percentage point increase from 2013.

Median age in Silverdale has increased from 37.1 to 38.8 over the 10-year span. This is consistent with an aging population.

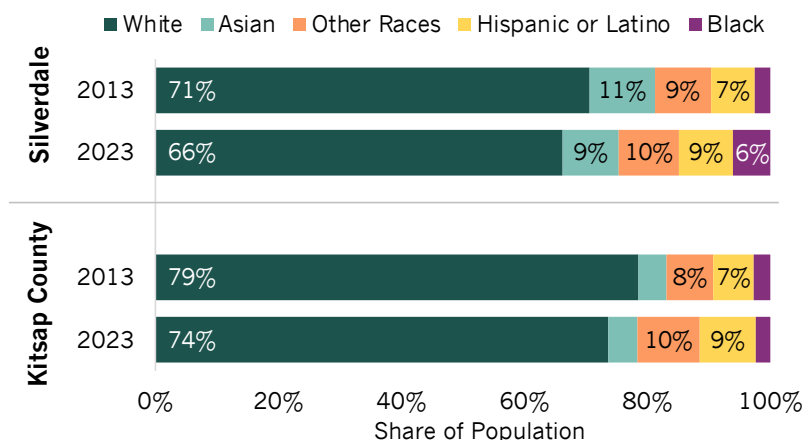
The median age in Silverdale is still less than that of Kitsap County, showing the area is attracting younger families as well. This is much lower than nearby Bainbridge Island (almost 50 years) and Poulsbo (43 years).

Race and Ethnicity Demographics

Silverdale residents identifying as Black, Hispanic or Latino, or Other Races increased between 2013 to 2023. In contrast, residents identifying as Asian and White decreased from 2013 to 2023. Silverdale has a higher share of residents identifying as Asian or Black than Kitsap County (9% versus 5% of residents; 6% versus 2%) in 2023. Whereas, Silverdale has an identical percentage share of residents identifying as Hispanic or Latino or Other Races as Kitsap County in 2023.



Exhibit 34: Race & Ethnicity by Geography, 2013-2023



Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Both Silverdale and Kitsap County residents identifying as Black or Hispanic or Latino increased between 2013 to 2023.

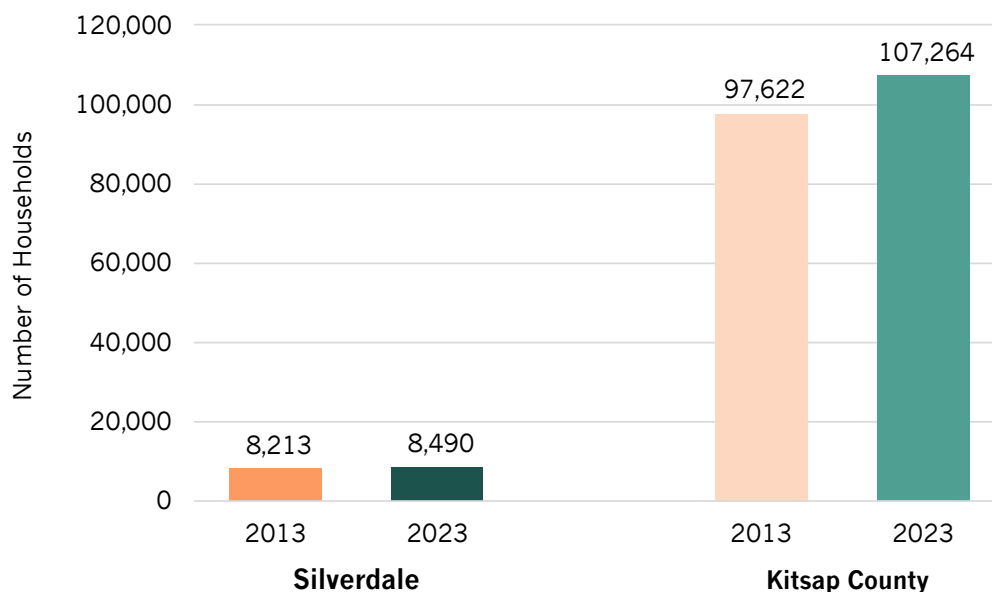
Silverdale and Kitsap County residents identifying as Asian or White decreased from 2013 to 2023.

Silverdale has a higher share of residents identifying as Asian or Black than Kitsap County (9% versus 5% of residents; 6% versus 2%) in 2023.

Household Demographics

Total households in Silverdale grew by 277 between 2013 and 2023. Silverdale's housing stock accounts for 8% of Kitsap County's total housing stock in 2023.

Exhibit 35: Number of Households, 2013-2023

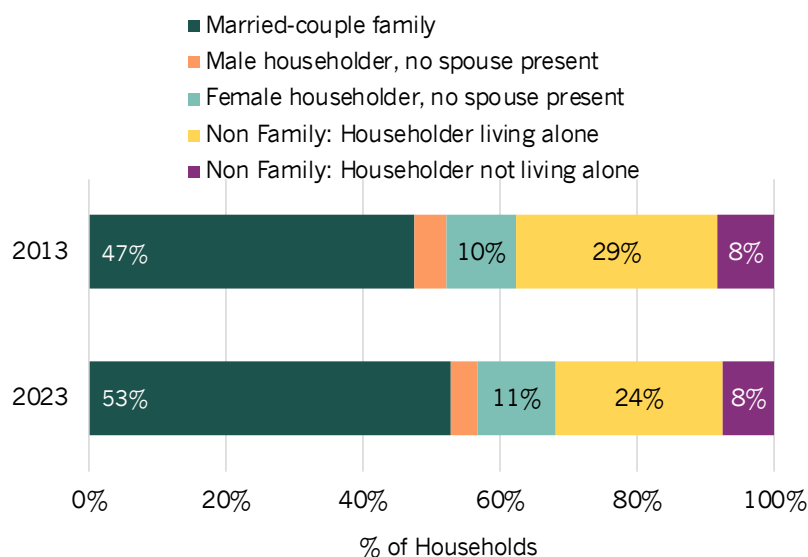


Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.



HOUSEHOLD TYPE

Exhibit 36: Share of Households by Household Type, Silverdale CDP

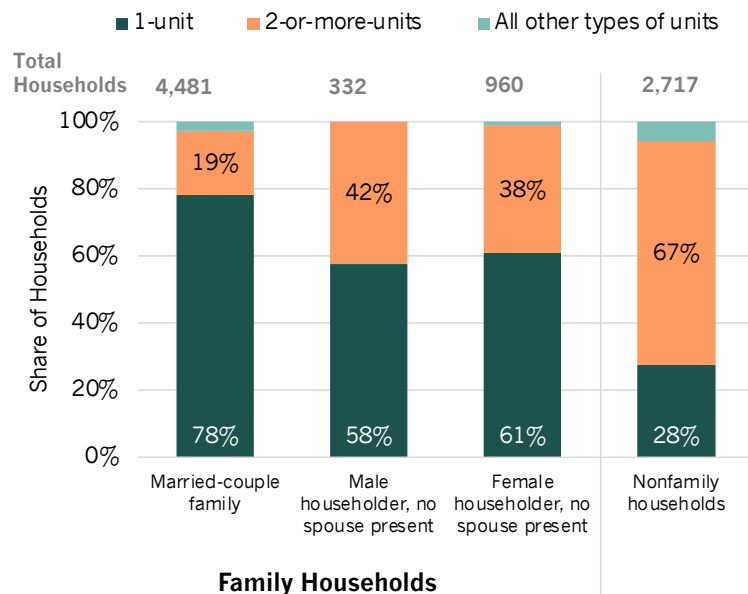


Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023

Roughly half (53%) of the households in Silverdale are married couples with or without children, with another 15% of households single-parent households. About a quarter of residents live alone, while 8% live with roommates.

From 2013 to 2023, the share of family households increased 5 percentage points, mirrored by a decrease in residents living alone.

Exhibit 37: Household Type by Building Size, Silverdale CDP



Data Source: U.S. Census Bureau, Five-year ACS for 2013

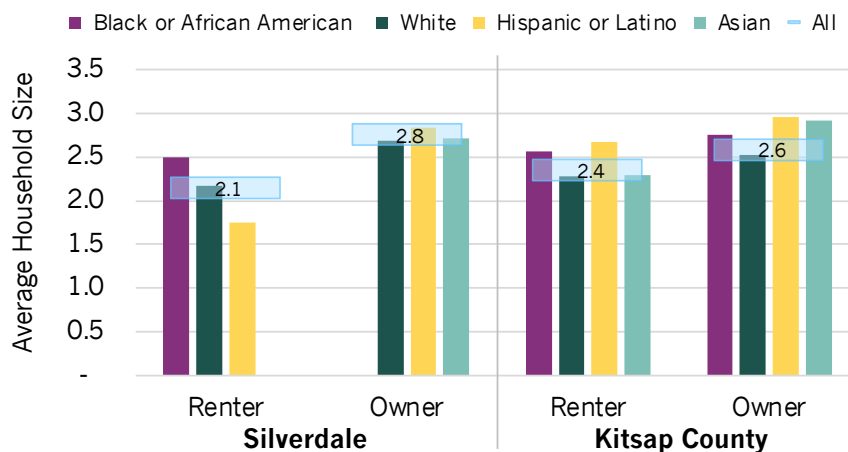
Married couples (with or without children) are much more likely to live in single-family housing than other types of households. A higher share of single-parent households live in multifamily housing, but the majority still live in single-family housing. On the flipside, the majority of nonfamily households (residents living alone or with roommates) live in multifamily housing.

HOUSEHOLD SIZE

On average, Silverdale households have just under three members (2.8 persons, 2023). This is a higher average household size than Kitsap County (2.6 persons, 2023).



Exhibit 38: Household Size by Race and Ethnicity and Tenure, 2023



Data Source: U.S. Census Bureau, Five-year ACS for 2023.

Note: Some races and ethnicities have been excluded due to data reliability.

Average household size is smaller for renters in Silverdale than in Kitsap County. In contrast, Silverdale's average household size for owner-occupied residences is higher (2.8 versus 2.6) than in Kitsap County.

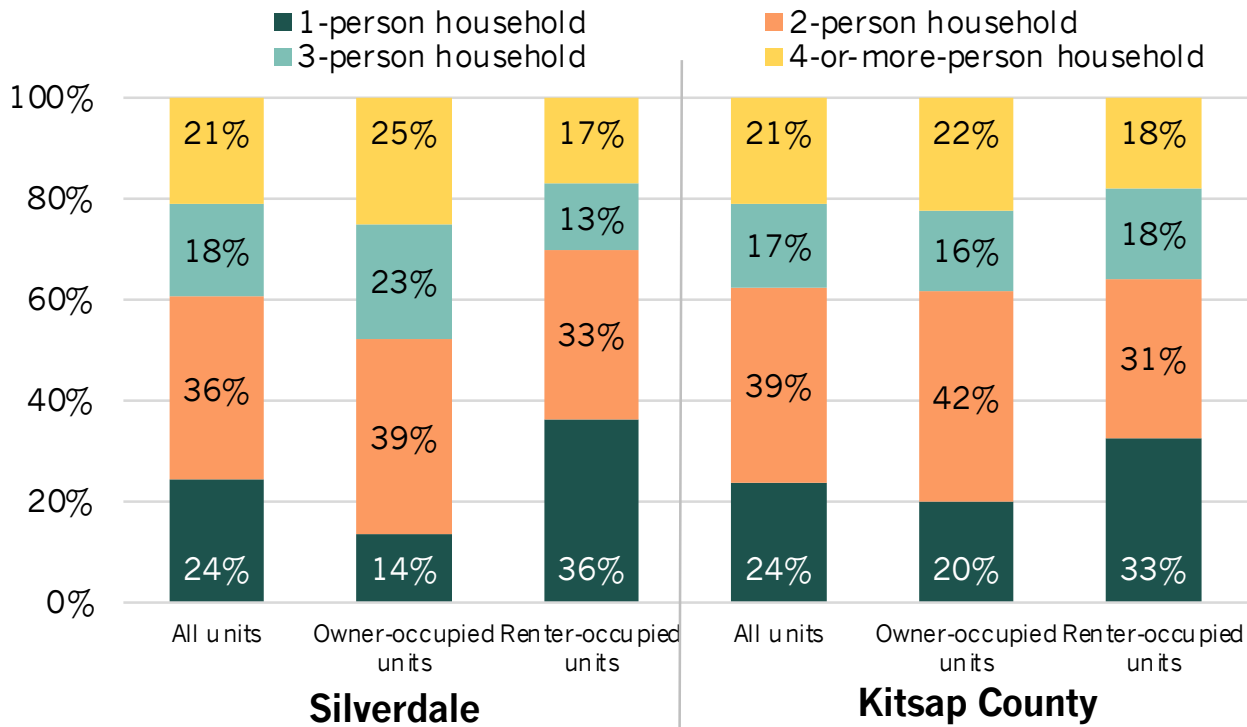
Owner-occupied households tend to have larger household sizes in both Silverdale and Kitsap County.

Silverdale household sizes containing three or more persons had a greater percentage share in owner-occupied units compared to rental-occupied units (87% versus 63% of residents) in 2023. Whereas 1-person Silverdale households had the greatest percentage share in renter-occupied units compared to other larger household sizes in 2023.

- ◆ Rental households are more likely to be smaller households with one or two members, while ownership households are more evenly split between smaller and larger households (three or more members).
- ◆ This trend is more pronounced in Silverdale than in the County, with a higher share of smaller households in rental housing (48% to 38%) and larger households in ownership housing (69% to 64%).



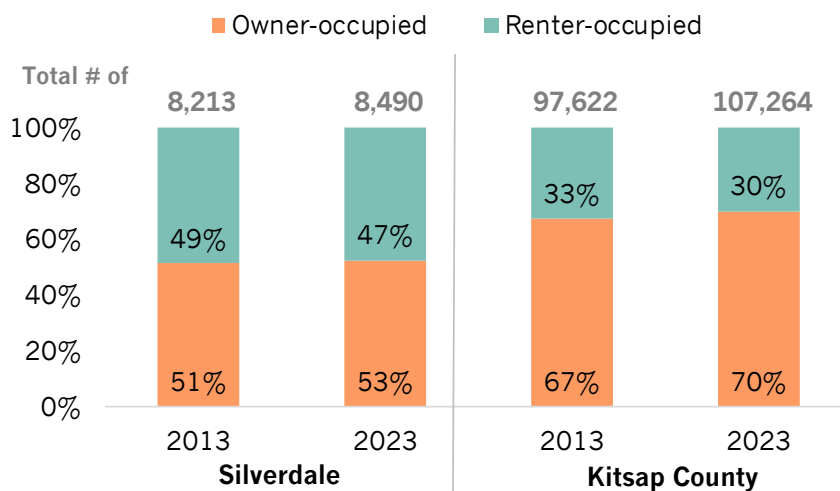
Exhibit 39: Household Size by Tenure in Silverdale and Kitsap County, 2023



Data Source: U.S. Census Bureau, Five-year ACS 2023.

HOUSEHOLD TENURE

Exhibit 40: Household Tenure in Silverdale and Kitsap County, 2013-2023



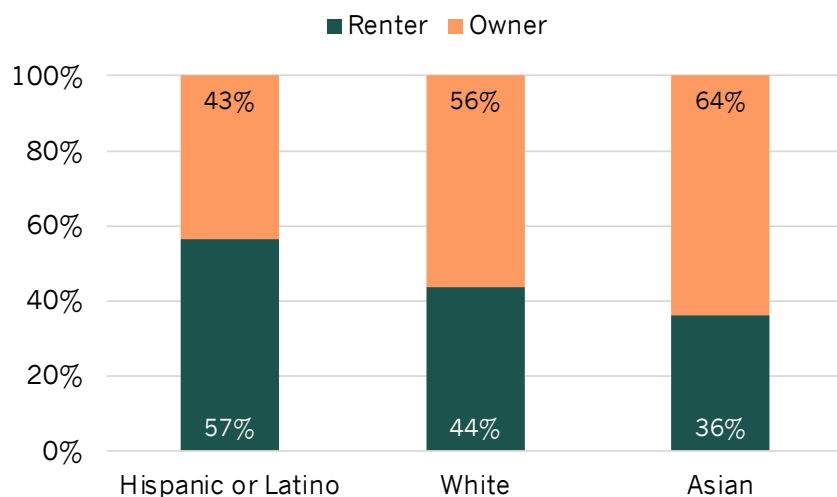
Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Silverdale has a higher share of renters than Kitsap County, with residents relatively evenly split between renters and homeowners (47% vs 53% in 2023).

Since 2013 the share of owner-occupied households has increased by 2 percentage points in Silverdale.



Exhibit 41: Household Tenure by Race and Ethnicity in Silverdale, 2023



Homeownership rates vary across racial and ethnic groups, with White (56%) and Asian (64%) households having a higher homeownership rate than Hispanic or Latino households (43%).

Data Source: U.S. Census Bureau, Five-year ACS 2023.

Note: Some races and ethnicities have been excluded due to data reliability.

HOUSEHOLD INCOME

Overall, Silverdale has a high median household income of just over \$100,000 annually.

- Over the past decade, the share of high-earning households has increased considerably, with over a quarter (27%) of Silverdale households earning \$150,000 and over half (52%) earning more than \$100,000 annually as of 2023.
- Silverdale's share of high-earning households earning more than \$150,000 increased faster than the County over the past decade (267% to 196%).
- Roughly 9% of Silverdale households earned less than \$25,000 per year, slightly less than the County overall (10%).

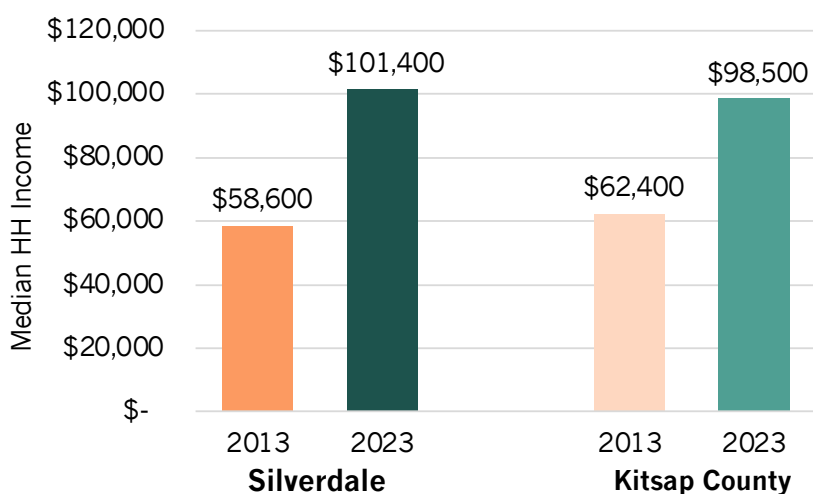
Exhibit 42: Income Distribution for Silverdale and Kitsap County, 2013-2023

Income Level	Silverdale		Kitsap County	
	2013	2023	2013	2023
Less than \$25,000	1,282	746	15,975	10,486
\$25,000 to 49,999	2,211	1,214	21,961	12,666
\$50,000 to \$74,999	1,598	1,118	19,764	16,634
\$75,000 to \$99,999	987	1,015	14,315	14,731
\$100,000 to \$149,999	1,503	2,075	15,530	22,877
\$150,000 or more	632	2,322	10,077	29,870
Total	8,213	8,490	97,622	107,264

Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.



Exhibit 43: Median Household Income for Silverdale and Kitsap County, 2013-2023

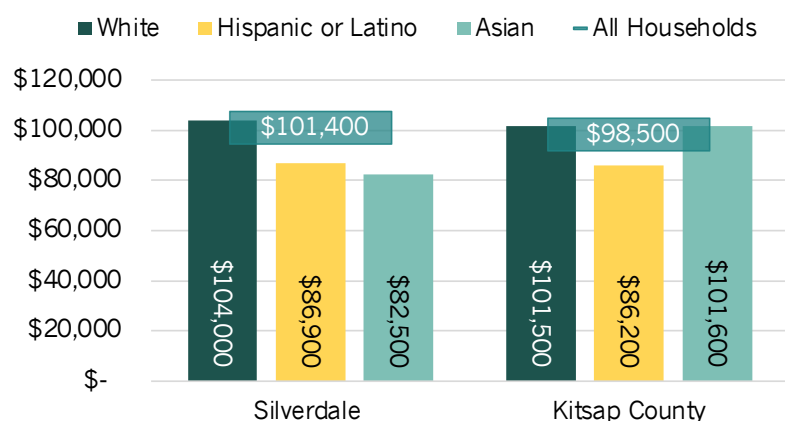


The median household income for Silverdale was higher than Kitsap County (\$101,400 versus \$98,500 annually) in 2023.

Median household incomes in Silverdale have increased by 73% (\$58,600 versus \$101,400) over the past decade.

Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Exhibit 44: Median Household Income by Race in Silverdale and Kitsap County, 2023



Silverdale residents identifying as White had the highest annual median household income in 2023.

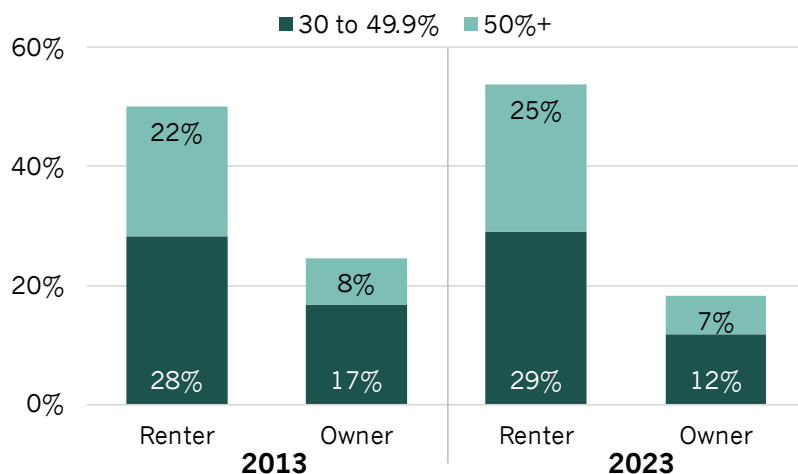
Whereas Kitsap County residents identifying as Asian had the highest median household income in 2023.

Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

Note: Some races and ethnicities have been excluded due to data reliability.



Exhibit 45: Cost Burden by Tenure in Silverdale, 2013-2023



Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.

More renters in Silverdale are cost burdened (at both the 30%+ and 50%+ levels) than homeowners.

The share of renter households 30%+ cost burdened has increased since 2013 from 50 percent to 54 percent.

The share cost burdened owner-occupied households has decreased since 2013.

Exhibit 46: Civilian Industry Distribution, Silverdale and Kitsap County

Industry	Silverdale		Kitsap County	
	2013	2023	2013	2023
Construction	6%	5%	7%	7%
Manufacturing	8%	11%	10%	11%
Retail trade	15%	11%	12%	12%
Transportation and warehousing, and utilities	3%	6%	4%	5%
Finance and insurance, and real estate and rental and leasing	4%	6%	5%	5%
Professional, scientific, and management, and administrative and waste management services	9%	11%	12%	13%
Educational services, and health care and social assistance	21%	23%	21%	20%
Arts, entertainment, and recreation, and accommodation and food services	9%	8%	9%	9%
Other services, except public administration	5%	3%	5%	4%
Public administration	15%	14%	11%	11%

Data Source: U.S. Census Bureau, Five-year ACS for 2013 and 2023.



Section B: Land Use Analysis

Exhibit 47: Vacant Land by Zone, Silverdale UGA

Zone	Property Count	Total Acres	% of Total Acres by Zone
Residential	25	3	
Urban Low Residential	14	3	13%
Urban High Residential	6	0	54%
Urban Restricted	3	0	100%
Urban Medium Residential	2	0	99%
Commercial	105	87	
Regional Center	81	81	15%
Neighborhood Commercial	24	7	29%
Institution	9	23	
Park	9	23	100%
Total	139	114	

Data Source: ECONorthwest; Kitsap County Permit Data.

Exhibit 48: Land with Improvement Value Ratio Less than 0.5 by Zone, Silverdale Regional Center

Zone	Property Count	Total Acres	% of Total Acres by Zone	% Underutilized
Residential	1	0		
Urban Low Residential	1	0	1%	47%
Commercial	38	41		
Neighborhood Commercial	11	2	9%	22%
Regional Center	27	39	7%	18%
Total	39	42		

Data Source: ECONorthwest; Kitsap County Permit Data.



Exhibit 49: Public Property by Zone, Silverdale Regional Center

Zone	Property Count	Total Acres	% of Total Acres by Zone
Residential	7	2	
Urban Low Residential	5	2	7%
Urban High Residential	2	0	54%
Commercial	55	49	
Regional Center	33	43	8%
Neighborhood Commercial	22	6	27%
Institution	9	23	
Park	9	23	100%
Total	71	74	

Data Source: EConorthwest; Kitsap County Permit Data.

Exhibit 50: Share of Undeveloped, Publicly Owned Land by Zone and Ownership

LAND HOLDER	COM.	NC	RC	UHR	ULR	UR	IND.	PARK	TOTAL
Kitsap County	0%	0%	0%	19%	5%	0%	0%	0%	25%
Kitsap County Public Works	3%	0%	7%	0%	5%	8%	2%	9%	34%
Kitsap Transit	0%	0%	4%	0%	0%	0%	3%	0%	7%
Port Of Silverdale	0%	2%	0%	0%	0%	0%	0%	0%	2%
Silverdale Water District	1%	0%	0%	0%	15%	0%	2%	0%	17%
Silverdale Wetlands	0%	0%	0%	0%	0%	0%	0%	6%	6%
Suquamish Indian Tribe Trust	9%	0%	0%	0%	0%	0%	0%	0%	9%
Total	13%	2%	12%	19%	25%	8%	6%	14%	

Data Source: EConorthwest; Kitsap County Assessor Data.

