

Staff Report and Recommendation Kitsap County Code Zoning Use Table Update

Report Date	7/30/2021
Hearing Date	9/21/2021
Amendment Type	Kitsap County Code Update
Description	 This amendment: Updates uses and activities that would be allowed , and the level of permit review (Chapter 17.410, Allowed Uses) in the following areas: Unincorporated Urban Growth Areas; Limited Areas of More Intensive Rural Development (LAMIRDS); and Rural Commercial and Rural Industrial zones. Revises the level of permit review to remove economic and housing barriers in the locations noted above and to foster desired outcomes consistent with the County's Comprehensive Plan. Reorganizes the footnotes associated with the zoning use tables (Section 17.410.050, Footnotes for zoning use tables) to improve usability and to reduce surprises during the permit review process. Reorganization also clarifies development standards for certain land uses to ensure predictability prior to application submittal and review. Updates definitions and special provisions to ensure internal consistency and predictability across sections of the code. Proposes revisions to level of permit review and provisions, depending on size and scale, of public facilities. This does not include proposed changes to requirements related to wireless facilities regulated in Chapter 17.530 (Wireless Communication Facilities). The proposed amendments do not: Revise Other development requirements in Title 17 (Zoning), such as allowed density and zone purposes. Does not revise allowed uses for the unincorporated Poulsbo UGA as it is governed by a separate Interlocal Agreement with the City of Poulsbo as it pertains to zoning requirements.
Geographic Area Affected	Unincorporated Kitsap County
SEPA	Determination – in process
Department Recommendation	Adopt as proposed

This report and recommendation are based on information available at the time of publication. If new relevant and material facts are discovered through the public comment process before the Planning Commission and Board of County Commissioners (Board) as outlined in Chapter 21.08, this staff report may be revised and the department recommendation may be modified.

1. BACKGROUND

The Kitsap County Department of Community Development (Department or DCD) proposes to amend certain elements of Kitsap County Code Title 17 'Zoning'. The Zoning Code is one of the County's key tools for implementing the goals and policies of the Kitsap County Comprehensive Plan consistent with the Washington State Growth Management Act and Kitsap Countywide Planning Policies. It governs what can be built, where it can be built, how it can be built, and what processes must be followed to obtain approval.

The primary goal of the Zoning Use Table Update is to reduce barriers to investment in Urban Growth Areas (UGA), Limited Areas of More Intense Rural Development (LAMIRD), and the rural commercial and rural industrial zones. The project will address:

- Housing equity and diversity by encouraging a wide array of housing product types within the various urban and LAMIRD zones, including addressing gaps in the land use categories and definitions.
- Economic development by encouraging it through:
 - Scaling land uses to streamline the level of permit review required.
 - Adding new land uses based on projects submitted to the Department and a comparison of other jurisdictions.
- Making the code easier to use by improving predictability and ease of use for applicants and permit reviewers.

The Department prepared the proposal in an ordinance format as the basis for Planning Commission recommendations and Board of County Commissioners adoption processes (see Attachment A1 – Ordinance). The Department also prepared a summary of changes (see Attachment D1 – Scope of Amendments Matrix) and documents detailing the proposed changes (see Attachments D1, D4, D5, and D6).

A. Authority

The Growth Management Act (GMA) mandates that Kitsap County's Comprehensive Plan and development regulations be reviewed and, if needed, revised at least every 8-years [RCW 90.70A.130(5)]. The most recent Kitsap County 8-year update concluded with the adoption of the 2016 Kitsap County Comprehensive Plan on June 27, 2016 by Ordinance 534-2016. The GMA also mandates that Kitsap County's Comprehensive Plan and development regulations be subject to continuing review and evaluation, allowing for annual amendments to the Comprehensive Plan and development regulations [RCW 36.70A.130(1)] and as-needed updates to development regulations to ensure consistency with desired development outcomes.

B. Proposed Amendment

The following attachments show detailed changes to Kitsap County Code proposed by the Department of Community Development. Attachment A1 – Ordinance Attachment D1 – Scope of Amendments Matrix Attachment D4 – Detailed Changes: Definitions Attachment D5 – Detailed Changes: Allowed Use Tables Attachment D6 – Detailed Changes: Footnote Re-location Guide

C. Geographic Description

The proposal impacts all unincorporated areas of Kitsap County. Please see:

• Attachment B1 - Kitsap County Zoning Map – Countywide

2. DEPARTMENT RECOMMENDATION

Having analyzed the proposed amendment and other alternatives, if applicable, the Department recommends:

Adoption of the amendment:

🛛 as proposed above

□ as described in Alternative ____ below

 \Box with revisions described below

u with conditions described below

Deferral of the amendment to a future docket

□ Denial of the amendment

A. Rationale

Substantive Findings:

- Kitsap County is subject to the requirements of the Washington State Growth Management Act (GMA), Chapter 36.70A RCW.
- The GMA, at RCW 36.70A.130(5), mandates that Kitsap County's Comprehensive Plan and development regulations be reviewed and, if needed, revised at least every 8-years. The most recent Kitsap County 8-year update concluded with the adoption of the 2016 Kitsap County Comprehensive Plan on June 27, 2016 by Ordinance 534-2016.
- The GMA, at RCW 36.70A.130(1), also mandates that Kitsap County's Comprehensive Plan and development regulations be subject to continuing review and evaluation which includes the adoption of the 2018 Kitsap County Comprehensive Plan Update on December 10, 2018 by Ordinance 565-2018 and 2019 Kitsap County Comprehensive Plan Update on April 27, 2020 by Ordinance 587-2020.
- RCW 36.32.120(7) provides that county legislative authorities shall make and enforce, by appropriate resolutions or ordinances, all such police and sanitary regulations as are not in conflict with state law.
- After review of the Kitsap County Code, the Department identified code amendments that align with Kitsap County Comprehensive Plan policies, including land use, economic development, housing, and parks policies.

- The proposed code amendments were developed according to, and are compliant with, the requirements of GMA, Chapter 36.70A RCW, the Kitsap County Countywide Planning Polices, the Kitsap County Comprehensive Plan, and other applicable laws and policies.
- The proposal is consistent with the Comprehensive Plan by:
 - Better aligning allowed uses with the purpose for each zone (see Attachment D2 Zone Purpose Statements).
 - Removing economic and housing barriers to development in Urban Growth Areas and Limited Areas of More Intense Rural Development.
 - When a new categorical use is proposed, proposing appropriate development standards in rural areas consistent with the Kitsap County Comprehensive Plan goals and policies.
- Public participation includes public review of the proposed code amendment as required by GMA, the State Environmental Policy Act (Attachment C2 SEPA Checklist), and Kitsap County Code.
- The proposed code amendments promote the public interest and welfare of the citizens of Kitsap County.

Procedural Findings:

- In June and July 2019, DCD distributed two online surveys to guide the development of proposed changes. The first survey focused on recent DCD customers to understand their experience navigating the County's development regulations. The second survey focused countywide to understand what stakeholders would like to see built across Kitsap County.
- In July, August, and September 2019, four study sessions were held with the Planning Commission to prepare an initial discussion draft that included:
 - o definitions and development standards for new and existing land uses; and
 - the reorganization and clarification of existing footnotes and development standards.
- Following the initial public surveys and Planning Commission study sessions, the
 Department developed an outreach plan to provide several opportunities for stakeholders
 to refine proposed concepts prior to formal consideration consistent with procedures noted
 in Chapter 21.08 KCC. The outreach and engagement methods included electronic
 notifications, an online open house that included project materials and public comment
 opportunities, workshops, open houses, one-on-one meetings, and virtual meetings with
 question and answer sessions.
- The Department briefed the Board on December 18, 2019 regarding general feedback received during the outreach.
- The Department analyzed and considered feedback (see Attachment D3 Preliminary Feedback) when developing a proposal for the Planning Commission and Board of County Commissioner public review processes.
- The project was postponed in October 2020 to allow the Department to focus on two statemandated projects due June 30, 2021 and to "carve" out recent Port Gamble development code amendments adopted in April 2020.
- From mid-2020 to early 2021 the Department conducted a series of informal discussions with community groups and organizations and Tribes to provide project status updates.
- From June 2020 to June 2021 the Department met with the Kitsap Building Association and Department Advisory Group to provide project status updates regarding schedule changes.
- On January 25, 2021, the Board of County Commissioners discussed and provided direction to the Department to consider proposed revisions to standards for Accessory Dwelling Units in UGAs.

- On May 4, 2021, the Planning Commission reviewed and provided feedback regarding an updated draft Public Participation Plan.
- On May 10, 2021, the Board reviewed and provided feedback regarding an updated draft Public Participation Plan.
- On June 15, 2021, the Department briefed the Planning Commission about changes to the Public Participation Plan as suggested by the Board of County Commissioners on May 10, 2021.
- On June 21, 2021, the Board of County Commissioners discussed and provided direction to consider permissibility and standards for public facilities, other than wireless facilities.
- Future meetings with the Board and Planning commission are outlined in the Public Participation Plan (see Attachment D7 Public Participation Plan).

3. OTHER ALTERNATIVES CONSIDERED

The proposed amendments are intended to improve consistency between Kitsap County Comprehensive Plan policies and Kitsap County Code Title 17 (Zoning) Chapter 17.410 allowed uses per the zones.

The Department prepared a preliminary draft for initial discussions. No official alternatives are considered as part of this staff report.

4. COMPREHENSIVE PLAN CONSISTENCY

A. The proposed amendments are consistent with the following goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016. Subarea plan goals and policies are included in sections 4.B through 4.F below.

- Land Use Goal 1. Focus current and future planning on infill and redevelopment of existing Urban Growth Areas.
 - Land Use Policy 6. Where appropriate, encourage mixed use, high density uses, and Transit Oriented Development (TOD) to reduce reliance on the Single Occupancy Vehicle (SOV).
- Land Use Goal 3. Support more dense residential areas with access to transportation, urban amenities, goods and services, physical activity and healthy foods.
 - Land Use Policy 17. Support compact commercial areas in order to encourage pedestrian and non-motorized travel and transit use.
- Land Use Goal 4. Coordinate with other jurisdictions, tribal governments, agencies, special districts, and property owners to ensure coordinated and compatible land use planning and utilize Urban Growth Area Management Agreements with cities, as feasible.
- Land Use Goal 6. Direct development to designated Urban Growth Areas consistent with projected population growth, Growth Management Act and Countywide Planning Policies while considering development patterns that reduce sprawl, use urban land more efficiently, and that incorporate feasible, innovative and sustainable practices.
- Land Use Goal 10. Maintain sufficient industrial land area in the Urban Growth Areas for future industrial use.
 - Land Use Policy 41. When updating code pertaining to industrial lands ensure industrial land uses are a priority in order to prevent commercial encroachment.

- Land Use Goal 13. Protect Kitsap County's unique rural character.
 - Land Use Policy 51. Permit residential uses in rural areas consistent with the planned rural character of the surrounding area.
 - Land Use Policy 52. For Type I Limited Area of More Intensive Rural Development (LAMIRD), allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows: Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads development and in accordance with Growth Management Act Requirements.
 - Land Use Policy 54. In accordance with RCW 36.70A.070(5)(c):
 - to preserve rural character of the County, emphasize controlling rural development; assuring visual compatibility of rural development with the surrounding rural area,
 - reduce the inappropriate conversion of undeveloped land into sprawling, lowdensity development in the rural area,
 - protect critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources, and,
 - protect against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

This policy is implemented through Comprehensive Plan Land Use designations, zoning designations, and zoning code provisions.

- Land Use Goal 14. Foster rural businesses and business opportunities on designated commercial and industrial lands in the rural area, while balancing protection of rural character.
 - Land Use Policy 57. Unlimited expansion of commercial and industrial uses in the rural areas is not appropriate. Accordingly, only limited new commercial and industrial uses will be permitted in the rural areas. Such commercial and industrial uses must be consistent with the Growth Management Act and Comprehensive Plan requirements for rural areas, preserve Kitsap County's rural character, and shall not allow urban-type uses or services.
 - Land Use Policy 58. Encourage business growth in existing LAMIRDs (Limited Area of More Intensive Rural Development) while limiting business growth outside of LAMIRDs so as to not impact the rural character.
 - Land Use Policy 59. Allow or conditionally allow home-based cottage-type businesses and industries in the rural areas that do not negatively affect rural level of service or rural character.
 - Land Use Policy 60. When considering public spending for facilities and services within the rural area give priority to the following:
 - Maintaining existing facilities and services that protect public health and safety.
 - Upgrading facilities and services when needed to support planned rural development at rural service level standards but which do not create capacity for urban growth.
- Economic Development Goal 1. Promote a healthy and diverse economy that provides for a strong and diverse tax base, encourages business formation, retention, and expansion; creates industrial and professional business and employment opportunities to attract new business to the County.
 - Economic Development Policy 3. Provide a diverse mix and appropriate range of commercial, industrial and business land uses that will encourage economic activity

capable of providing living-wage jobs and reasonably scaled to the needs of the community.

- Economic Development Goal 2. Support and develop new methods of insuring sustainable business development that create living wage jobs and economic opportunities consistent with local and regional plans.
 - Economic Development Policy 7. Encourage full utilization and development of industrially and commercially zoned areas.
 - Economic Development Policy 8. Promote revitalization within existing developed industrial and commercial areas.
 - Economic Development Policy 9. Encourage mixed use developments within commercial districts that will enhance the visual, economic, and environmental quality of these areas and improve the transition between commercial and residential districts.
 - Economic Development Policy 12. Continue to develop, revise and provide for periodic review of development standards, the zoning code and related ordinances to build a streamlined, understandable, consistent and predictable building, land use and development application procedure.
- Housing and Human Services Goal 1. Make homelessness rare, brief, and one-time in Kitsap County.
 - Housing and Human Services Policy 2. Remove regulatory barriers to alternative housing models for people experiencing homelessness.
- Housing and Human Services Goal 2. Increase affordable housing units and ensure that a broad range of housing types are available.
 - Housing and Human Services Policy 5. Use regulatory strategies to incentivize and provide flexibility for development of affordable and special needs housing.
 - Housing and Human Services Policy 7. Adopt regulatory changes to allow non-traditional housing types.
- Housing and Human Services Goal 4. Ensure that all people have fair and equal access to housing and services.
 - Housing and Human Services Policy 12. Identify and remove regulatory barriers that limits access to or the provision of a diverse affordable housing supply.
 - Housing and Human Services Policy 13. Identify and remove impediments to creating housing for harder to house populations.
- Parks Goal 1. Provide regional parks, and open space to meet active and passive regional recreational needs, as well as the needs of wildlife.
 - Parks Policy 5. Develop and redevelop County parks to accommodate multiple uses.
 - Parks Policy 6. Develop and redevelop County parks to provide equity of service and activities offered for all age groups.

B. The proposed amendments are consistent with the following Suquamish sub-area plan goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016.

- Suquamish Goal 2. Provide Transportation Improvements that Enhance Economic Development.
 - Suquamish Policy 2. Conduct studies to maximize the effectiveness of Suquamish downtown parking, traffic, land use and potential aesthetics.
- Suquamish Goal 9. Coordinate efforts among the community, the Suquamish Tribe and the County to maintain existing Parks within and surrounding Suquamish to their fullest potential.

C. The proposed amendments are consistent with the following Kingston sub-area plan goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016.

- Kingston Economic Development Goal 1. Within the Kingston Urban Growth Area, support the establishment of locally-owned businesses, cottage industries and home businesses.
 - Kingston Policy 1. Encourage the development of state-of-the-art telecommunication infrastructure to serve the Kingston Urban Growth Area.
 - Kingston Policy 2. Continue to allow home office businesses within the Urban Village Center zone.
 - Kingston Policy 3. Collaborate with the Kingston Chamber of Commerce, the Kitsap Economic Development Alliance (KEDA), Public Utilities District, and the Port of Kingston and other organizations to foster and promote an information system infrastructure and promote a business atmosphere that encourages and supports technology-based industry.
- Kingston Economic Development Goal 2. Support the maintenance of local businesses.
 - Kingston Policy 4. Investigate feasibility of using a rolling type "multi-year" permit process for event venues for appropriate locations.
 - Kingston Policy 8. Encourage small business development and business incubators.
- Kingston Parks, Trails and Open Space Goal 6. Encourage participation of community organizations and residents in the planning, development and authorized use of parks, community facilities, libraries and senior centers.
 - Kingston Policy 18. Coordinate with other local jurisdictions, community organizations and residents in developing long range plans, budgets and usage regulations for public facilities, parks and open space.
- Kingston Parks, Trails and Open Space Goal 9. Provide and maintain Parks and Fields and community facilities to support sports, recreational, educational, and social activities for the community.
 - Kingston Policy 32. Encourage public participation of community organizations and residents in the planning, development, operation, authorized use and maintenance of parks, trails, community facilities, libraries, sports fields and senior centers.
- Kingston Community Goal 14. Formalize Kingston community identity.
 - Kingston Policy 43. Locate community-oriented public facilities within the Urban Growth Area.
- Kingston Land Use Goal 15. Involve the Kingston community input when proposing development regulations.
- Kingston Land Use Goal 16. Encourage development that is compatible with Kingston's current design.
 - Kingston Policy 53. Encourage a mix of urban residential, mixed-use, and commercial development in the downtown core as defined by the boundaries of the Urban Village Center and other commercial zones.

D. The proposed amendments are consistent with the following Manchester sub-area plan goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016.

- Manchester Goal 2. Maintain and manage growth, density, zoning, and land use consistent with the requirements and policies of the Manchester LAMIRD.
- Manchester Goal 4. Provide the citizens the opportunity to participate in the development of transportation planning policy regarding street designs and development patterns that accommodate pedestrians, vehicles, transit users and bicyclists in a balanced way.

- Manchester Goal 12. Ensure public participation for all future improvements to public facilities and parks within the Manchester LAMIRD.
 - Manchester Policy 21. Develop strategies for upholding private property rights while accommodating the public's interest in experiencing the waterfront, views and recreation.
- Manchester Goal 13. Maintain current public facilities.
 - Manchester Policy 22. Coordinate with the Friends of the Manchester Library, the Manchester Foundation Board, and the Port of Manchester Commissioners and Kitsap County concerning any development plans for public facility improvements and additions.

E. The proposed amendments are consistent with the following Silverdale sub-area plan goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016.

- Silverdale Goal 4. Achieve diversification of Silverdale's economic base, particularly through expansion of businesses and higher educational opportunities.
 - Silverdale Policy 11. Facilitate the diversification and growth of the Silverdale area economic base through a range of appropriate commercial land use designations, adequate land supply, improved transportation infrastructure, active business recruitment, and business friendly policies and regulations.
- Silverdale Goal 5. Support and coordinate economic expansion through efficient use of land and provision of capital facilities.
 - Silverdale Policy 14. Encourage full use and development of designated commercial and industrial areas prior to expanding those areas. Promote revitalization within existing developed areas to take advantage of the investment in existing buildings and infrastructure.
- Silverdale Goal 6. Support commercial development and redevelopment that complements and is compatible with the larger Silverdale community.
- Silverdale Goal 7. Promote and protect the long-term viability, safety, character and identity of existing neighborhoods.
 - Silverdale Policy 18. Identify opportunities for community services and general recreation facilities within or between residential neighborhoods, with strong emphasis on private development and maintenance by neighborhoods.
- Silverdale Goal 15. Provide a park, recreation and open space system that enhances the quality of life for residents and visitors to the Silverdale community.

F. The proposed amendments are consistent with the following Silverdale Regional Center sub-area plan goals and policies in the Kitsap County Comprehensive Plan, adopted June 30, 2016.

- SRC Environment Goal 12: Create a sustainable community, consistent with Kitsap County's Comprehensive Plan Sustainability Policies.
 - SRC Policy 53. Support projects that increase air quality, reduce carbon emissions, or reduce climate change impacts.
- SRC Environment Goal 13: Develop greenhouse gas emissions reduction ratio targets and achieve them through land use, transportation, and commercial and residential building construction and site development strategies.
 - SRC Policy 57. Emphasize mixed-use development in the Silverdale Regional Center so that people live in close proximity and have convenient access to goods and services, preferably within walkable distances.

- SRC Economic Development Goal 16: Maintain Silverdale's economic engine by accommodating and attracting a majority of anticipated job and housing growth for the Silverdale Urban Growth Area in the Regional Growth Center.
 - SRC Policy 68. Phase development so that transportation, open space, and other infrastructure are in place or committed to serve the needs of growth.
- SRC Housing Goal 18: Locate a majority of Silverdale Urban Growth Area housing growth in the Silverdale Regional Growth Center.
 - SRC Policy 74. Streamline and customize regulations to fit the particular needs of infill and redevelopment. Regulations shall reduce barriers and provide incentives to foster infill and higher intensity development.
- SRC Housing Goal 19: Incentivize the development of affordable housing for persons of low and moderate income.
 - SRC Policy 76. Adopt regulations that incentivize affordable housing in all developments within the Silverdale Regional Center.

5. **DEPARTMENT ANALYSIS**:

As further explained below, the Department recommends approval of the proposed amendments because they:

- 1) improve consistency with Comprehensive Plan vision, goals, policies and growth targets.
- remove barriers to economic investment and housing by allowing development (new, mixed use, infill, and redevelopment) in designated Urban Growth Areas and Limited Areas of More Intense Rural Development (Attachment C2 – SEPA Checklist).
- 3) reorganize and modernize the use table to improve predictability and useability.

Improve consistency with Comprehensive Plan.

As outlined in the Comprehensive Plan policies above, removal of economic development barriers in urban, LAMIRDs and rural commercial and industrial zones is a focus of this update. Further outlined below, the proposed amendments allow more opportunity for rural economic sectors to thrive as well as add allowed new uses in urban areas to ensure flexibility as market conditions change over time.

The GMA requires counties and cities to adopt a Comprehensive Plan and Countywide Planning Policies to concentrate the majority of growth in urban areas. The GMA also requires Kitsap County and participating cities to prepare a Buildable Lands Report (BLR) that assesses trends on how development occurs compared to planned objectives. If inconsistencies are found, the County is required to identify measures that are reasonably likely to encourage and incentivize growth into designated Urban Growth Areas. The proposal removes barriers and encourages more urban growth, which helps the county achieve planning objectives by allowing a wide array of housing product types, scaling uses and allowing small neighborhood type projects in more zones, and addressing gaps in the land use categories and definitions (see Attachment D1 – Scope of Amendments Matrix).

The proposal aligns the level of permit review required with purpose of each zone. This includes permitting uses outright in some zones while other zones, where appropriate, may require a level of permit review that provides public notification and SEPA review to mitigate against adverse impacts at the project level. For example, the proposal allows multiple family housing product types in both

Urban Restricted and Urban High Residential zoning designations consistent with allowed density ranges. This allows, where appropriate, a reduction in required permissibility permit review for land uses that are expected to develop in a zone. This type of change increases the opportunity to build various land uses in multiple zones which removes barriers to development within UGAs and LAMIRDs. This effort also establishes clear and predictable processes which helps landowners and industry professionals navigate the permit process.

The Department has also worked extensively with the Kitsap County Department of Human Services to remove barriers and promote the availability of affordable, transitional and supportive housing in unincorporated urban areas to all economic segments of the population. The proposal simplifies the numerous group living categories defined and regulated through State and Federal law by establishing permit review based on a general group living use and scale of a project. This review considered the need for consistency with the minimum and maximum densities of the zone noted in the Kitsap County Comprehensive Plan and associated State Environmental Policy Act documents. This evaluation also removed barriers to allow a variety of housing types, not just single-family residences, within various urban zones if density requirements and the zone intent of the particular zone were maintained.

The Department consulted with the Kitsap County Parks Department on possible changes to allowed uses for the Park zone, which was originally established in 2006. The proposed amendments promote consistency with Comprehensive Plan policies by allowing, at least from a land use perspective, the opportunity to consider public-private partnerships of new passive and active recreational activities, as well as consideration of transitional and supportive housing, and environmental educational facilities, where appropriate. The proposed amendments also create opportunities to achieve a variety of community goals by promoting multi-functional use of park lands while reducing potential impacts to operations and maintenance by the Parks Department and to Parks' capital programs.

Additionally, the proposed changes do not automatically assume all park lands are appropriate for all uses. The proposed amendments, as noted before, merely create the opportunity for certain properties to have certain uses, based upon property site specifics considerations, real estate (e.g., deed use restrictions, etc.) and other relevant factors that would be subject to further public review, evaluation and consideration (e.g., by the Parks Department, stewardship groups, Kitsap County Parks Advisory Board, non-profit land trusts or foundations, school districts, Kitsap Public Facilities District and the Kitsap County Board of Commissioners).

Remove barriers to economic investment and affordable housing.

The proposed amendments remove permitting barriers to encourage investments in urban development and affordable housing by streamlining permit review. This is considered a reasonable measure by further encouraging growth in line with the growth targets for urban areas outlined in the Kitsap Countywide Planning Policies and Comprehensive Plan.

Permit review was streamlined in a variety of ways, including reducing the level of permit review required, where appropriate. The Department referred to the following questions when recommending a reduction in the level of permit review required for each categorical use in the proposal. Each question reinforces the goal and relates it to the minimum permit review necessary while maintaining the opportunity for the public to comment at a project level. This increases the

opportunity to develop more uses in each zone by aligning them with the purpose and intent of the zone:

- 1. Is the proposed change consistent with the purpose and intent of the zone?
- 2. Will the proposed change preclude achieving the purpose and intent of the zone?
- 3. Will the proposed change be compatible with other uses allowed in the zone?
- 4. Is the proposed change consistent with the level of permit review across all zones?
- 5. Will the proposed change remove barriers to investment in unincorporated urban growth areas (UUGA)?
- 6. Will the proposed change remove barriers to investment in rural commercial and industrial zones?
- 7. Does the proposed change align with the responses in the county-wide survey?
- 8. Is the proposed change consistent with the goals of the Growth Management Act?
- 9. Is the proposed change consistent with the Kitsap county-wide planning policies?
- 10. Is the proposed change consistent with the goals and policies in the Kitsap County Comprehensive Plan?

The proposal also decreases the level of permit review for land uses less likely to create an incompatibility with adjacent land uses. These changes allow a mix of compatible land uses at different scales which supports walkable neighborhoods and the neighborhood commercial "small corner store" character. This provides the flexibility for starter developments to occur and the opportunity to redevelop over time in the future. This becomes a more responsive approach to market demand.

Where appropriate, streamlining also included increasing the level of permit review or restricting the size or location of the use when a use is potentially incompatible within the zone or adjacent zones. Increasing permit review requirements allows the Department to proactively condition permits to minimize incompatibility with adjacent land uses and mitigate against adverse impacts.

The following list includes a summary of key changes to allowed uses and proposed permit review requirements:

- Residential uses. The proposal:
 - Allows more housing types where residential uses are allowed. This directly supports affordable housing goals by expanding the opportunity for different residential product types consistent with zone purpose and allowed densities.
 - Allows up to two Accessory Dwelling Units on parcels located inside an Urban Growth Area.
 - Reduces permit review for most small-scale group facilities in residential zones.
 - Reduces permit review for residential uses located in certain commercial zones.
- Commercial uses. The proposal:
 - Reduces permit review for most small-scale commercial uses in all commercial zones.
 - Allows some small-scale commercial uses in the Parks zone such as event facilities, a resort, general retail and merchandise stores, general office and management services, parking facilities, and entertainment facilities.
 - Allows small scale commercial uses in the Urban Low Residential and Urban Cluster Residential zones at specific intersections. Allows commercial uses as a stand-alone use on a parcel, limited to geographically specific locations and based upon federal roadway functional classification.

- Allows small scale service uses in the Urban Medium zone and removes the required residential component at the project level.
- Allows small scale professional office uses in the Urban High zone and removes the required residential component at project level.
- Allows small scale commercial uses and equipment repair/rentals in industrial zones.
- Industrial uses. The proposal:
 - Reduces permit review for manufacturing, production, processing in industrial zones.
 - Allows some accessory indoor storage uses in residential zones to serve the accompanying platted development.
- Institutional and recreational uses. The proposal:
 - Reduces permit review requirements for schools and government structures in commercial zones.
 - Splits the public facilities use to allow smaller facilities such as pump houses or broadband nodes to be permitted outright in all zones.
 - Allows more recreational uses in residential zones to serve as neighborhood amenities thereby providing opportunities to maintain or increase quality of life.
- Port Gamble Appendix. The proposal:
 - Relocates existing and adopted Port Gamble LAMIRD related provisions to a separate appendix. This reorganization is intended not to undo development regulation amendments adopted in April 2020 that impact existing agreements with parties in regard to the Port Gamble Redevelopment Plan.
 - Includes a "carve out" for parcels located inside the Port Gamble Redevelopment Plan area. This carve out adds Appendix F to Title 17.700 'Appendices' to maintain the integrity code changes for Port Gamble adopted in April 2020. Definitions, allowed uses, and additional regulations for parcels located within the boundary of the Port Gamble Redevelopment Plan approved pursuant to Section 17.360C.030 shall comply with the regulations as they exist before the adoption of the Zoning Use Table Update. Each of the sections below include language that refer a customer to Appendix F if the property is located within the Port Gamble Redevelopment Plan.
 - Rural Residential 17.130.020 Uses permitted and design standards.
 - Rural Wooded 17.150.020 Uses permitted and design standards.
 - Port Gamble Rural Historic Town 17.360C.025 Uses permitted and design standards.
 - Use Tables: 17.410.042, "Rural, resource, urban residential zones use table," Footnote 2 in the RR and RW columns direct the customer to KCC 17.700 Appendix F.
 - Use Tables: 17.410.046, "Limited areas of more intensive rural development (LAMIRD) zones use table." Cells in the table direct the customer to KCC 17.700 Appendix F.
 - 17.410.050 2. "Footnotes for zoning use tables" directs the customer to KCC 17.700 Appendix F.
 - Multi-family design criteria: 17.470.020, "Applicability How to use design criteria" directs the customer to KCC 17.700 Appendix F.

Reorganize and modernize the use table.

The project will improve predictability and ease of use for applicants and permit reviewers by:

- Adding or clarifying definitions.
- Relocating use table footnotes.
- Adding new uses, combining existing uses, or splitting uses.
- Transferring uses from other locations in code to the allowed use tables.
- Revising the allowed use table format.

The proposal adds, removes, or modifies definitions to improve clarity and predictability. The existing code lacks definitions for many categorical uses leading the Department or applicants to request formal and informal Director Interpretations for similar uses within the criteria established in sections 17.100.040 and 21.04.040. The proposal defines each categorical use in the allowed use tables and further defines terms within categorical use definitions. The proposal also reorganizes and in some cases removes where appropriate, development standards (footnotes) to reduce surprises during the permit review process. These changes will likely save time when customers prepare applications for submittal, reduce time in the permit review process, and remove a barrier to development.

The proposal also combines existing uses when the definition and land use impacts of two or more uses are similar. The Department and outreach workshops revealed that the size or scale of the use is often a better measure for how a project may impact adjacent parcels than the use itself. The proposal clearly defines these categories and the absorbed uses. Examples include the following:

- The Group Living categorical use is scaled through the number of rooms. The scale of 1-6 rooms or 7 or more rooms reflects the thresholds currently established for Adult Family Homes. Group Living absorbs the following categorical uses: boarding house; convalescent home or congregate care facility; and residential care facilities which are newly recognized as assisted or independent living facilities.
- The General Office categorical use already provides a level of permit review based on the size (square feet) of a project. General Office absorbs the following categorical uses: engineering and construction offices and financial, banking, mortgage and title institutions.
- The General Retail categorical use already provides a level of permit review based on the size (square feet) of a project. General Retail absorbs the following categorical uses: auto parts and accessory stores; boat/marine supply; custom art and craft stores; and retail pet shops.
- Personal Services absorbs the following categorical uses: laundromats and laundry services and pet shop focused on grooming services.
- Storage facilities absorbs the following categorical uses: cold storage facilities; storage, selfservice; and storage, vehicle and equipment.

The proposal splits existing uses into separate uses when the definition and land use impacts may require different levels of permit review. This allows small scale uses, where previously prohibited, in various zones to serve adjacent areas. The opportunity to develop services close to where someone lives or works can improve walkability and neighborhood quality of life. Examples include the following:

- Public and private schools split into: elementary and middle school/junior high; high school; college/vocational less than 8,000 s.f.; and college/vocational school 8,000 s.f. or greater. Each of these school types have different impacts to surrounding parcels particularly when considering traffic volumes, noise generation, and lighting nuisances. The proposed level of permit review in each zone reflects these differences.
- Public Facilities splits into two categorical use scaled by facility size. The threshold established in the proposal is 300 square feet. This size is based upon a 12-foot by 24-foot structure and 12 additional square feet to allow for small variations in building footprints. Splitting the use and adding development standards that are commonly applied as conditions during land use review allows the Department to streamline the permit review process for smaller facilities such as a reservoir, pump house, or fiberoptic node. Supporting community and economic development

at appropriate urban and rural parameters are goals of this project and Comprehensive Plan. This will remove a barrier to development of infrastructure for underserved communities while still maintaining appropriate rural and urban level of service standards.

Limited Areas of More Intensive Rural Development (LAMIRD) generally recognize existing areas
of more intense development prior to the establishment of the GMA in the 1990s. These areas
include scaled commercial offices, retail, personal services, or hospitality industry. The proposal
splits uses which allows more small-scale commercial uses in the LAMIRD commercial zones and
rural commercial zone while maintaining GMA requirements and Comprehensive Plan objectives
for LAMIRDs.

The proposal adds categorical uses to the use table based on a comparison with surrounding jurisdictions and reduces incompatible and inconsistent application of urban versus rural locations.

- Arboreta, botanical garden
- Event facility
- Manufactured/mobile/RV/park- model/tiny home park
- Group Living (1 to 6 rooms)
- Group Living (7 or more rooms)
- Resort
- Shared work/maker space
- Structured parking facilities
- Marina support services
- Manufactured home, park models, tiny homes sales
- Shooting/gun facility, indoor
- Shooting/gun facility, outdoor

The proposal transfers and adds categorical uses and the permit review required from other locations in Kitsap County Code.

- Bed and breakfast house (17.410.050 A.34 'Footnote 34')
- Vacation rental (17.410.050 A.34 'Footnote 34')
- Home Business, incidental (17.410.060 B.1.a)
- Home business, minor (17.410.060 B.1.b)
- Home business, moderate (17.410.060 B.1.c)
- Marijuana retailer (17.520)
- Wireless communications facilities (17.530)
- Marijuana processor (17.520)
- Marijuana producer, tier 1 (17.520)
- Marijuana producer, tier 2 (17.520)
- Marijuana producer, tier 3 (17.520)
- Agricultural activity (17.455)
- Transitory accommodations (17.505)

The allowed use table format is updated to include links to sections or chapters in Kitsap County Code, such as the applicable zoning chapters, categorical use definitions, and allowed use special provisions. This update allows a customer to easily access most, if not all, applicable information through in one location and reduce surprises during the permit process.

6. STATE ENVIRONMENTAL POLICY ACT (SEPA)

The Kitsap County's SEPA Official has reviewed a SEPA checklist prepared for this amendment (Attachment C2 – SEPA Checklist) and will expect to issue a SEPA threshold determination soon and is in process.

Notice of this SEPA threshold determination will be:

- Filed with the Washington State Department of Ecology SEPA Register;
- Published in the Kitsap Sun newspaper.

7. PUBLIC INVOLVEMENT AND OUTREACH

Kitsap County's public involvement and outreach for this amendment exceeds the requirements of the Growth Management Act (RCW 36.70A) of early and continuous involvement, as well as the procedures outlined in Kitsap County Code (KCC 21.08) (see Attachment D7 – Public Participation Plan). The Department conducted early and often public outreach as shown below. The early outreach provided preliminary feedback to staff (Attachment D3 – Preliminary Feedback), and the Department used this feedback, as well as the comprehensive plan goals and policies and zone purpose statements (Attachment D2 – Zone Purpose Statements), to develop proposed code changes for public review (Attachments A1 – Ordinance).

Schedule	Methods	Audience	Location
Mid-October	Electronic	Survey respondents,	Online
2019	notification	GovDelivery, Twitter, Nextdoor,	
		Facebook	
Ongoing	Online Open House	Interested parties	Online
October –	One-on-one	See specific outreach meetings	Varies based on
December	meetings	below.	audience
2019			
November	Open Houses	Interested parties, survey	Port Orchard
2019		respondents	Poulsbo
December	Workshops	See Attachment D3 – Preliminary	Port Orchard
2019		Feedback (Page 1)	
January	Project Update	Board of County Commissioners	Port Orchard
2020			
January 2020	DCD developed a	Kitsap County Department reviews	Port Orchard
through July 2021	preliminary draft		
	proposal		
March 2020	Reviewed	Planning Commission	Port Orchard
	preliminary		
	feedback		

Past outreach:

April 2020	Modifications to project schedule due to COVID-19	Planning Commission	Port Orchard
Various	Project status update breifings	Community groups and organizations	Varies based on audience
Monthly meetings from 2020 through July 2021	Project status update briefings	Kitsap Building Association and Department Advisory Group	Varies based on audience
2020 Quarterly meetings	Project Meetings	Tribes	Varied, in person and virtual meetings
January 2021	Reviewed ADU standards for parcels located in urban areas	Board of County Commissioners	Port Orchard
6/16/2021 6/30/2021 7/19/2021	Confirming Port Gamble "Carve Out"	Tribes	Virtual meetings
7/28/2021	Confirming Port Gamble "Carve Out"	Rayonier	Virtual meetings
March 2021	Reviewed revised Public Participation Plan	Board of County Commissioners	Port Orchard
July 2021	Start outreach process outlined in the public participation plan	Organizations, general public, planning commission, Board of County Commissioners	Varies based on audience

Future outreach:

- A project website with information about previous, current, and upcoming phases of the zoning use table update continues to be provided: <u>https://tinyurl.com/ZoningUseTableUpdate</u>.
- The Department will open a 30-day public comment period regarding the proposal on August 20, 2021. During this public comment period, the public may learn more about this amendment by:
 - Attending applicable Planning Commission meetings;
 - Participating in two virtual meetings with question and answer sessions in early and mid-September. The Department intends for these presentations to augment planning commission study sessions while honoring the COVID-19 social distancing measures required by the State of Washington; or
 - Contacting the staff listed in Section 6 below.
- To be included in the official record, written comments must be submitted to the Department of Community Development before 11:59 PM on Monday, September 21, 2021 using one of the following methods:
 - Entered online via through the project website comment form;
 - Emailed to <u>CompPlan@co.kitsap.wa.us;</u>

- Mailed to 614 Division Street MS36, Port Orchard, WA 98366; or
- Dropped off at the Permit Center at 619 Division Street, Port Orchard, WA.
- Oral and written testimony may also be made to the Kitsap County Planning Commission at the public hearing scheduled at 5:30 PM on Tuesday, September 21, 2021 in the Commissioner's Chambers on the 3rd Floor of the Kitsap County Administration Building (619 Division Street, Port Orchard, WA). Due to COVID-19, a zoom meeting may provide the opportunity to provide testimony remotely. The planning commission webpage will provide the necessary information for this meeting.
- Notifications and announcements regarding this comment period and public hearing include the following:
 - Legal notice published in the Kitsap Sun newspaper;
 - Electronic announcements via GovDelivery;
 - \circ $\;$ Formal letters to Tribes with usual and accustom area in Kitsap County.

8. STAFF CONTACT

Report prepared by:

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day Williams

Liz Williams, Manager Planning and Environmental Programs

9. ATTACHMENTS

- A. Proposed Code Changes
 - 1. Ordinance
- B. Maps
 - 1. Kitsap County Zoning Map Countywide
- C. State Environmental Policy Act (SEPA)
 - 1. SEPA Determination in process
 - 2. SEPA Checklist
- D. Supplemental Materials
 - 1. Scope of Amendments Matrix
 - 2. Zone Purpose Statements
 - 3. Preliminary Feedback
 - 4. Detailed Changes: Definitions
 - 5. Detailed Changes: Allowed Use Tables
 - 6. Detailed Changes: Footnote Re-location Guide
 - 7. Public Participation Plan