

STAFF REPORT

Permit Number: 15 00701 | Prigger

DATE: March 2, 2016

TO: Kitsap County Board of Commissioners; Kitsap County Planning Commission

FROM: Katrina Knutson, AICP, Senior Planner, DCD and

Jeff Arango, AICP, Senior Associate, BERK Consulting

RE: Prigger Reclassification Request

APPLICATION INFORMATION

1. Applicant Name: William M. and Beverly K. Prigger (owner and applicant)

2. Parcel Number: 232501-1-031-2000

- 3. Address or location information: Near the intersection of SR 303 NE and NE William E. Sutton Road; Commissioner District 1 see Attachment 1.
- 4. **Current Land Use**: Undeveloped Land; see Attachment 3.
- 5. Current Comprehensive Plan Map Designation: Urban Low-Density Residential
- 6. Proposed Comprehensive Plan Map Designation: Urban Industrial
- 7. **Current Zoning**: Urban Restricted (UR); see Attachment 4.
- 8. **Proposed Zoning District**: Industrial (IND); see Attachment 5.
- 9. Lot Area / Size: 4.59 acres
- 10. **Comprehensive Plan Alternatives**: Request included with Comprehensive Plan Update 2016 Supplemental Environmental Impact Statement (SEIS) Alternatives 2 and 3 as a change to Commercial in association with adjacent properties.
- 11. **Preferred Alternative**: The request is included in the Preferred Alternative.

Submitted Application Materials

- Project Application
- Site-specific Amendment Criteria
- Environmental Checklist

- Aerial Photo and Map
- Site Vicinity Map
- Critical Areas and Contours Map

Application Request

The applicant is requesting a Comprehensive Plan Map amendment from Urban Low-Density Residential to Urban Industrial and a Zoning Map amendment from Urban Restricted (UR) to Industrial (I).

BACKGROUND

The subject property is currently undeveloped and in a relatively natural state. According to Kitsap County Maps and the subject application, the property has a fish-bearing stream, moderate geologic hazardous areas, and a Category 1 Critical Aquifer Recharge Area are on or near the site.

Surrounding Zoning and Land Use

The property is adjacent to a variety of zoning and land uses, including a parcel zoned IND to the south that is currently used for government and services. See Exhibit 1.

Exhibit 1. Summary of Surrounding Areas Current Zoning and Land Use

Surrounding Areas	Current Zoning	Current Land Use		
North	• UR	Undeveloped Land/Water		
East	• Rural Residential (RR)	 Undeveloped Land/Water 		
South	• IND	Government and Services		
West	 Urban Medium Residential (URM) 	Residential		

Source: Kitsap County, 2015; BERK, 2015 Present Comprehensive Plan Map and Zoning Designations

Current Comprehensive Plan and Zoning Designations

The current Comprehensive Plan Map designation is Urban Low-Density Residential and the current Zoning classification is Urban Restricted (UR). The Comprehensive Plan describes the designations as:

- Urban Low-Density Residential: This designation primarily focuses on single-family dwellings but
 also may include innovative types such as clustered housing. It also includes regulated
 environmentally critical areas within the UGAs and other areas identified for low-density urban
 development. Zones that implement the Urban Low-Density Residential designation include: Urban
 Restricted Residential, Illahee Greenbelt Zone, Urban Low Residential, Urban Cluster Residential and
 Senior Living Homestead.
- Urban Restricted: This zone is applied to areas within UGAs that have been identified with a significant
 amount of critical areas and regulated pursuant to the CAO, or are planned as greenbelts or urban
 separators, and are therefore appropriate for lower-density development. These areas may include
 significant salmon spawning streams, wetlands and steep slopes. Non-residential development is
 limited. (1–5 du/ac generally, but determine allowed densities at the time of application following a
 review of the site and potential impacts to critical areas)

The Kitsap County Code describes the UR Zone as:

Urban Restricted (UR): The UR zone is applied to areas within urban growth areas that have been identified with a significant concentration of critical areas regulated pursuant to the Title 19, or are planned as greenbelts, and are therefore appropriate for lower-density development. These areas may include significant salmon spawning streams, wetlands and/or steep slopes. Actual densities allowed will be determined at the time of land use approval, following a site-specific analysis and review of potential impacts to the on-site or adjacent critical areas.

Proposed Comprehensive Plan and Zoning Designations

As described in the current comprehensive plan, the proposed Comprehensive Plan Map designation is Urban Industrial. The Comprehensive Plan describes the Urban Industrial designation as:

Urban Industrial: This designation includes both industrial and business uses, such as light
manufacturing, hi-tech, warehousing, bio-tech, park-like business, 4-year educational institutions,
equipment and vehicle repair, as well as heavy industrial activities and those requiring access to
major transportation corridors. Zones that implement the Urban Industrial designation include:
Business Center, Business Park, Industrial, and Airport.

The Kitsap County Code describes the I Zone as:

Industrial Zone (IND): This urban zone allows a wide range of industrial activities including heavy
industry such as fabrication, warehousing, processing of raw materials, bulk handling and storage,
construction, and heavy transportation. This zone is intended to provide sites for activities which
require processing, fabrication, storage, and wholesale trade. Generally, these activities require
reasonable accessibility to major transportation corridors including highways, rail, airports or
shipping.

Alternatives 2 and 3 in the 2016 Comprehensive Plan Supplemental Environmental Impact Statement (SEIS) include a change of the subject property to Commercial in association with adjacent properties as part of an area-wide amendment. The area-wide amendment will be analyzed as part of the SEIS. Exhibit 2 provides a comparison of allowed uses between the UR and I Zones.

Exhibit 2. Selected Allowed Uses (KCC 17.381.040.A and C)

Selected Uses	I (proposed zoning)	UR (current zoning)
Residential Uses		
Single family dwelling, detached	X	Р
Mixed use development	X	X
Hotel/motel	X	X
Commercial/Business Uses		
Accessory use or structure	Р	Р
Automobile service station	Р	X
• General retail merchandise stores – less than 4,000 s.f.	ACUP	Х
Laundromats and laundry services	ACUP	X
• Restaurants	ACUP	X

Selected Uses	I (proposed zoning)	UR (current zoning)
Tourism facilities, including outfitter and guide facilities	ACUP	Х
Industrial Uses		
Manufacturing and fabrication, medium	Р	X
Storage, indoor	Р	X
Storage, outdoor	Р	X
Wrecking yards and junk yards	С	x

Legend: P = Permitted, X = Prohibited, ACUP = Administrative Conditional Use, C = Conditional Use

The use allowances and development standards differ substantially between the existing UR Zone and the Proposed I Zone. The I Zone does not allow residential development or have requirements for minimum lot size or lot depth and width. The UR Zone has a minimum density of 1 unit per acre and a maximum density of 5 units per acre. See Exhibit 3. Both have allowable heights of 35 feet.

Exhibit 3. Selected Development Standards Comparison (KCC 17.382.100)

Density and Dimensions	I (proposed zoning)	UR (current zoning)	
Base/Maximum density (du/acre)	NA	5	
Minimum Density (du/acre)	NA	1	
Minimum lot size (s.f.)	NA	5,800	
Lot width (feet)	NA	60	
Lot depth (feet)	NA	60	
Maximum height (feet)	35	35	
Maximum impervious surface coverage (percent)	NA	50	

PUBLIC COMMENT

This is a summary of comments received. For full text comments, please visit project page: http://compplan.kitsapgov.com

The Washington State Department of Fish and Wildlife note the property is in close proximity to Steele Creek, a perennial stream.

Two public commenters question the needs for additional employment capacity in the Central Kitsap UGA. One commenter notes Steele Creek as a concern.

EVALUATION

Site specific reclassification requests to the Comprehensive Plan must be reviewed in accordance with the criteria outlined in the Kitsap County Code (KCC) Chapter 21.08. Applicable review criteria for site specific reclassification requests are in sections KCC 21.08.070.A and KCC 21.08.070.D.

General Criteria (KCC 21.08.070.A)

- A. General. For each proposed amendment to the Comprehensive Plan the review authority, the planning commission in reaching its recommendation, and the board of commissioners in making its decision, shall develop findings and conclusions, which demonstrate:
- 1. How circumstances related to the proposed amendment and/or the area in which the property affected by the proposed amendment is located have substantially changed since the adoption of the Comprehensive Plan or applicable development regulations;

Circumstances related to the proposed amendment or area in which the property is located has changed since the adoption of the Comprehensive Plan or development regulations. The County has updated its buildable lands analysis showing there is a capacity deficit for population in the Central Kitsap UGA under present designations and boundaries. Both Alternatives 2 and 3 result in a decrease in employment capacity of 491 jobs in the Central Kitsap UGA. See Exhibit 4.

2. How the assumptions upon which the Comprehensive Plan is based are no longer valid, or there is new information available which was not considered during the adoption of, or during the last annual amendment to, the Comprehensive Plan or development regulations; and

The assumptions upon which the Comprehensive Plan is based are still generally valid. Updated capacity analysis has been conducted as part of the 2016 Comprehensive Plan update, see Exhibit 4 below.

3. How the requested redesignation is in the public interest and the proposal is consistent with the Kitsap County Comprehensive Plan.

The County focuses a greater share of growth into the urban areas, which may include rezoning properties within the existing UGA boundary to increase capacity as necessary to accommodate growth targets. It may be in the County's interest to approve the amendment if additional employment capacity is necessary. Both Alternatives 2 and 3 have a deficit of employment capacity even with the subject property proposed to change to a commercial designation. See reclassification request criteria 1.b below for analysis regarding consistency with the Comprehensive Plan.

Reclassification Request Criteria (KCC 21.08.070.D)

- D. Site-Specific Amendments. In addition to the findings and conclusions in subsection (A) of this section, a proposed site-specific map amendment may be recommended for approval by the planning commission and may be approved by the board of commissioners if the following findings are made:
- 1. All Site-Specific Amendment Requests. Each of the following requirements must be satisfied for a recommendation for approval.
- a. The proposed amendment meets concurrency requirements for transportation, sewer and water, and will not result in significant adverse impacts on adopted level of service standards for other public facilities and services, such as police, fire and emergency medical services, park services, and general government services;

The subject property is located within the Central Kitsap Urban Growth Area (UGA) and is currently designated for Urban Low-density Residential uses in an environmentally sensitive pattern required by the UR zone. Since the property is within the UGA the County already has an obligation to provide urban facilities services; however the site has been considered for residential uses in the current Capital Facility Plan (CFP). The 2016 CFP does consider an employment use (commercial) in Alternatives 2 and 3. Light industrial may result in less or comparable sewer flows than the residential use. Pump Station 23 appears to have capacity. Connection to the sewer system would be required. Project specific impacts from proposed future development will be addressed during local permitting.

b. The proposed amendment is consistent with the balance of the goals, policies and objectives of the current Kitsap County Comprehensive Plan and reflects the local circumstances of the County;

Kitsap County Comprehensive Plan Chapter Vision

Kitsap County's Comprehensive Plan includes vision statements that direct policy for residential and commercial land use.

Exhibit 4. County Vision for Economic Development and Urban Areas

Vision **Relationship to Vision Economic Development.** A stable, prosperous and Identify land for commercial and industrial diversified economy that provides living wage jobs for development, and allows for a variety of uses residents, supported by adequate land for a range of and development types on those lands. employment uses and that encourages • Provide the land use capacity for employment accomplishment of local economic development growth, allowing for new businesses and goals. expansion of existing businesses • Foster housing and population growth in urban **Urban Areas.** Healthy urban areas that are the region's centers for diverse employment and housing areas. opportunities, all levels of education, and civic and • Identify land for commercial, industrial and cultural activities. business development, and allows for a variety of uses and development types on those lands. Encourage the creation of mixed use neighborhoods.

Source: Kitsap County Comprehensive Plan (December 2012).

The subject property is contiguous to a single I zoned parcel to the South. The amendment request is to expand the I zoning to include the subject property. The proposed amendment appears to be consistent with the Comprehensive Plan Land Use Chapter Vision to identify employment land for a variety of uses.

Kitsap County Comprehensive Plan 2036 Goals and Policies: Chapter 3

The proposed zoning amendment supports the following current Comprehensive Plan Goals:

- Goal 3. Enact and implement reasonable measures to ensure that growth in urban areas is consistent with Plan growth targets.
 - Policy LU-9 Consider the need, based on the findings of the Buildable Lands Program, to further evaluate or increase the amount or rate of growth in urban areas, or to modify the County's development regulations to ensure that urban growth does not occur in the rural area.

The proposed amendment is consistent with the above goal and policy if additional employment capacity is needed in the Central Kitsap UGA as part of the Comprehensive Plan preferred alternative.

Exhibit 5. Central Kitsap UGA Adjusted Population and Employment Allocations 2012-2036

Growth Alt Target	o Action Difference ternative with Growth Target	Alternative 2 Growth	Difference with Target	Alternative 3 Growth	Difference with Target
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Population	6,842	6,398	(444)	6,234	(608)	6,822	(2)
Employment	1,885	1,889	4	1,398	(487)	1,398	(487)

Source: Countywide Planning Policies for Kitsap County; US Census 2010; Kitsap County and Cities Permits; BERK

- Goal 19. Encourage industrial activities and their related land uses as a means to create new
 jobs and improve the overall tax base of Kitsap County.
 - Policy LU-106 Maintain an industrial lands inventory report that identifies vacant land without major natural limitations, and which is or could be zoned for industrial use.

The proposed amendment would result in an increase of lands designated for industrial use in the Central Kitsap UGA along with an increase in employment capacity. In accordance with the Kitsap County Buildable Lands methodology the square footage per employee is 969 square feet in the I Zone.

5.2. Economic Development Goals and Policies

- Goal 3. Identify a sufficient amount of land and variety of sites for residential, commercial and industrial land uses that are reasonably scaled to the needs of the County and communities within the County.
 - Policy ED-16 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.

The proposal would not result in full utilization of existing industrial areas:

 Policy ED-22 Encourage full utilization and development of industrially and commercially zoned areas; promote revitalization within existing developed industrial and commercial areas.

However, the property is already within the Central Kitsap UGA which requires additional employment uses, and the site is located on a state route and abuts other employment designated land. Focusing growth with the potential for living-wage jobs n proximity to residential areas is consistent with County goals.

- Goal 16. Provide a sufficient amount of land and variety of sites for commercial land uses that
 are reasonably scaled to the needs of the community and ensure a convenient and adequate
 supply of goods and services to the residents of the County as well as the traveling public.
 - Policy LU-74 Designate sufficient land for anticipated commercial land uses on the Land
 Use Map, considering countywide population, employment forecasts, and the local needs
 of the surrounding community.
 - Policy LU-75 Provide suitable opportunities for commercial and service activities within the urban areas and encourage intensive development of these areas.

The Central Kitsap UGA is currently adequately sized to accommodate the new employment targets. However, in Alternatives 2 and 3 there is a capacity deficit even with the subject property being designated for employment use. This indicates the employment capacity on other properties in the Central Kitsap UGA is being reduced under both Alternatives 2 and 3. The proposed amendment would increase employment capacity in the Central Kitsap UGA and support mixed-use development consistent with County goals.

 The subject parcel(s) is suitable for the requested land use designation based upon, but not limited to, access, provision of utilities, consistency with existing and planned uses, environmental constraints and compatibility with the neighborhood; According to Kitsap County maps the subject property contains moderate geologically hazardous area, a fish bearing stream and a Category I Critical Aquifer Recharge Area. The site is adjacent to a property to the south that is zoned I. The remainder of the surrounding properties are zoned UR.

d. The proposed amendment does not materially affect the land uses and growth projections which are the basis for comprehensive planning, and reflects local circumstances in the county;

The proposed amendment would increase employment capacity in the Central Kitsap UGA, which has a sufficient employment capacity for the No Action Alternative but a deficit under Alternatives 2 and 3. Due to the relatively small size of the subject property the proposed amendment would not materially affect the land use and growth projections in the County.

e. The proposed amendment does not materially affect the adequacy or availability of urban facilities and services to the immediate area or the overall area of the urban growth area;

The subject property is already within the Central Kitsap UGA and therefore the County has an obligation to ensure that the property can be served by urban facilities and services. The site has been evaluated for urban services as a residential use in 2006 and 2012. In the 2016 CFP and SEIS, the site is under consideration for commercial uses. The UGA is served with sewer, water, fire, police and other services. It is anticipated that development of the site would incrementally increase demand for services, but adequate services can be provided.

f. The proposed amendment is consistent with the GMA, Kitsap County-wide Planning Policy, state and local laws and other applicable inter-jurisdictional policies or agreements.

The following state and local policies and laws are applicable to the applicant's amendment request:

Growth Management Act Planning Goals (RCW 36.70a.020)

(1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

The subject property is currently within the Central Kitsap UGA and is served by adequate public facilities and services to support new growth.

(2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

The subject property is within the Central Kitsap UGA where existing development is already characterized as urban with appropriate urban facilities. The proposed amendment would increase industrially zoned land consistent with urban development standards

(5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

The proposed amendment would increase employment capacity and therefore is consistent with this GMA goal. The subject property does have identified environmental constraints that may limit future development at the project level.

Kitsap County-wide Planning Policies

Element B. Urban Growth Areas

- **B-4. Coordinated Growth Management in Urban Growth Areas**
- e. For Urban Growth Areas:
 - i. The County should plan with associated cities and local communities to address land uses, infrastructure needs, level of service standards as identified in these policies, and other issues as needed. The results should be reflected in the County Comprehensive Plan.
 - ii. The County should provide a level of urban facilities and services consistent with the County's ability and appropriateness to provide such services for those Urban Growth Areas that will be associated with a specific city or that will eventually incorporate.

See D.1.e above

- 2. All Site-Specific Amendment Requests Regarding Parcels Located Within an Associated Urban Growth Area (Including UGA Expansions of Associated Urban Growth Areas). Each of the following requirements must be satisfied for a recommendation for approval:
- a. Demonstration from the jurisdiction affiliated with the UGA that the proposal has the capability and capacity to provide urban level services to the area.

The subject property is within the Central Kitsap UGA, which is under the jurisdiction of Kitsap County. The County has the ability to provide urban level of services to all properties within the Central Kitsap UGA.

 Demonstration that the proposal is consistent with the associated urban growth area jurisdiction's Comprehensive Plan.

The proposed amendment is generally consistent with the Kitsap County Comprehensive Plan, but requires an amendment to the Comprehensive Plan Map from Urban Low-Density Residential to Urban Industrial and a corresponding zone change.

c. Demonstration that the proposal meets the affiliated jurisdiction's transportation standards.

The proposed amendment is included in Alternatives 2 and 3 for the 2016 Comprehensive Plan Update as a change to commercial designation, which will include transportation analysis to assess future conditions and transportation impacts. Generally commercial uses are as intensive as or more intense than industrial uses and the transportation analysis would be conservative as it applies to the site.

Findings of Fact

- **1.** The applicant, William M. and Beverly K. Prigger, submitted the zoning amendment application to Kitsap County on February 27, 2015.
- 2. The applicant seeks a reclassification of the Comprehensive Plan Map from Urban Low-Intensity Residential to Urban Industrial.
- 3. The applicant seeks a Zoning Map Amendment from Urban Restricted to Urban Industrial (I).
- 4. The subject property is currently undeveloped.
- 5. Land use surrounding the subject property is undeveloped land, residential, and government and services.

- 6. According to Kitsap County maps the subject property has moderate geological hazards, a fish bearing stream and a Category I Critical Aquifer Recharge Area on-site.
- 7. The subject property is contiguous to an industrially zoned property to the South.
- 8. The proposed amendment would increase employment capacity and reduce population capacity in the Central Kitsap UGA.
- 9. The Central Kitsap UGA has sufficient employment capacity in the 2016 Comprehensive Plan No Action Alternative.
- 10. Comprehensive Plan Alternatives 2 and 3 both include an overall reduction in employment capacity in the Central Kitsap UGA even with inclusion of this site.
- 11. The amendment request is included in 2016 Comprehensive Plan Supplemental Environmental Impact Statement Alternatives 2 and 3 as a change to commercial along with adjacent properties.
- 12. The request is included in the Preferred Alternative.

CONCLUSION OF LAW

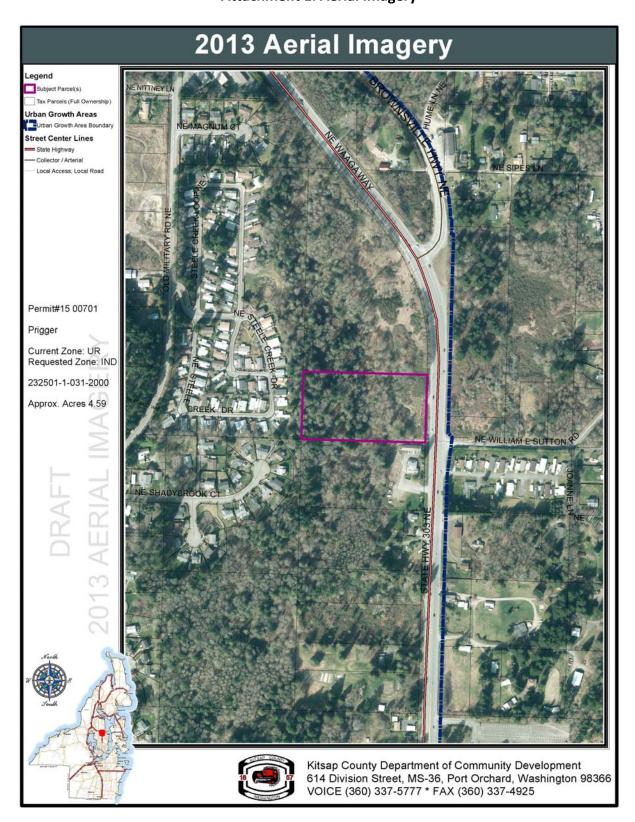
The proposal to change the Comprehensive Plan Map and corresponding zoning from Urban Low-Density Residential and Urban Restricted to Urban Industrial complies with the provisions of the Washington State Growth Management Act (RCW 36.70A), Kitsap County-wide Planning Policies, and Kitsap County Comprehensive Plan.

RECOMMENDATION

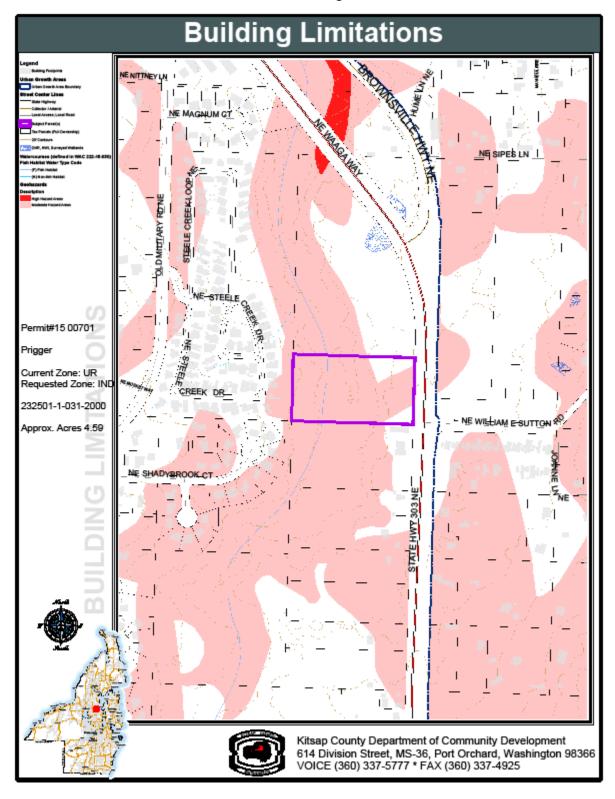
Based on the findings of fact and conclusion of law staff recommends to approval of permit #15 00701 as either a change to Urban Industrial or Commercial. Since additional capacity for employment zoning is needed in the Central Kitsap UGA, staff will work with the applicant through the remainder of the process to determine the exact zoning needed.

ATTACHMENTS

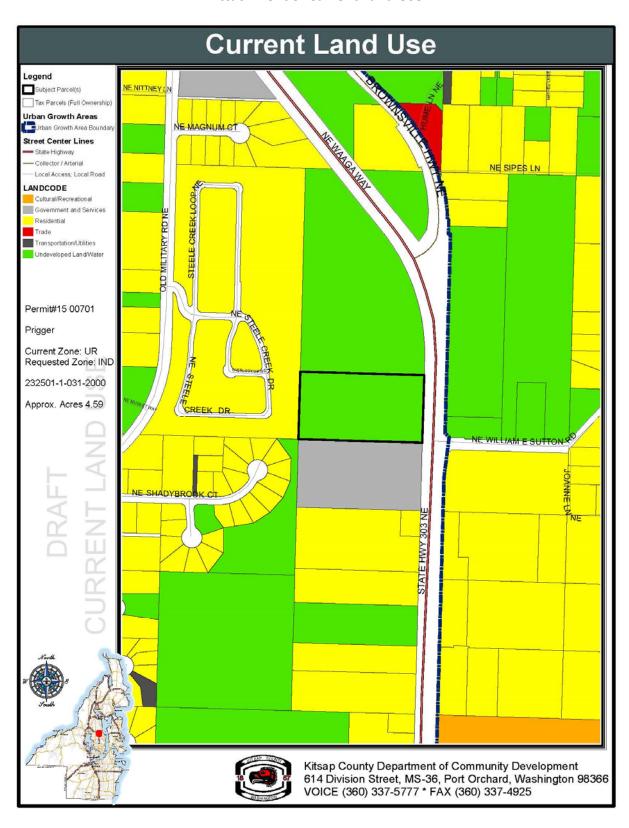
Attachment 1. Aerial Imagery



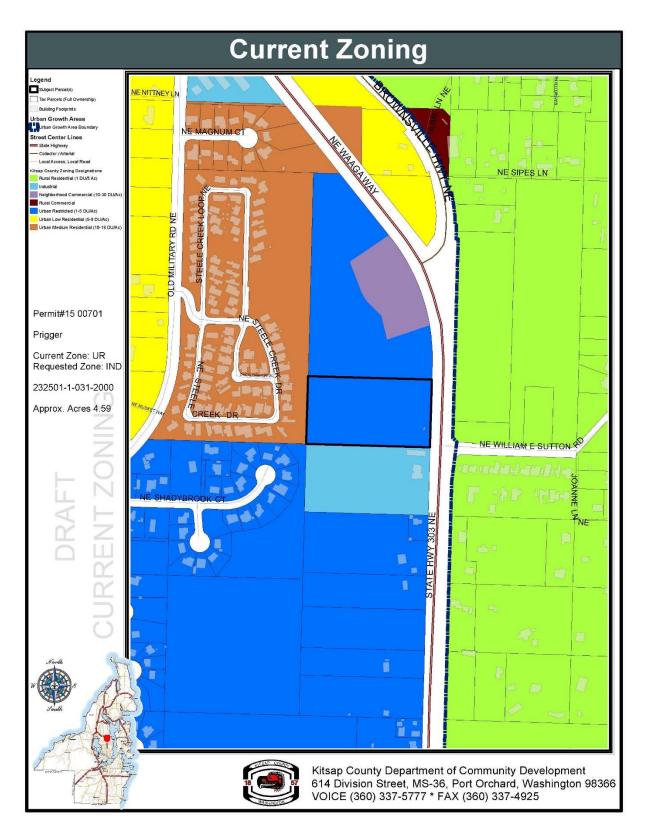
Attachment 2. Building Limitations



Attachment 3. Current Land Use



Attachment 4. Current Zoning



Attachment 5. Proposed Zoning

