

# **STAFF REPORT**

Permit Number: 15 00550 | Unlimited

**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:** Warner Limited Reclassification Request

#### APPLICATION INFORMATION

- 1. Applicant Name: Unlimited, Gary C. Warner, Manager (applicant and owner)
- 2. Parcel Number: 092501-3-016-2003 and 092501-3-036-2009
- 3. Address or location information: 11530 Clear Creek Road NW, Silverdale, WA; see Attachment 1
- 4. Current Land Use: Undeveloped Land/Water; see Attachment 3
- 5. Current Comprehensive Plan Map Designation: Urban Industrial
- 6. Proposed Comprehensive Plan Map Designation: Urban High Intensity/Commercial Mixed-Use
- 7. Current Zoning: Business Center (BC); see Attachment 4
- 8. Proposed Zoning: Regional Commercial (RC); see Attachment 5
- 9. Lot Area / Size: 19.16-acres (according to owner); 18.31-acres (according to Kitsap County Assessor)
- **10. Comprehensive Plan Alternatives:** Request included with Comprehensive Plan Update 2016 Supplemental Environmental Impact Statement (SEIS) Alternatives 2 and 3.
- 11. Preferred Alternative: The request is included in the Preferred Alternative.

# **Submitted Application Materials**

- Project Application
- Environmental Checklist
- Vicinity Map

# **Application Request**

The applicant is requesting a Comprehensive Plan Map amendment from Urban Industrial to Urban High-Intensity Commercial/Mixed-Use and a rezone from Business Center (BC) to Regional Commercial (RC).

#### **BACKGROUND**

The site is undeveloped and largely covered by designated wetlands, potential wetlands, hydric soils and associated buffers. Two subject parcels both contain regulated critical areas. The larger, southerly parcels has been cleared and graded. The remaining parcel areas are wetlands, stream corridor and forested. The parcels lies within a Category II Critical Aquifer Recharge Area as described in Kitsap County Code Title 19 (Critical Areas) Chapter 600.

# **Surrounding Zoning and Land Use**

The property is currently designated Urban Industrial on the Comprehensive Plan Map and is zoned BC. The subject property is adjacent to Regional Commercial, Highway Tourist Commercial, Government and Services, and Rural Residential zoning. Surround areas contain a variety of land uses: cultural/recreational, trade, undeveloped land/water, and residential.

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

Surrounding Areas	Current Zoning	Current Land Use
North	Highway Tourist Commercial	Trade
East	<ul> <li>Rural Residential (RR)</li> </ul>	<ul> <li>Cultural/Recreational</li> </ul>
South	• RC	<ul> <li>Transportation/Roads</li> </ul>
West	• RC	Undeveloped Land/Water and Residential

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

# **Current Comprehensive Plan and Zoning Designations**

The subject property is currently designated as Urban Industrial on the Comprehensive Plan Map and BC on the zoning maps. 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 Comprehensive Plan (and zoning code) describes the BC zone as:

Business Center (BC): This zone provides for integrated groupings of light industrial uses including
but not limited to bio-tech, 4-year educational institutions, light manufacturing, hi-tech,
warehousing, equipment and vehicle repair, and compatible commercial and office uses that
primarily serve their needs. Integrated groupings of small to medium-sized businesses within an
attractive, park-like setting are encouraged. This zone allows for flexibility in the amount of space
within each individual business dedicated to office use, warehousing and/or light manufacturing
operations.

# **Proposed Comprehensive Plan and Zoning Designations**

The proposed Comprehensive Plan Map designation is Urban High-Intensity Commercial/Mixed Use. The current Comprehensive Plan describes the Urban High-Intensity Commercial/Mixed Use designation as:

- Urban High-Intensity Commercial/Mixed Use. This designation primarily focuses on larger commercial centers, including commercial uses that require large sites and draw customers at the community and regional scale. Examples of commercial uses appropriate to this designation include but are not limited to superstores, department stores, automotive parts and sales, home improvement stores, hotels and motels, and restaurants. Mixed use developments incorporating residential units are also appropriate in this designation. Zones that implement the Urban High-Intensity Commercial/Mixed Use designation include: Highway Tourist Commercial, Regional Commercial, and Mixed Use.
- Regional Commercial (RC): This zone is used for commercial centers that provide for the shopping
  and service needs of the entire region. Generally these centers will contain two or more major
  department stores along with several shops of the same kind for comparative shopping, and will
  also attract free-standing commercial services that take advantage of the center's customer traffic.
  Residential units are allowed. (10–30 du/ac)

Some residential uses are allowed in the RC zone and not in the BC zone. An array of commercial uses is allowed in both zones with greater allowances for retail in RC. Industrial uses are a focus of the BC zone.

Exhibit 2. Selected Allowed Uses (KCC 17.381.040)

Selected Uses	RC (proposed zoning)	BC (current zoning)		
Residential Uses				
Single family dwelling, detached	Х	Х		
Multi-family dwelling	ACUP	Χ		
Mixed use development	ACUP	Χ		
Hotel/motel	Р	Χ		
Commercial/Business Uses				
<ul> <li>Financial, banking, mortgage and title institutions</li> </ul>	Р	Р		
• General office and management services – 4,000 to 9,999 s.f.	Р	Р		
• General retail merchandise stores – less than 4,000 s.f.	Р	Р		
• General retail merchandise stores – 10,000 to 24,999 s.f.	Р	Χ		
• General retail merchandise stores – 25,000 s.f. or greater	ACUP	Χ		
Research Laboratory	X	Р		
Restaurants	Р	Р		
<ul> <li>Tourism facilities, including outfitter and guide facilities</li> </ul>	Р	Р		
Industrial Uses				
Manufacturing and Fabrication, medium	Χ	Р		
Warehousing and Distribution	X	Р		

• Storage, Hazardous Materials

X C

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

There are minimal development standards in the BC zone in terms of lot configurations; density is not addressed since residential uses are not allowed. The maximum height is the same in both zones.

Exhibit 3. Selected Development Standards Comparison (KCC 17.382.100)

Density and Dimensions	RC (proposed zoning)	BC (current zoning)		
Base/Maximum density (du/acre)	10	NA		
Maximum Density	30	NA		
Minimum lot size (acre)	NA	NA		
Lot width (feet)	NA	NA		
Lot depth (feet)	NA	NA		
Maximum height (feet)	35	35		

#### **PUBLIC COMMENTS**

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

One public commenter states support due to proximity to other commercially zoned properties.

#### **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 both population and employment in the Silverdale UGA under present designations and boundaries. 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 5 below.

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

The County aims to focus 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. See reclassification request criteria D.1.2 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.

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.

 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 Silverdale Urban Growth Area (UGA) and is currently zoned for a wide range of commercial uses. Since the property is already within the UGA the County already has an obligation to provide urban public services. Project specific impacts from proposed future development will be addressed during local permitting. Sewer gravity lines would need extension by a developer to the site for about 1,000 feet. A nearby pump station is being upgraded in the County's sewer plans; the County would confirm at the time of development if existing pump stations are sufficient or if a new pump station would be needed (BHC 2015).

Based on the 2006 Comprehensive Plan EIS and 2012 EIS, the area has been evaluated cumulatively for urban uses and appropriate road improvements identified in the County's UGAs including Silverdale; the area is under review again in the 2016 SEIS. The site is located adjacent to a segment of Clear Creek Road NW with projected 2036 deficiencies under Alternative 2, although no existing deficiencies or Alternative 3 deficiencies are identified. However, the transportation improvement projects identified to address Alternative 2 deficiencies expected without the proposal, would also be expected to address the contribution to the cumulative impact resulting from the proposal. Further any reclassification request development would be subject to the County's transportation concurrency requirements. Kitsap Transit currently services the area.

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;

The County aims to focus 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.

#### **Kitsap County Comprehensive Plan Vision Statements**

Kitsap County's Comprehensive Plan includes vision statements that direct policy for commercial use. See Exhibit 4.

#### **Exhibit 4. County Vision for Economic Development and Urban Areas**

#### Vision

# Relationship to Vision

**Economic Development.** A stable, prosperous and diversified economy that provides living wage jobs for residents, supported by adequate land for a range of employment uses and that encourages accomplishment of local economic development goals.

**Urban Areas.** Healthy urban areas that are the region's centers for diverse employment and housing opportunities, all levels of education, and civic and cultural activities.

- Identify land for commercial and industrial development, and allows for a variety of uses and development types on those lands.
- Provide the land use capacity for employment growth, allowing for new businesses and expansion of existing businesses
- Foster housing and population growth in urban areas.
- Identify land for commercial, industrial and 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 applicant proposes a rezone from BC to RC in an area with a variety of existing commercial land uses. The proposed amendment would increase the range of land uses that are allowed on the property and in the immediate neighborhood.

The wider range of uses that are allowed in the RC District, including housing, may allow for further economic development and provide for housing and jobs within proximity.

The subject property does possess intact wetland areas, and any future development under the present or proposed designations and zones would be reviewed pursuant to the development standards found in Kitsap County Code Title 19 (critical Areas) which includes but is not limited to requiring mitigation sequencing including avoidance and minimization of impacts to the functions and values of critical areas and their buffers.. The parcels contain areas without mapped wetlands as well as areas that have undergone clearing and grading. An updated wetland delineation would likely be required prior to any future development.

#### **Kitsap County Comprehensive Plan Goals and Policies**

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 because it would result in increased housing and employment capacity in the Silverdale UGA, which is currently undersized to meet updated growth targets.

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

	Adjusted Growth Target 2012-2036	No Action Alternative Growth	Difference with Target	Alternative 2 Growth	Difference with Target	Alternative 3 Growth	Difference with Target
Population	8,723	7,644	(1,079)	8,777	54	8,860	137
Employment	8,928	6,801	(2,127)	10,924	1,996	9,107	179

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.
  - o **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 a reduction of lands designated for industrial use in the Silverdale UGA, but would result in 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 BC Zone and 500 square feet in the RC Zone. The RC Zone also allows residential and mixed-use development that is not prohibited in the BC Zone. The County has options to increase industrial lands capacity in other areas should it be necessary to provide enough land for industrial use.

#### 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-21. Focus most commercial growth within Urban Growth Areas where most of the County's future population growth will be guided and where public services and facilities will be focused.

The property is already zoned for industrial and commercial use, and a zone change would allow for a different range of commercial uses including large-scale retail. The property is within the Silverdale UGA boundary and focusing growth there, especially employment growth, in 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 Silverdale UGA is currently undersized to accommodate the new population and employment targets. The proposed amendment would increase both population and employment capacity in the Silverdale 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;

The subject property is suitable for the requested land use designation and is consistent with adjacent properties that are already zoned RC. The site does have existing environmental constraints. Any proposed future development would require a wetland delineation and other related actions as required under Kitsap County Code Title 19 (Critical Areas). This would include any considerations required under Category II Critical Aquifer Recharge Areas under the same code title.

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 Silverdale UGA needs greater housing and employment capacity to accommodate growth targets during the planning period under the current Comprehensive Plan (No Action). The proposed amendment increases housing and jobs capacity in the Silverdale UGA without expanding the boundary of the UGA. The proposed amendment is included in both Alternatives 2 and 3 that are being analyzed in the Comprehensive Plan Environmental Statement (EIS).

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 Silverdale UGA and therefore the County has an obligation to ensure that the property can be served by urban services. The subject property is already zoned for urban commercial development and while the range of uses that are allowed would change under the proposed amendment, a similar level of service is required under the existing and proposed zoning.

The cumulative demand for services was analyzed in the 2006 Comprehensive Plan and 2012 Comprehensive Plan UGA Sizing and Composition Remand; the areas is now under review in the Comprehensive Plan Update 2016 Alternatives 2 and 3. See also D.1.a above.

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 zoning 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 Silverdale UGA and is served by adequate public facilities and services to support new growth. The site was evaluated for employment growth cumulatively with other properties in the 2012 Comprehensive Plan Remand and is likewise included in the 2012 Capital Facilities Plan.

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

The subject property is within the Silverdale UGA where existing development is already characterized as urban with appropriate urban facilities. The proposed amendment would allow for a different range of land uses than under the current BC Zoning, including large scale retail, residential, and mixed-use development that is not characterized as sprawl.

(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 allow for residential and mixeduse development consistent with RC Zoning. The proposed amendment would also reduce the amount of land for industrial development in the Silverdale UGA. Assuming there is a surplus of industrial land or other more suitable locations the proposed amendment would support the County's economic development goals. Based on a review of the existing land use and development in the surrounding area there appears to be other industrial lands that could support additional development (See Attachment 4Attachment 4. Current Zoning).

#### **Kitsap County-wide Planning Policies**

#### **Element B. Urban Growth Areas**

- 3. 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.

The subject property is already within the Silverdale UGA and the County has demonstrated an ability to provide urban facilities and services to the area. The site was evaluated for employment growth cumulatively with other properties in the 2012 Comprehensive Plan Remand and is likewise included in the 2012 Capital Facilities Plan. The proposed amendment would change the types of employment land uses that are permitted, and newly allow the possibility of residential uses, but a similar level of urban services will be necessary to support development in accordance with the Comprehensive Plan and standards of the RC zone.

- 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 currently within the Silverdale 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 Silverdale UGA. See description under criteria 1.f above. The proposed amendment would allow for larger scale retail uses in comparison to the existing BC Comprehensive Plan Map and zoning designation.

b. 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 Industrial to Urban High-Intensity Commercial/Mixed-Use.

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

The proposed amendment is included in Alternatives 2 and 3 for the 2036 Comprehensive Plan Update, which will include transportation analysis to assess future conditions and transportation impacts.

## **Findings of Fact**

- 1. The applicant, Gary C. Warner, submitted the amendment application to Kitsap County on February 16, 2015, 2015.
- 2. The applicant seeks a Comprehensive Plan amendment from Urban Industrial to Urban High-Intensity Commercial/Mixed-Use and a Zoning Map amendment from Business Center (BC) to Regional Commercial (RC)
- 3. The subject properties are currently within the Silverdale UGA.
- 4. The subject properties are currently vacant and undeveloped.
- 5. The subject properties are approximately 18.31 acres.
- 6. The subject properties are adjacent to properties to the west with a future land use and zoning map designation of RC.
- 7. Kitsap County maps identified wetlands and moderate slope hazards on the subject properties and would be subject to mitigation sequencing for any future development under current or proposed designations.
- 8. The subject property is already served by urban facilities and services. The site was evaluated for employment growth cumulatively with other properties in the 2012 Comprehensive Plan Remand and is likewise included in the 2012 Capital Facilities Plan.
- 9. The subject property is located at the intersection of SR 3 and SR 303 with adequate transportation access to serve future development.
- 10. The amendment request included with Comprehensive Plan Update 2016 Supplemental Environmental Impact Statement (SEIS) Alternatives 2 and 3.
- 11. The subject parcels possess regulated critical areas and exist within a Category II Critical Aquifer Recharge Area. As such any proposed development resulting from approval of this request would be subject to all applicable laws and code standards, including Kitsap County Code Title 19 (Critical Areas).
- 12. The request is included in the Preferred Alternative.

#### **Conclusion of Law**

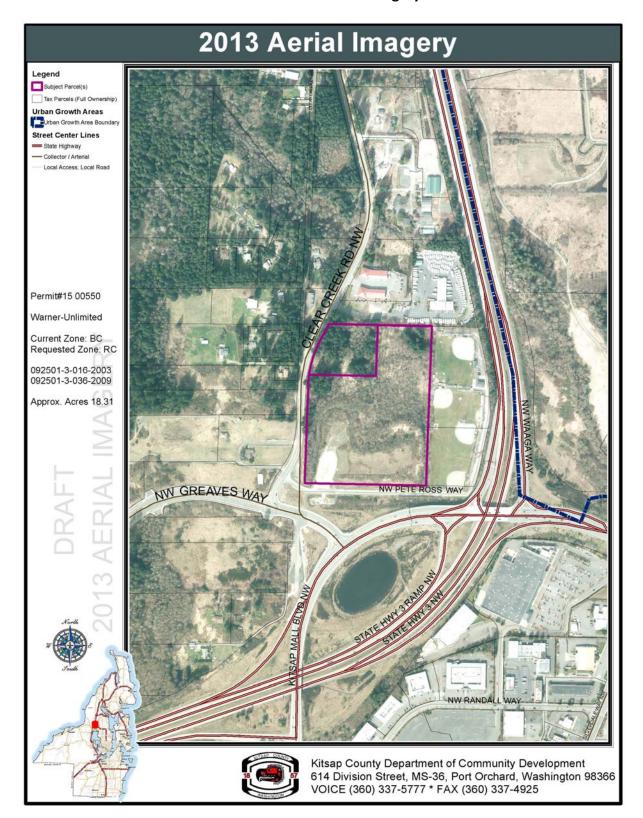
The project is consistent with the provisions of the Washington State Growth Management Act, Kitsap Countywide Planning Policies, the Kitsap County Comprehensive Plan, and the Kitsap County Code.

#### Recommendation

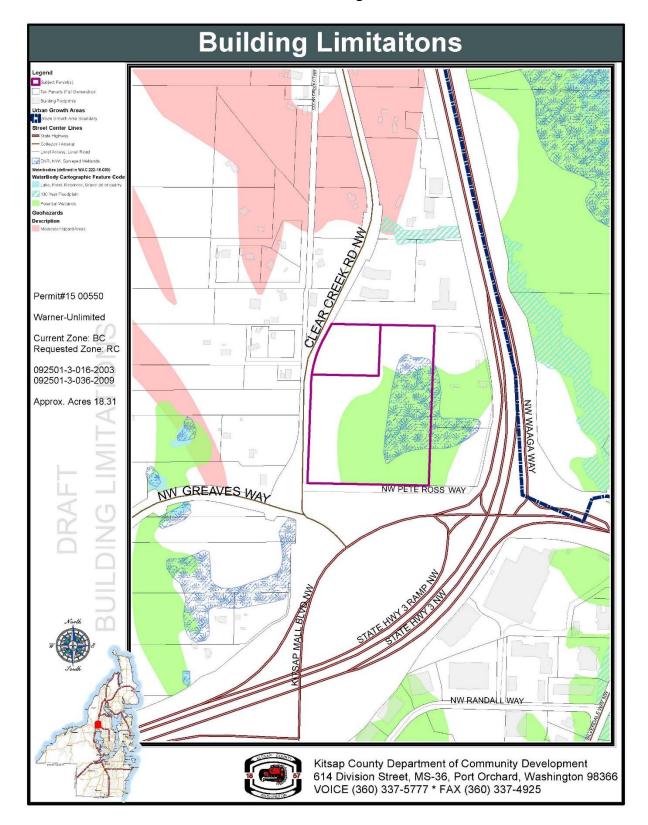
Based on the findings of act and conclusion of law staff recommends approval of application #15 00550.

### **ATTACHMENTS**

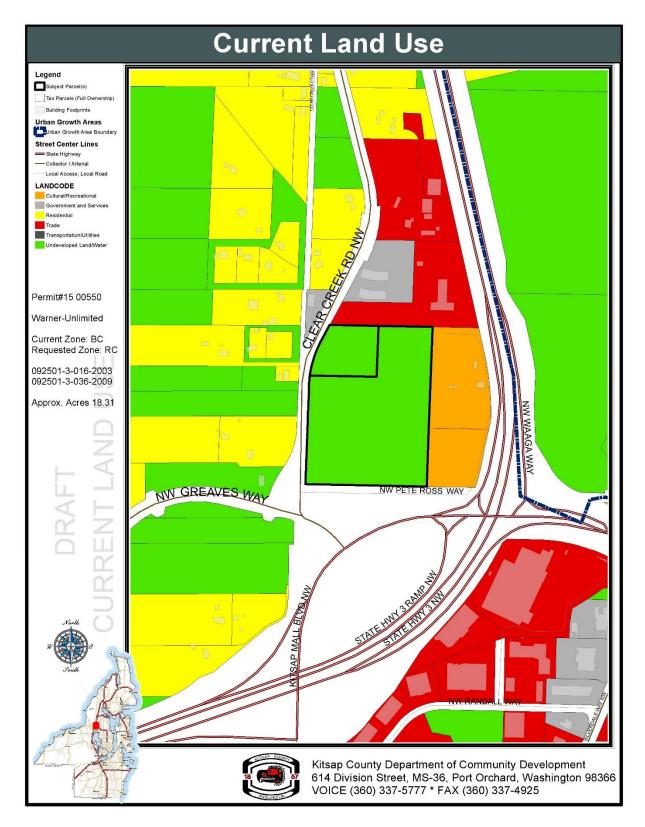
**Attachment 1. Aerial Imagery** 



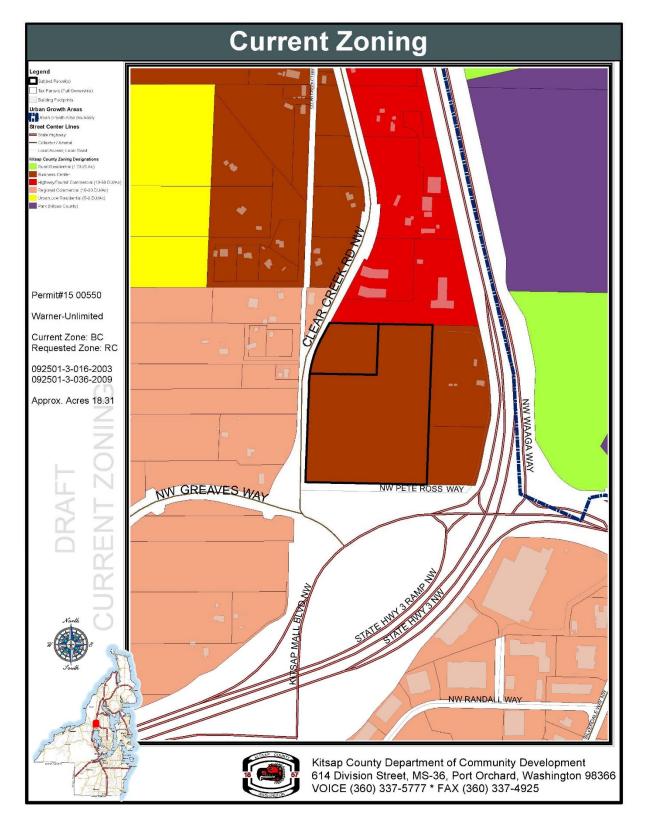
### **Attachment 2. Building Limitations**



#### **Attachment 3. Current Land Use**



## **Attachment 4. Current Zoning**



## **Attachment 5. Proposed Zoning**

