



STAFF REPORT

Permit Number: 15 00522 | Ueland Tree Farm (Formerly Bremerton West Ridge)

DATE: March 1, 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: Ueland Tree Farm (Formerly Bremerton West Ridge) Reclassification Request

APPLICATION INFORMATION

- 1. Applicant Name:** Mark Mauren (applicant and authorized agent/representative); Ueland Tree Farm (Formerly Bremerton West Ridge, LLC (owner))
- 2. Parcel Number:** 202401-2-012-2005, 202401-2-025-2000, 202401-3-004-2003, 202401-2-026-2009 (City of Bremerton jurisdiction), 202401-2-011-2006, 202401-2-024-2001, 202401-3-002-2005
- 3. Address or location information:** 818 Archie Ave W, Bremerton; see Attachment 1.
- 4. Current Land Use:** Undeveloped, resource production; see Attachment 3.
- 5. Current Comprehensive Plan Map Designation:** Urban Reserve (URS)
- 6. Proposed Comprehensive Plan Map Designation:** Rural Industrial (RI)
- 7. Current Zoning:** Urban Reserve (URS) (6 parcels) see Attachment 4.
- 8. Proposed Zoning:** Rural Industrial (RI) with Mineral Resource (MR) overlay; see Attachment 5.
- 9. Lot size:** Site involves 7 parcels consisting of 142 acres. 62 acres proposed to redesignate to RI and 80 acres to redesignate to RP. The entire 142 acres proposed for Mineral Resource Overlay.
- 10. Comprehensive Plan Alternatives:** Request included with Comprehensive Plan Update 2016 Supplemental Environmental Impact Statement (SEIS) Alternative 2 and Alternative 3. Parcel 202401-3-002-2005 is designated as Rural Protection (RP) in both alternatives.

Preferred Alternative: The proposal is included in the Preferred Alternative as Rural Protection with the Mineral Resource Comprehensive Plan Designation applied.

Application Materials

- Project Application
- Environmental Checklist
- Ownership Certification
- Reclassification Request Criteria

Application Request

The applicant seeks three Comprehensive Plan Map and Zoning Map Amendments:

- **Kitsap Quarry** (parcel #'s - 202401-2-026-2009*, 202401-2-011-2006, 202401-2-024-2001, 202401-2-012-2005, 202401-2-025-2000, 202401-3-004-2003)
 - **Mineral Resource overlay (MRO) Request**- 4 parcels that are part of Kitsap Quarry (202401-2-011-2006, 202401-2-024-2001, 202401-2-012-2005, and 202401-2-025-2000). Currently only Parcel # 202401-3-004-2003 has a MRO, however, all of the above parcels are part of the mining operation (Access road and stormwater retention facilities) and currently do not have an MRO.
 - **Zoning change Urban Reserve (URS) to Rural Industrial (RI)** – Change 5 parcels in Kitsap Quarry (See above parcel list) current zoning and designation from URS to RI. These parcels are currently zoned residential but given that Kitsap Quarry is expected to be the primary processing facility for Ueland Tree Farm and Kitsap Quarry for the next 50+ years the applicant believes it appropriate that these parcels be zoned industrial.
- **MRO Request** (Parcel # 202401-3-002-2005) - The rock formation for Kitsap Quarry extends into the SE corner of Parcel # 202401-3-002-2005. Requesting a MRO designation on Parcel # 202401-3-002-2005 to mine mineral resource concurrently with the existing Kitsap Quarry mining operation.

BACKGROUND

The subject property is located south of Kitsap Lake at Archie Avenue W with access from Werner Road. The City of Bremerton city limits are near the subject property to the north, east, and south. All parcels are currently designated on the Comprehensive Plan Map and Zoning Maps as URS. Parcel 202401-3-004-2003 also has an MRO and according to the Kitsap County Assessor, has a property class for mining and related services. The other subject parcels are currently classified by the Assessor as undeveloped except for Parcel #202401-3-002-2005, which is classified as forest land. The applicant states that the subject parcels are currently being used for forestry and as a rock quarry.

The subject properties are 142 acres and within the Ueland Tree Farm (UTF), an approximately 1,646 acre area that includes forestry, mining activities, and public trails. The Kitsap Quarry, which has been in operation since 1962, was acquired by UTF in 2012 and was not being actively mined at the time. Mining resumed at the Kitsap Quarry soon after UTF purchased the site. The amendment request includes the Kitsap Quarry parcels associated with the active mine and a large undeveloped and forested parcel (#202401-3-002-2005) west of the quarry that was purchased by UTF in 2013. The parcel is currently being used for timber harvest. A minor Timber Harvest permit was issued by Kitsap County for the parcel on June 18, 2015.

The applicant states that the subject property contains surveyed and potential wetlands and steep slopes, see Attachment 2. A stream is also present and the property occurs within a Category II critical aquifer

recharge area. The applicant also states that Kitsap Creek and Kitsap Lake are on or near the subject parcels.

In 2006, a geologic survey of the area was conducted to study the feasibility of mining activity and development on the UTF site, which at the time did not include the subject parcels. UTF began the Conditional Use Permit (CUP) application process for mineral resource development in 2007 (DCD File No. 07-449975). In 2010 a gravel mine, two rock quarries and a concrete batch plant on 152 acres within UTF were approved by the Kitsap County Hearing Examiner. Following a request for reconsideration, UTF received the final Conditional Use Permit (CUP) for mineral extraction in 2011. In 2014 a permitted access road was constructed between Kitsap Quarry and Werner Road and a future connection to UTF is proposed and the subject of a recently completed Supplemental EIS (ESA 2015). In 2015, UTF and Kitsap County began a Development Agreement in accordance with the approved Mineral Resource Development CUP to develop sand, gravel and basalt mineral mines on approximately 118 acres, within a project site of approximately 327 acres on the UTF site. The Development Agreement was recommended for approval on April 8, 2015 by the Kitsap County Hearing Examiner and by the County Commissioners approved the agreement on April 13, 2015. The 2015 CUP Modification was approved on September 22, 2015 (DCD File No. 14-02844 and 15-03289) and included the subject properties as an additional development area for UTF.

Surrounding Zoning and Land Use

Adjacent parcels to the north and west are part of unincorporated Kitsap County and are zoned URS. Adjacent parcels to the east and south are within the City of Bremerton city limits and zoned Industrial. See Exhibit 1 and Attachment 3.

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

Surrounding Areas	Current Zoning	Current Land Use
North	<ul style="list-style-type: none"> • URS 	<ul style="list-style-type: none"> • Residential • Undeveloped
East	<ul style="list-style-type: none"> • City of Bremerton 	<ul style="list-style-type: none"> • Resource Production • Undeveloped
South	<ul style="list-style-type: none"> • City of Bremerton 	<ul style="list-style-type: none"> • Resource Production
West	<ul style="list-style-type: none"> • City of Bremerton • Rural Wooded (RW) 	<ul style="list-style-type: none"> • Resource Production • Undeveloped

Current Future CP Map and Zoning Designations

The current Comprehensive Plan Map and Zoning Map designations for property is Urban Reserve (URS), which is described similarly in the Comprehensive Plan and in the Kitsap County Zoning Code. The Comprehensive Plan describes the URS designation as:

- **Urban Reserve:** This designation indicates areas that may be suitable for inclusion in the UGA in the future. It is implemented by the URS zone.

The URS zone is described in the Kitsap County Code as:

- **Urban Reserve (URS):** This zone is intended to allow continued rural development while discouraging land use patterns that could foreclose options for inclusion into future UGAs and their higher densities and land use intensities. This zone may also apply to properties which are being considered for non-residential use.

Proposed Future CP and Zoning Designations

As described in the current Comprehensive Plan, the proposed Comprehensive Plan and Zoning Map designations are Rural Industrial (RI) with the MRO. The Comprehensive Plan describes RI as:

- **Rural Industrial:** The intent and function of the RI Zone is to provide for small-scale light industrial, light manufacturing, recycling, mineral processing, and resource-based goods production uses that are compatible with rural character and do not require an urban level of utilities and services. Exhibit 2 provides a comparison of allowed land uses between the RI and RP zones.

The Kitsap County Code describes the RI Zone and MRO as:

- **Rural Industrial.** This zone provides for small-scale light industrial, light manufacturing, recycling, mineral processing, and resource-based goods production uses that are compatible with rural character and do not require an urban level of utilities and services.
- **Mineral Resource overlay (MRO).** The intent of this overlay is to protect and enhance significant sand, gravel and rock deposits as identified mineral resource lands. It is also used to ensure the continued or future use without disrupting or endangering adjacent land uses, while safeguarding life, property, and the public welfare. Provisions of state statutes applicable to Kitsap County pertaining to surface mining are hereby adopted by reference.”

The following table compares the existing and proposed zoning designations for selected allowed uses. See Exhibit 2. Aggregate extraction (i.e. mineral extraction) is not a permitted or conditional use in the existing URS zone, but is a permitted use in the MRO and a conditional use in the RI zone. The addition of the MRO with the exiting URS overlay would allow for aggregate extraction.

Exhibit 2. Selected Allowed Uses (KCC 17.381.040.E)

Selected Uses	RI (proposed zoning)	MR (proposed zoning overlay)	URS (current zoning)
Residential Uses			
• Dwelling, existing	P	P	P
• Dwelling, single-family detached	X	X	P
• Dwelling, multi-family	X	X	X
• Mobile homes	X	P	P
Commercial/Business Uses			
• Automobile repair and car washes	C	X	X
• Conference center	X	X	X
• General retail merchandise stores (less than 4,000 s.f.)	X	X	X
• Restaurants	X	X	X
Industrial Uses			
• Manufacturing and fabrication, light	C	X	X
• Manufacturing and fabrication, medium	C	X	X
• Manufacturing and fabrication, heavy	X	X	X
• Rock crushing	C	C	X

Selected Uses	RI (proposed zoning)	MR (proposed zoning overlay)	URS (current zoning)
• Storage, vehicle and equipment	C	X	X
• Top soil production, stump grinding	ACUP	C	X
• Warehousing and distribution	ACUP	X	X
Resource Land Uses			
• Aggregate Extraction Sites	C	P	X

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

Exhibit 3 provides a comparison of development standards allowed between the RI and URS zones. Both zones have the same height limitation of 35' and the URS zone has additional standards for minimum lot size, depth, width, and minimum and maximum residential densities.

Exhibit 3. Selected Development Standards Comparison (KCC 17.382.100)

Density and Dimensions	RI (proposed zoning)	URS (current zoning)
Base/Maximum density (du/acre)	NA	1 du/10 acres
Minimum lot size (acre)	None	10
Lot width (feet)	NA	140
Lot depth (feet)	NA	140
Maximum height (feet)	35	35
Maximum impervious surface coverage (%)	85	NA

PUBLIC COMMENTS

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

The applicant states that the City of Bremerton provided a transportation concurrency letter to Kitsap County for the construction of a private haul road from Kitsap Quarry to Werner Road. See Attachment 9.

The applicant comments that the mine activities pre-date GMA and also that the Ueland Tree Farm Mineral Resource CUP allows for industrial uses. The applicant provided necessary documentation that minerals are present on the subject parcels.

The Suquamish Tribe is opposed to rezoning the property to RI due to the subsequent additional employment densities and intensive uses permitted in the RI Zone. Additionally, the tribe has environmental concerns due to the East Watershed Resource inventory Area (WRIA) 15 which Chico Creek is a tributary to.

The Washington State Department of Fish and Wildlife state concerns regarding the Rural Industrial designation due to potential increases in allowed uses and intensities. WDFW also raises concerns

regarding wildlife habitat, specifically for Coho salmon and amphibians, and the potential for further encroachment into the undeveloped forest habitat to the west.

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 have substantially changed since the adoption of the Comprehensive Plan. UTF purchased the Kitsap Quarry properties in 2012 and the forested parcel to the west in 2013. UTF received a CUP in 2011 for aggregate extraction, signed a development agreement with Kitsap County in 2015, and received a CUP modification in 2015 that includes approval of the South Haul route through the subject property to Werner Road.

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 growth targets and capacity analysis is being conducted as part of the 2016 Comprehensive Plan update, but in general that process will not change the assumptions relative to the subject property and proposed amendment.

In Alternative 2 and Alternative 3, the subject parcels with the exception of parcel 202401-3-002-2005 are designated as RI. Parcel 202401-3-002-2005 and adjacent parcels (not part of subject parcels) are designated as being changed to Rural Protection (RP).

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

The RI zone may not be consistent with the Kitsap County Comprehensive Plan. The subject parcels are adjacent to City of Bremerton jurisdiction. The current URS zoning is suitable given the area's close proximity to the City on the north, east and south. Additionally, other areas in the County with the MRO in rural areas do not have an RI zoning; many have Rural Residential (RR) zoning such as the mine adjacent to the Port Orchard Airport.

The MRO designation is consistent with the Comprehensive Plan. There are already existing mining activities on or near the subject parcels. The protection of mineral resources with the MRO designation is in the public interest. A CUP modification was approved in 2015. UTF also completed an EIS in 2009 and a supplemental EIS in 2015 that meets requirements for assessing and mitigating environmental impacts. Additionally, the applicant states that the quarry products meet local needs.

Reclassification Request Criteria (KCC 21.08.070.D)

D. Reclassification Requests. In addition to the findings and conclusions in subsection (A) of this section, a proposed reclassification to the map 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 Reclassification 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 zoning/comprehensive plan amendment would not have adverse impacts on adopted level of service standards. UTF is building an access road to connect the gravel mines to Kitsap Quarry and Werner Road. This would offset the transportation impacts by diverting gravel trucks away from Northlake Way in Bremerton. Additionally, see the City of Bremerton letter of support in Attachment 9. An approved access onto Warner Road is completed.

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 2036 Vision Statements

Kitsap County’s Comprehensive Plan includes vision statements that direct policy for industrial land use. See Exhibit 4.

Exhibit 4. County Vision for Rural Areas and Economic Development

Vision	Rural Chapter Relationship to Vision
<p>Natural Environment. Natural ecosystems – including interconnected wetlands, streams, wildlife habitat, and water quality – that are rehabilitated, protected, and enhanced and that allow for flexible and innovative development to meet environmental and growth goals. In developed areas, the growth pattern supports conservation of non-renewable energy and minimizes impacts on air quality and climate.</p>	<ul style="list-style-type: none"> • Provide for protection of natural ecosystems in rural areas through rural designations, through compliance with Kitsap County “Water as a Resource” Policy (Res.109-2009), and with lower levels of development and lower availability of public services.
<p>Rural Areas. Rural areas and communities where unique historical characters, appearances, functions, and pioneering spirits are retained and enhanced. Natural resource activities, such as forestry, agriculture, and mining continue to contribute to the rural character and economy. Rural recreation opportunities are enhanced, including equestrian facilities, trails, and others.</p>	<ul style="list-style-type: none"> • Maintain low residential densities in rural areas and provides policy guidance for development standards which help to preserve the County’s rural character. • Foster small sustainable farms and agricultural enterprises that provide locally-grown food and fiber for Kitsap citizens.
<p>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</p>	<ul style="list-style-type: none"> • Preserve opportunities for resource-based economic activities within the County • Allow for limited commercial and industrial uses in rural areas, while preserving rural character

Vision	Rural Chapter Relationship to Vision
accomplishment of local economic development goals.	

Source: Kitsap County Comprehensive Plan (December 2012).

The proposed RI designation is not required to support the existing mining operation. Other mining operations in the rural area have rural residential zoning and are not zoned Rural Industrial. The County should consider the need for additional RI lands independent of the existing mining operation. No compelling reason for the change to RI has been cited by the applicant, yet a change to RI would allow for the full range of uses in the RI Zone.

The proposed MRO amendment is supported by the above vision statements as it would allow continued mining activities in an area near an existing mining operation. The subject property is currently in the rural area and a rural designation appears to be supported by the Natural Environment vision statement to protect natural resources, including aggregate resources. The County aims to protect mineral resources from incompatible adjacent land uses to ensure opportunities for existing and future extraction are maintained.

Kitsap County Comprehensive Plan 2036 Goals and Policies:

The following comprehensive plan goals and policies are applicable to the amendment request:

3A.2.1 Rural Lands

- **Goal 2. Encourage development standards that help preserve the County’s rural character.**
 - **Policy RL-7. Allow and encourage home-based cottage-type businesses and industries in the rural areas consistent with Kitsap County Code 17.381.060(B) (1).**
 - **Policy RL-8. 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, per Kitsap County Code 21.08. Such commercial and industrial uses must be consistent with GMA and Comprehensive Plan requirements for rural areas, preserve Kitsap County’s character, and shall not allow urban-type uses or services.**

UTF and Kitsap County completed a Development Agreement to develop sand, gravel and basalt mineral mines on approximately 118 acres, within a project site of approximately 327 acres on the approximately 1,646-acre Ueland Tree Farm site. The Development Agreement ensures that the complex, long-range project meets all applicable regulatory requirements over the entirety of the project.

RI zoning would not be consistent with surrounding areas in the County and with Kitsap County goals. The subject parcels are not adjacent to existing RI areas. If the mining operation were to cease there would be an opportunity for the County and the City of Bremerton to plan for future use of the property and make any adjustments to land use and zoning designations at that time.

3B.1b Mineral Resource Lands

- **Goal 13: Discourage inappropriate land uses in the vicinity of commercial quality mineral deposits in the County through regulatory means.**
 - **Policy RL-51: Designate as mineral resource sites lands that have valid surface mining permits through DNR, and sites identified by individual property owners, and apply the Mineral Resource overlay to these sites once proper permits are in place. This overlay permits mineral**

resource extraction activities and accessory supporting industrial uses and discourages land uses that would impede such activities.

There are four subject parcels that were identified by the applicant as being part of the existing Kitsap Quarry, but are not currently designated MRO. A Washington State Department of Natural Resources (DNR) permit exists for Kitsap Quarry (Permit #10783), but it is unclear if the permit includes the four additional parcels. The large forested parcel to the west that is not being mined is not currently permitted for mining and a quarry site was not identified on the site as part of the 2015 CUP modification. The WA DNR active earth resources permit data shows five active permits in the surrounding area including the Kitsap Quarry. See Attachment 8.

- **Policy RL-53: Allow industrial uses associated with mineral resource extraction and forestry activities in the Mineral Resource overlay.**

RI zoning is not necessary to support the existing and planned mining operation. Other mine sites in the rural area have RR zoning with the MRO designation. The Ueland Tree Farm Mineral Resource CUP allows the applicant to conduct industrial uses consistent with approved CUP.

- **Policy RL-54: Encourage the preservation of lands identified as mineral deposits.**

The requested MRO helps to protect identified lands with mineral deposits by prohibiting incompatible uses.

- **Policy RL-55: Discourage the conversion of identified aggregate lands to uses incompatible with extraction activities.**

The requested MRO does not allow incompatible uses with extraction activities. See Exhibit 2.

- **Policy RL-56: Use the Mineral Resource overlay to serve as interim protection of mineral resource areas until a comprehensive geologic study is undertaken to determine the extent of additional mineral deposits.**

A geologic study was conducted of the Ueland Tree Farm area in 2006 to study the location and availability of mineral resources, which did not include the subject properties. The applicant did provide documentation on mineral resources for the subject property.

- **Policy RL-58: Recognize those sites with valid surface mining permits from the State DNR as well as those that have been identified by the property owner as mineral resource lands. Mineral Resource overlay lands that currently appear on the Comprehensive Plan Land Use Map which have been identified by the property owner must submit a geologic study, conducted by a qualified geologist, pertaining to the presence of commercial quality mineral deposits by the second annual review of the plan in order to keep such a designation. Resource designations for lands for mineral resource use may only be added or deleted during the annual review of the adopted Comprehensive Plan. Any additions or deletions will be based upon submission of a geologic study, conducted by a qualified geologist, pertaining to the presence, or lack of commercial quality mineral deposits.**

A geologic study of UTF was conducted by GeoResources, LLC in 2006, but did not include the subject property. The purpose of the services was to perform geologic mapping and a preliminary site investigation for potential mineral resources available on UTF. The evaluation was to be used as a basis for an initial economic feasibility analysis for mining the mineral resources. The site evaluation was directed at locating sources of sand and gravel, as well as quarry rock. The evaluation determined that “Based on the results of our site reconnaissance, subsurface exploration program, and review of published information development of both a sand and gravel borrow source and hard rock quarry appears feasible on the site” (GeoResources, 2006). However,

the GeoResources report did not include the subject parcels, which at the time were under separate ownership from UTF. A similar study was conducted and provided to the County for the subject parcels.

- **Policy RL-59: Kitsap County should classify lands with potential long-term commercial significance for extracting at least the following minerals: sand, gravel, and valuable metallic substances. Other minerals may be classified as appropriate.**

The geologic report from 2006 identifies both sand and gravel deposits within the UTF area. A similar study was provided for the subject property.

- **Goal 15: Mineral Resource Lands shall not be designated solely on a parcel-by-parcel basis.**

- **Policy RL-62: Kitsap County should approach the effort of designating mineral resource lands as a county-wide or regional process, with the exception of owner-initiated requests for designation.**

This is an owner-initiated request.

- **Policy RL-63: Kitsap County should determine if adequate mineral resources are available for projected needs from currently designated mineral resource lands.**

Kitsap County recently completed a development agreement with UTF for mining activity at the site. A geological study was conducted for the subject properties.

- **Policy RL-64: In designating mineral resource lands, counties and cities must also consider that mining may be a temporary use at any given mine, depending on the amount of minerals available and the consumption rate, and that other land uses can occur on the mine site after mining is completed subject to approval. Submission of a reclamation plan and approval by the Washington State Department of Natural Resources is required prior to allowing subsequent uses.**

The proposed amendment seeks to apply an MRO designation to several contiguous parcels adjacent to land that is currently mined and already has an MRO.

- c. **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 proposed MRO designations in accordance with the existing mining operation at Kitsap Quarry and provisions of the CUP. Access to the site is from Werner Road, and the City of Bremerton has provided a letter of support for the construction of a private haul road from Kitsap Quarry to Werner Road. The Kitsap Quarry has appropriate rural services to support the current and future mining and processing operation.

The subject property is not contiguous to other RI zoned lands under Kitsap County jurisdiction and has been planned for mineral extraction and resource land uses to date. In addition, several of the subject parcels have identified wetlands per Kitsap County Maps and the CUP.

- 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 MRO and RI zoning change is unlikely to have an effect on land uses and growth projections as there are already existing mining activities in the vicinity of the subject parcels. However, the County has very little employment zoning capabilities in the rural area. A change in zoning of this size would benefit from discussion and consideration at the Countywide KRCC level.

- 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 proposal is unlikely to increase demands on urban facilities and services because Kitsap Quarry has been an existing use. Additionally, the applicant built an access road to mitigate increased traffic.

- 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)

(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 MRO amendment promotes the retention and expansion of an existing business that has been in operation since 1962 and is generally consistent with the CUP.

The RI designation is not required to support the existing mining operation if the MRO request is approved and may lead to impacts to on-site wetlands from future industrial uses. Other significant mining operations in the rural area are zoned for low-density residential development with the MRO.

(8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.

The proposed amendment promotes the retention and expansion of existing mining activity at Kitsap Quarry that has been in operation since 1962. Ueland Tree Farm has both existing forestry uses and planned and permitted mining extraction activities. The mining activity is a compatible use with forestry practices.

The RI designation is not necessary to support existing uses and no future land uses are planned in accordance with the RI designation. Kitsap County-wide Planning Policies

D-1. Preserving rural character and enhancing the natural environment.

a. Preserve the character of identified rural areas by protecting and enhancing the natural environment, open spaces, recreational opportunities, and scenic and historic areas. Support small scale farming and working resource land, promote locally grown food, forestry, eco- and heritage-tourism. Support low-density residential living and cluster development that provides for a mix of housing types, rural levels of service, cultural activities, and employment that services the needs of rural areas at a size and scale that is compatible with long-term character, productivity, and use of these lands.

b. Rural land use designations in the County's Comprehensive Plan shall recognize ecological functions and support rural uses such as farming, forestry, mining, recreation, and other rural activities, and permit a variety of low-density residential uses which preserve rural character and ecological functions, and can be sustained by rural service levels.

The proposed zoning amendment for an MRO supports mining activities in the rural area. The Ueland Tree Farm also contains forestry activities and public trails for recreation. The subject property already has rural services for water, septic sewer, electricity, etc. It is also planning to mitigate transportation impacts by building a service road that connects to Kitsap Quarry and Werner Road.

The proposed amendment for the RI designation may impact the character of rural areas as it prohibits rural residential uses unlike other mine sites in the rural area. Additionally, the subject property is not contiguous to other RI zoned properties and other rural MRO sites have the rural residential designation.

D-2. Rural Land uses and Development Patterns

c. The County shall develop criteria consistent with the Growth Management Act for designating future industrial and commercial development outside of Urban Growth Areas that protect rural character while encouraging vehicle trip reduction. The criteria should allow for industrial resource-based land use and recreation and for convenience commercial that is scaled to serve the daily needs of rural residents.

The proposed MRO designation supports resource-based land use in the rural area where mining activities already exist. Many customers for the quarry's products are local. The RI designation is not necessary to support the existing and planned mining operation.

D-4. Conserving small-scale natural resource use in rural areas:

c. Rural land use designations in the County's Comprehensive Plan shall recognize ecological functions and support rural uses such as farming, forestry, mining, recreation, and other rural activities, and permit a variety of low-density residential uses which preserve rural character and ecological functions, and can be sustained by rural service levels.

The proposed MRO designation supports mining activity, a desired rural use and activity.

3. Rural Commercial/Industrial and Type III LAMIRD Reclassification Requests. Each of the following requirements must be satisfied for a recommendation for approval.

a. Demonstration of an unmet need for the proposed land use designation in the rural area.

There is a lack of RI designated land in the area. There are no parcels adjacent to the subject site that is zoned RI. However, an unmet need has not been identified by the applicant and the RI designation is not necessary to support the existing mining operation. Should the mining operation cease there would be an opportunity to address Comprehensive Plan Map and zoning designations at that time.

b. Demonstration that Kitsap County's rural character will be preserved or unaffected by the change of designation.

The RI designation will not affect the County's rural character, as both are rural land uses and zones. The subject parcels are located near current forestry and mining activities, both of which are allowed rural resource land uses. The subject parcels are also adjacent and contiguous to areas that have existing mining activity.

c. Demonstration that the proposed designation will principally serve the rural area.

No unmet need has been identified by the applicant or any proposed future land uses and development consistent with the RI designation. The County seeks to direct more commercial and industrial development to urban areas and the amendment would be contrary to this goal.

- d. Demonstration that appropriate rural services are available (i.e., water, wastewater disposal, etc.) and that urban services will not be required for the proposed designation.**

The subject area already has rural services available, urban services will not be required.

- e. Demonstration that the proposal is contiguous to existing industrial or commercial zoning. (Exceptions to this policy must demonstrate a unique or exceptional need for the proposed land use designation).**

The subject properties are not contiguous to properties zoned RI.

- f. Demonstration that the property is sized appropriately for the proposed land use designation.**

The subject property includes 7 parcels of 142 acres and is appropriately sized for the RI designation. However, due to the large size of the site it would significantly increase industrial land capacity in the rural area that may be contrary to the County’s goal to direct more growth to urban areas.

- g. Demonstration that there is a lack of appropriately designated and available sites within the vicinity.**

There are no parcels nearby zoned RI.

Washington Administrative Code (WAC)

The Washington Administrative Code (WAC) 365-190-070 establishes criteria for classifying mineral resource lands. See Exhibit 5 for a list of the criteria and an assessment of consistency for the reclassification request to designated mineral resource lands on the subject property.

Exhibit 5. WAC Criteria for Classifying Mineral Resource Lands (WAC 365-190-070)

Criteria	Discussion
(1) In designating mineral resource lands, counties and cities must approach the effort as a county-wide or regional process, with the exception of owner-initiated requests for designation. Counties and cities should not review mineral resource lands designations solely on a parcel-by-parcel basis.	The Kitsap County Department of Community Development developed a report in 1992 on the classification of mineral resource lands including criteria and data sources for classifying mineral resource lands. This is an owner-initiated request.
(2) Counties and cities must identify and classify mineral resource lands from which the extraction of minerals occurs or can be anticipated. Counties and cities may consider the need for a longer planning period specifically to address mineral resource lands, based on the need to assure availability of minerals for future uses, and to not inadvertently preclude access to available mineral resources due to incompatible development. Other proposed land uses within these areas may require special attention to ensure future supply of aggregate and mineral resource material, while maintaining a balance of land uses.	Four of the parcels that are part of the reclassification request are part of the existing Kitsap Quarry aggregate extraction operation. According to the applicant, the aggregate resources for Kitsap Quarry extend into the southwest corner of Parcel #202401-3-002-2005, which is currently undeveloped and in forest use. Documentation of mineral resources on the subject parcels was submitted by the applicant. DNR earth resource permit data identifies the existing Kitsap Quarry operation and show four other active permits in the area, which indicates the subject parcels are likely to have mineral resources. The subject parcels are included in the

Criteria	Discussion
	CUP modification approval to accommodate a portion of the South Haul Route.
<p>(3) Classification criteria.</p> <p>(a) Counties and cities classify mineral resource lands based on geologic, environmental, and economic factors, existing land uses, and land ownership. It is expected that mineral resource lands will be depleted of minerals over time, and that subsequent land uses may occur on these lands after mining is completed. Counties and cities may approve and permit land uses on these mineral resource lands to occur after mining is completed.</p>	<p>The subject property is part of an existing and planned aggregate extraction operation that includes the Kitsap Quarry and the UTF site.</p> <p>Once mining is completed on the subject and surrounding properties the County and the property may consider the appropriate land use and zoning designations to support future development. The Comprehensive Plan and Zoning Map designations may be amended at that time.</p>
<p>(b) Counties and cities should classify lands with potential long-term commercial significance for extracting at least the following minerals: Sand, gravel, and valuable metallic substances. Other minerals may be classified as appropriate.</p>	<p>A geological study for surrounding properties and DNR earth resources permit data show a concentration of permits in the surrounding area.</p>
<p>(c) When classifying these areas, counties and cities should use maps and information on location and extent of mineral deposits provided by the department of natural resources, the United States Geological Service and any relevant information provided by property owners. Counties and cities may also use all or part of a detailed minerals classification system developed by the department of natural resources.</p>	<p>The Washington Mineral Resource Maps from 1978 show a concentration of mineral resources in and around the subject properties and support the requested reclassification to MRO. See Attachment 8.</p>
<p>(d) Classifying mineral resource lands should be based on the geology and the distance to market of potential mineral resource lands, including:</p> <p>(i) Physical and topographic characteristics of the mineral resource site, including the depth and quantity of the resource and depth of the overburden;</p> <p>(ii) Physical properties of the resource including quality and type;</p> <p>(iii) Projected life of the resource;</p> <p>(iv) Resource availability in the region; and</p> <p>(v) Accessibility and proximity to the point of use or market.</p>	<p>These classification criteria have been met.</p>
<p>(e) Other factors to consider when classifying potential mineral resource lands should include three aspects of mineral resource lands:</p> <p>(i) The ability to access needed minerals may be lost if suitable mineral resource lands are not classified and designated; and</p>	<p>The planned aggregate extraction use at the UTF site and the existing Kitsap Quarry operation will support future mineral extraction on the subject properties. The area has existing and planned facilities to support aggregate extraction consistent with the MRO designation and the</p>

Criteria	Discussion
<p>(ii) The effects of proximity to population areas and the possibility of more intense uses of the land in both the short and long-term, as indicated by the following:</p> <p>(A) General land use patterns in the area;</p> <p>(B) Availability of utilities, including water supply;</p> <p>(C) Surrounding parcel sizes and surrounding uses;</p> <p>(D) Availability of public roads and other public services; and</p> <p>(E) Subdivision or zoning for urban or small lots.</p> <p>(iii) Energy costs of transporting minerals.</p>	<p>listed criteria. Mineral extraction on the subject properties can take advantage of the existing and planned mineral extraction infrastructure and facilities. The subject properties support existing aggregate extraction and resource uses and are isolated from residential areas.</p>
<p>(4) Designation of mineral resource lands.</p> <p>(a) Counties and cities must designate known mineral deposits so that access to mineral resources of long-term commercial significance is not knowingly precluded. Priority land use for mineral extraction should be retained for all designated mineral resource lands.</p>	<p>Given the identified DNR earth resource permits in the area, the 2006 GeoResources geological study for the UTF site, and the existing Kitsap Quarry operation it is likely the subject property has mineral resources that should be protected with the MRO designation.</p>
<p>(b) In designating mineral resource lands, counties and cities should determine if adequate mineral resources are available for projected needs from currently designated mineral resource lands.</p>	
<p>(c) Counties and cities may consult with the department of transportation and the regional transportation planning organization to determine projected future mineral resource needs for large transportation projects planned in their area.</p>	
<p>(d) In designating mineral resource lands, counties and cities must also consider that mining may be a temporary use at any given mine, depending on the amount of minerals available and the consumption rate, and that other land uses can occur on the mine site after mining is completed, subject to approval.</p>	<p>The County and the property owner will have sufficient time to address future land uses, including Comprehensive Plan and Zoning Map designations, prior to the aggregate extraction operations ceasing.</p>
<p>(e) Successful achievement of the natural resource industries goal set forth in RCW 36.70A.020 requires the conservation of a land base sufficient in size and quality to maintain and enhance those industries and the development and use of land use techniques that discourage uses incompatible with the management of designated lands.</p>	<p>Kitsap County has several sites already designated MRO and protected for existing and future aggregate extraction uses. If the reclassification request is approved, the subject properties would also be protected to support future aggregate extraction uses.</p>

Criteria	Discussion
	Policy RL-56 anticipates interim placement of the MRO designation until a comprehensive study is undertaken.

Source: Washington Administrative Code, 2015; BERK, 2015

Findings of Fact

1. The applicant, Ueland Tree Farm (Bremerton West Ridge LLC), submitted the amendment application to Kitsap County on February 12, 2015.
2. The applicant seeks Comprehensive Plan Map and Zoning Map amendments to change the designations of 6 parcels in Kitsap County jurisdiction for the following:
 - a. Apply the MRO designation (MRO) to all parcels except #202401-3-004-2003, which already has a MRO.
 - b. Change the Zoning Map designation of 5 subject parcels from UR to RI zoning. One of the subject parcels in the original request is in the City of Bremerton jurisdiction.
 - c. Apply a MRO to parcel #202401-3-002-2005, but do not amend the zoning.
3. The site is currently being used for mining and forestry activities.
4. In accordance with the WA DNR earth resource permit data there are four active permits in addition to the Kitsap Quarry in the surrounding area. See Attachment 8.
5. The MRO designation is intended to support and protect significant sand, gravel and rock deposits as identified mineral resource lands.
6. The subject properties were purchased by UTF in 2012 and 2013, after the original CUP was issued for aggregate extraction on the UTF site.
7. The Kitsap County Hearing Examiner issued a CUP modification, which includes the subject property for the designated South Haul Route, on September 22, 2015.
8. The properties have access from Werner Road and is adjacent to the City of Bremerton. Adjacent sites within the city limits are currently being used for mining. Areas to the west of the subject site are undeveloped and within the Ueland Tree Farm property.
9. The Kitsap County Commissioners approved a development agreement with the Ueland Tree Farm on April 13, 2015 to implement the approved mineral resources CUP.
10. The subject parcels included in the request for a Comprehensive Plan Map and Zoning Map amendment to RI are not contiguous to other parcels zoned RI.
11. Other significant mining operations within the rural areas of the County have an MRO designation with a Rural Residential (RR) zoning designation. Applicant has authority under CUP and approved Developer’s Agreement to conduct industrial uses consistent with the before mentioned.
12. The subject properties are included in the Preferred Alternative as Rural Protection zone with the Mineral Resource Comprehensive Plan Designation.
13. During discussions with the City of Bremerton, it is recommended that this request be analyzed for inclusion into the Bremerton UGA during the next round of Comprehensive Plan updates.

14. Code modifications will be proposed by staff during the Comprehensive Plan update to further clarify allowed uses on properties with the Mineral Resource Overlay.

CONCLUSION OF LAW

The request for an MRO designation on the subject parcels is consistent with the provisions of the Washington State Growth Management Act (RCW 36.70A), Kitsap County-wide Planning Policies, and Kitsap County Comprehensive Plan.

And

The request for the RI designation on the subject parcels is not consistent with the provisions of the Washington State Growth Management Act (RCW 36.70A), Kitsap Countywide Planning Policies, the Kitsap County Comprehensive Plan, and the Kitsap County Code.

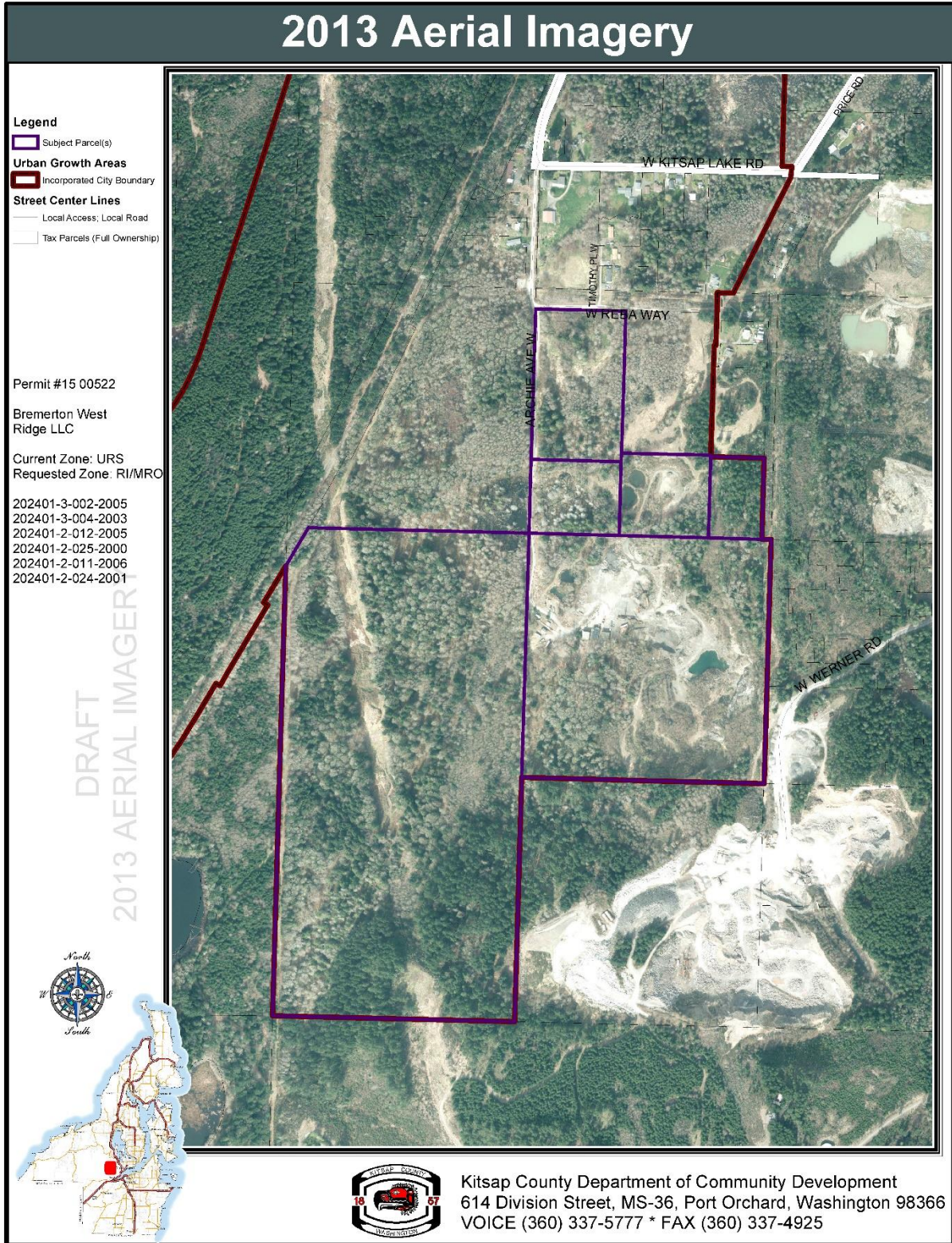
RECOMMENDATION

Based on the findings of fact and conclusion of law staff recommends:

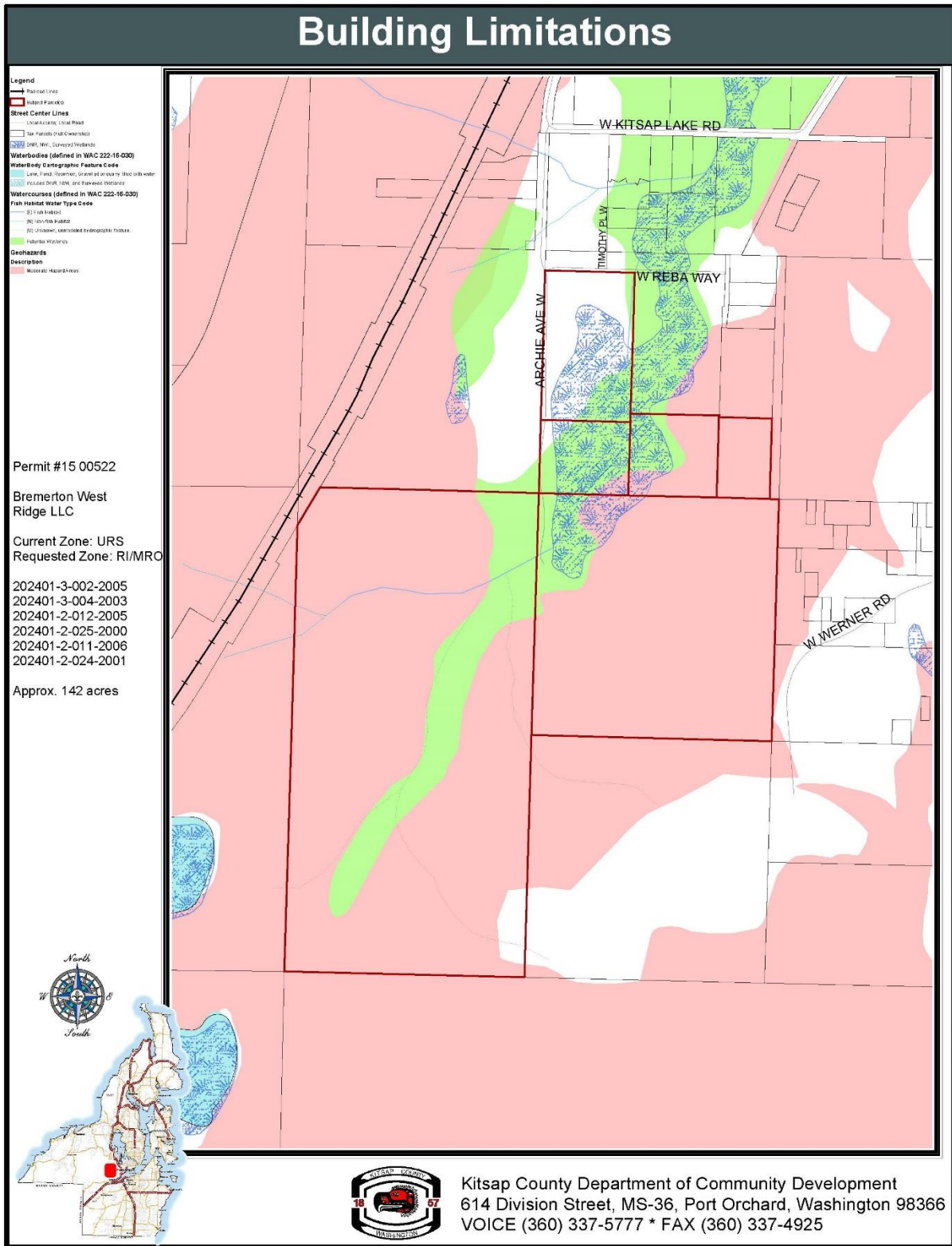
- Approve the MRO request for 5 parcels (202401-2-012-2005, 202401-2-025-2000, 202401-2-011-2006, 202401-2-024-2001, 202401-3-002-2005) with the following condition(s):
- Approve an amendment of the subject parcels to Rural Protection (RP) in accordance with the proposed change for adjacent parcels in Alternatives 2 and 3.
- Denial of the RI designation request for parcels 202401-2-011-2006, 202401-2-024-2001, 202401-2-012-2005, 202401-2-025-2000, 202401-3-004-2003.

Attachments

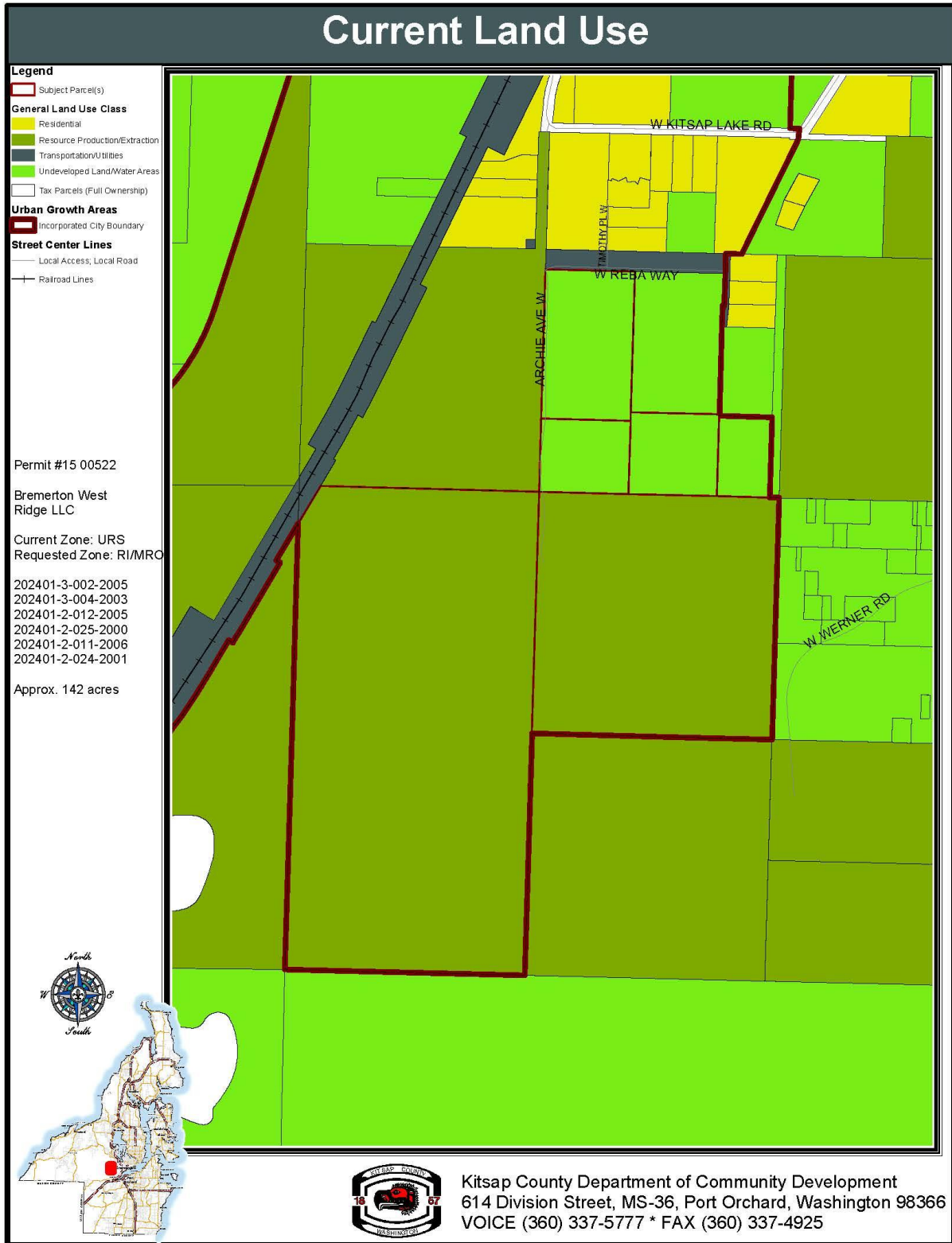
Attachment 1: Aerial Imagery



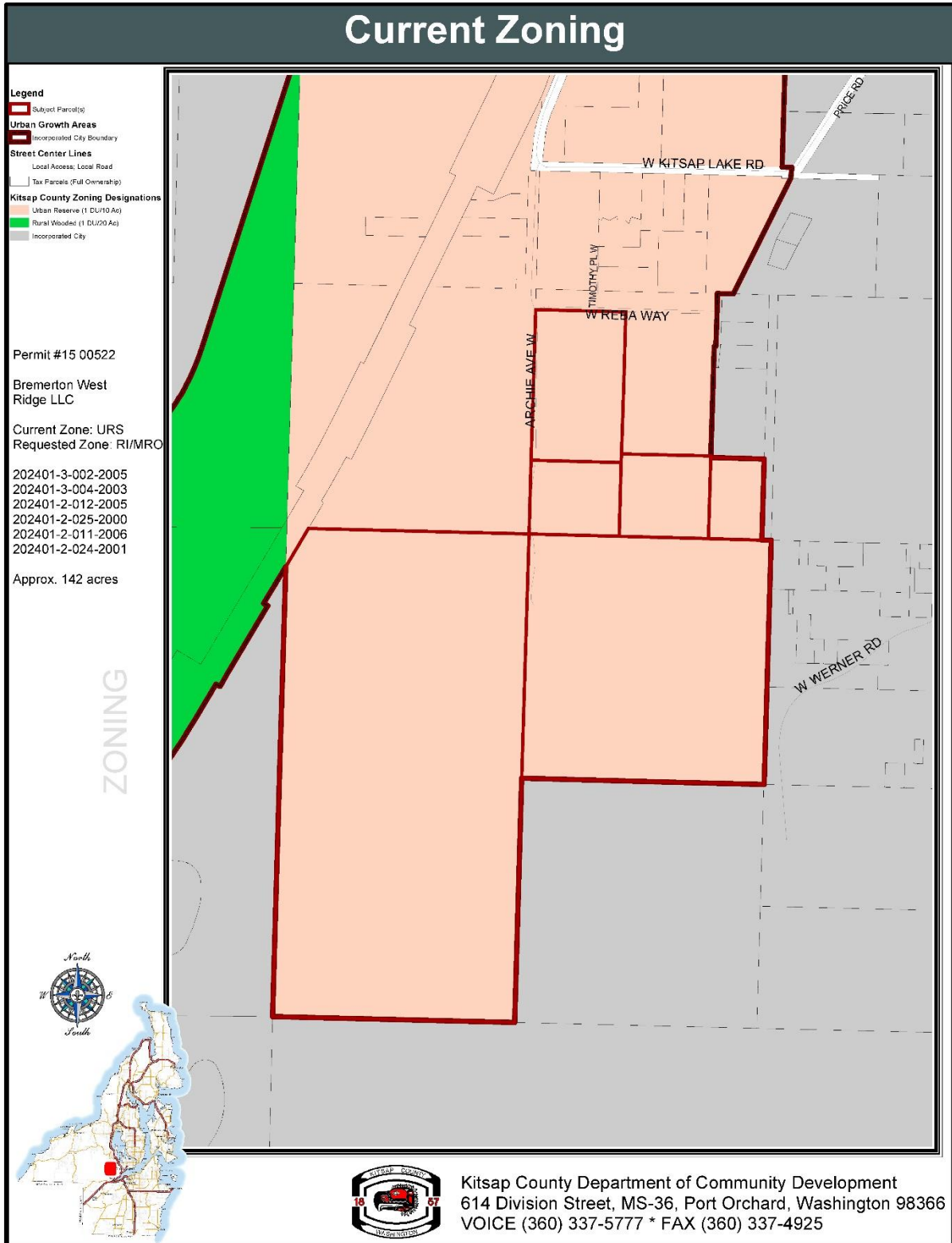
Attachment 2: Building Limitations



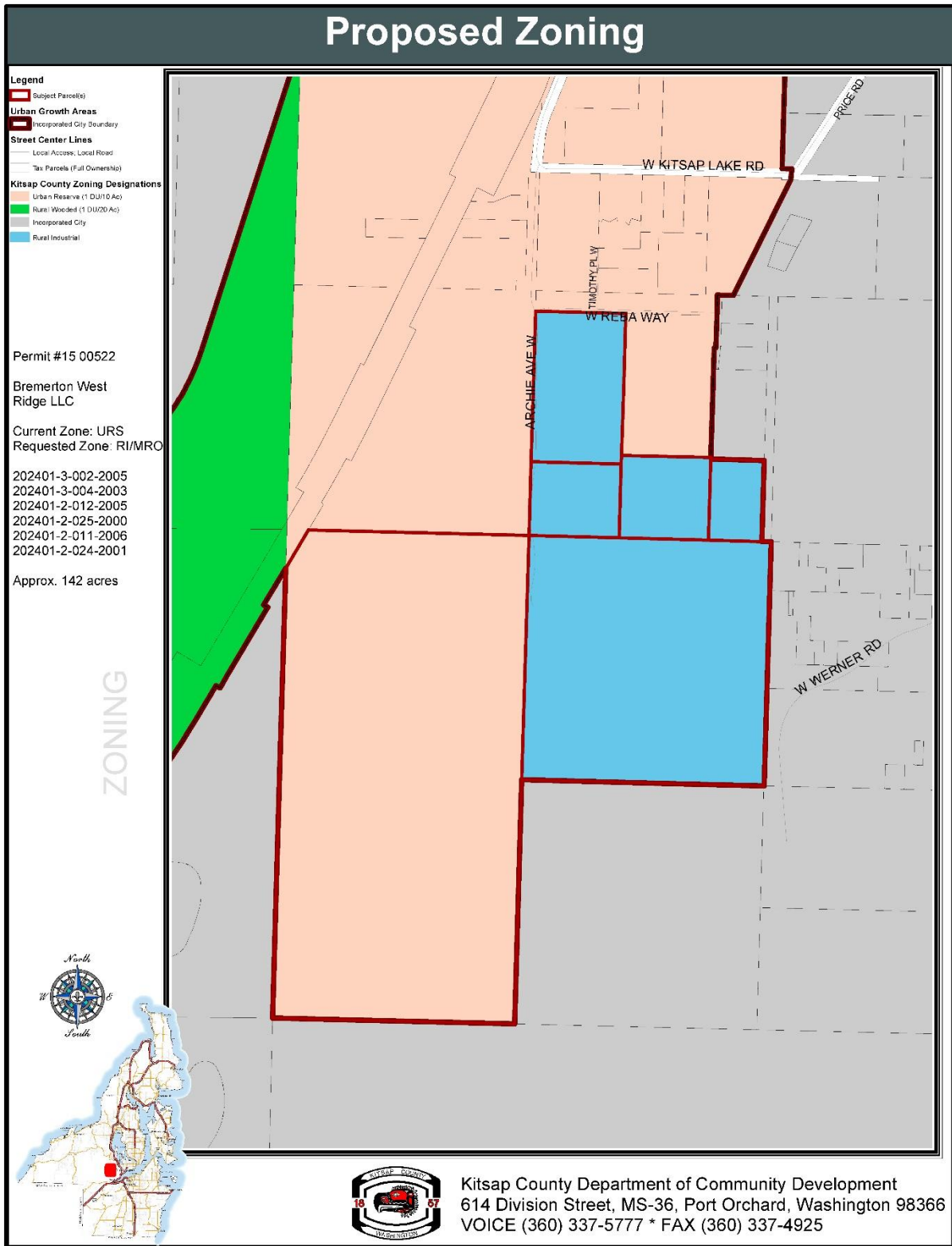
Attachment 3: Current Land Use



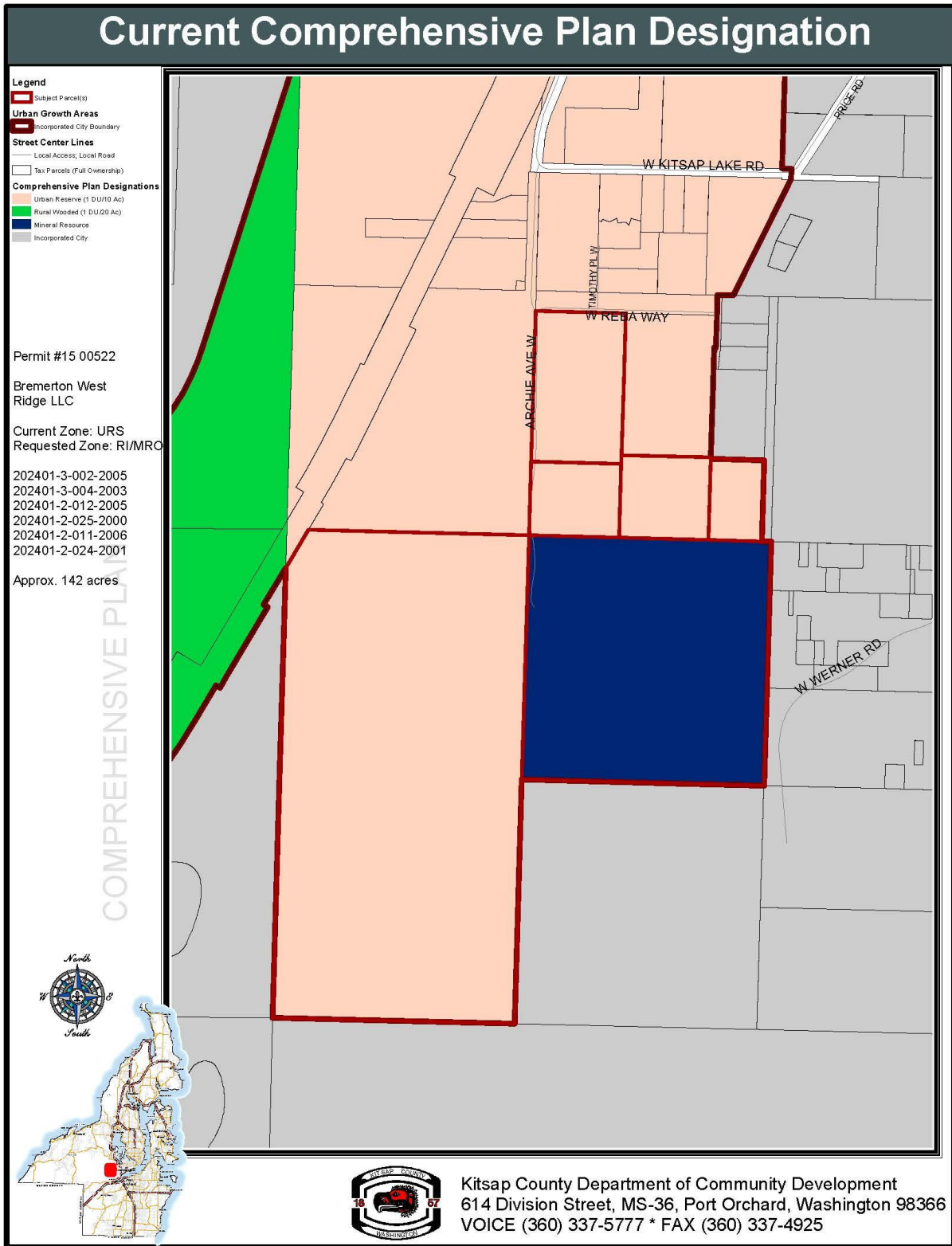
Attachment 4: Current Zoning



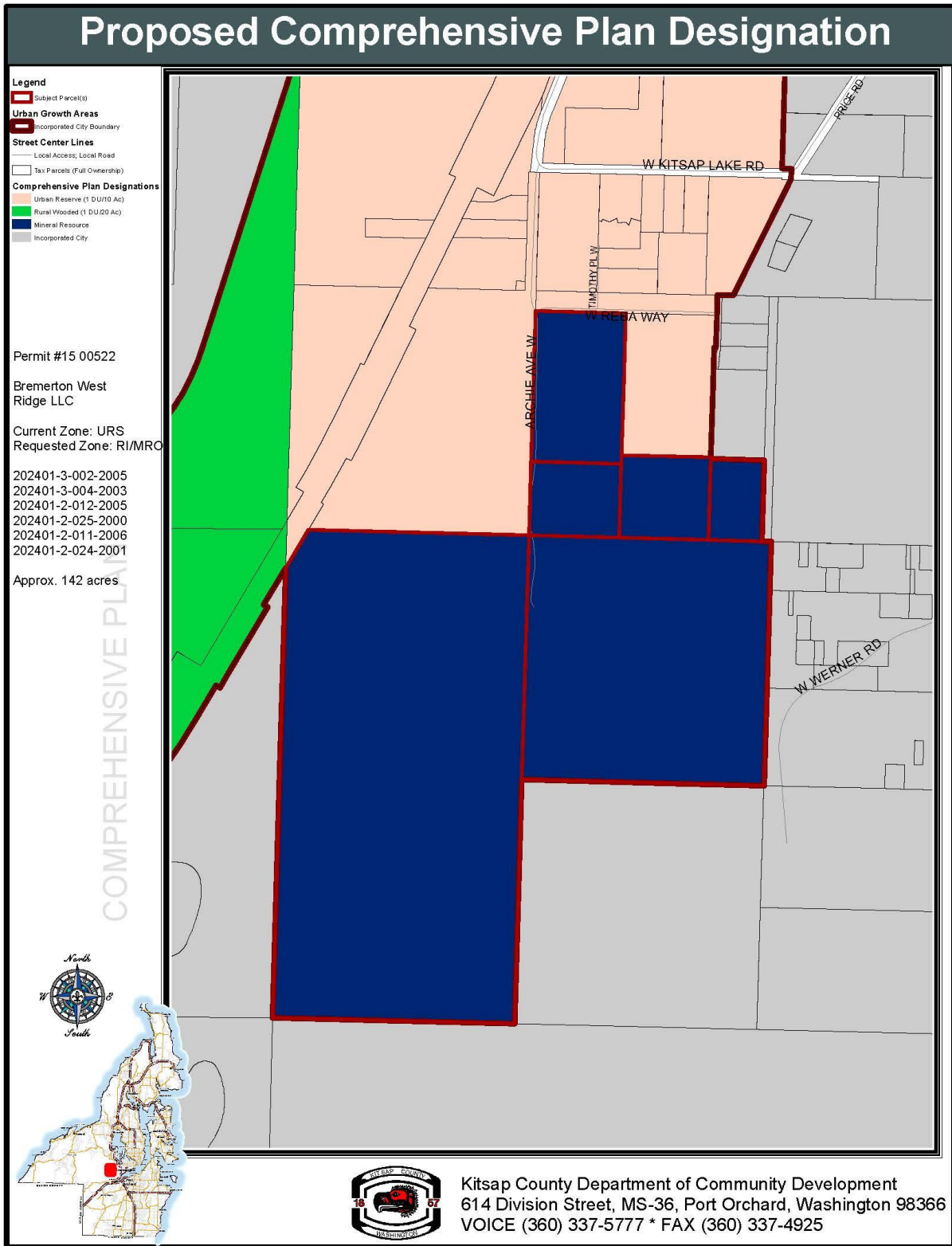
Attachment 5: Proposed Zoning



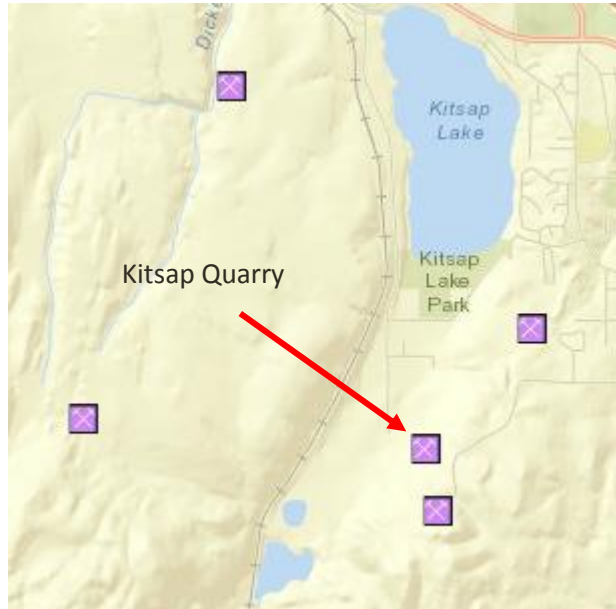
Attachment 6: Current Comprehensive Plan Designation



Attachment 7: Proposed Comprehensive Plan Designation



Attachment 8. WA DNR Active Earth Resource Permit Locations



Source: Washington Department of Natural Resources, 2015

Attachment 9. City of Bremerton Transportation Concurrency Letter



**PUBLIC WORKS & UTILITIES
Engineering Division**

June 18, 2014

Mr. Mark Mauren
Operations Manager
Ueland Tree Farm
6323 Pioneer Way East
Puyallup WA, 98371

Subject: Developer Agreement for Ueland Tree Farm, LLC Proportionate Share of Maintenance for Werner Road

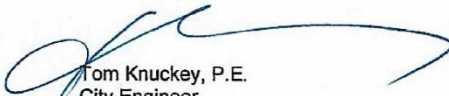
Dear Mr. Mauren:

Relocated truck traffic from the Ueland Tree Farm aggregate mines through Kitsap Quarry to Werner Road will result in increased truck traffic on City roadways, and Werner road has the capacity to support the additional traffic. In accordance with BMC 11.12.070(c), mitigation funding may be required to address traffic impacts. This agreement is similar to the previous agreement dated September 5, 2013 between the Ueland Tree Farm and the City of Bremerton (City) relating to increased truck traffic from Kitsap Quarry. We concur with your calculated impact fee of \$95,200 based on a proportional increase in truck traffic using data from the April 9, 2014 JTE Technical Memorandum, the December 21, 2012 Parametrix Report, and e-mail correspondence dated June 17, 2014.

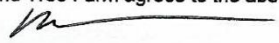
In lieu of cash payment, all or a portion of this mitigation fee may be paid by providing quarry materials to the City at market value with the materials picked up by the City or its contractor from the quarry. Full payment in cash or materials shall be obtained by the City within 15-years of the date of this agreement for a single project that will reconstruct all or a portion of Werner Road within the City. Since the date of this future project has not been identified, the \$95,200 value will be adjusted for inflation using 90% of the Seattle-Tacoma-Bremerton CPI-U index.

If Ueland Tree Farm agrees to the mitigation value and calculation, please indicate acceptance by signing below where indicated. If you have any questions or concerns, please contact me at (360) 473-2376.

Sincerely,


Tom Knuckey, P.E.
City Engineer

Ueland Tree Farm agrees to the above terms:

By: 
Mark Mauren
Operations Manager
Ueland Tree Farm

CC: Shannon Corin, City Clerk
Chal Martin, Director

0614-10

Tel 360.473.5270
Fax 360.473.5398
3027 Olympus Drive
Bremerton, WA 98310