

Kitsap County Planning Commission Minutes – October 17th 2017

KITSAP COUNTY PLANNING COMMISSION
Administration Building – Commissioner’s Chambers
November 14th, 2017 @ 5:30 pm

These minutes are intended to provide a summary of meeting decisions and, except for motions made, should not be relied upon for specific statements from individuals at the meeting. If the reader would like to hear specific discussion, they should visit Kitsap County’s Website at <http://www.kitsapgov.com/dcd/pc/default.htm> and listen to the audio file (to assist in locating information, time-stamps are provided below).

Members present: Robert Baglio (Chair), Karanne Gonzalez-Harless, Aaron Murphy, Joe Phillips, Tom Nevins, Spencer Stegmann, and Jim Svensson

Members absent: Richard Shattuck, Gina Buskirk

Staff present: Jim Bolger, Holly Roberts, Darren Gurnee, Dave Ward, Liz Williams, Amanda Walston

05:29:55

A. Call meeting to Order, Introductions

B. Adoption of Agenda

- Minutes from the October 17th 2017 meeting will be reviewed and presented for approval at the next regular meeting, which is scheduled for November 21st 2017.
- Motion: Spencer Stegmann moves to adopt Agenda as presented, with approval of minutes postponed to next meeting.
 - Second: Joe Phillips
 - Vote: 7 in favor; 0 opposed – motion carries.

C. Approval of Minutes

- Minutes from the October 17th 2017 meeting will be reviewed and presented for approval at the next regular meeting, which is scheduled for November 21st 2017.

05:31:20

D. Work Study: 17 03997 Kitsap Golf & Country Club Open Space Application – Holly Roberts, DCD Planner

- Holly Roberts presents a Staff Report and recommendation on the 17 03997 Kitsap Golf & Country Club Open Space Application.

Public Hearing: 17 03997 Kitsap Golf & Country Club Open Space Application – Holly Roberts, DCD Planner

- Hearing Open: 05:34:31
- Speakers: None
- Hearing Close: 05:34:38

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1 **Deliberation and Findings of Fact: 17 03997 Kitsap Golf & Country Club Open Space**
2 **Application – Holly Roberts, DCD Planner**

- 3 • **Motion: Tom Nevins moves to approve the Open Space application and Findings of**
4 **Fact as presented by Staff.**
- 5 • **Second: Joe Phillips**
- 6 • **Vote: 7 in favor; 0 opposed – motion carries.**

7 **05:35:13**

8 **E. Public Hearing: – 2017 Development Code Amendments Batch of 33 - Liz Williams, DCD**
9 **Planner**

- 10 • **Liz Williams briefly describes the batch of codes proposed for approval, introduced**
11 **at the October 17th 2017 Planning Commission meeting.**
- 12 • **Deliberation and Findings of Fact for this proposal will take place at the November**
13 **21st 2017 Planning Commission meeting.**
- 14 • **Discussion: Outreach has included a variety of methods, including creation of a**
15 **website, mailing list and GovDelivery. To date, (3) comments have been received, a**
16 **complete list of comments will be submitted.**

17 **5:41:32**

- 18 • **Hearing open: 05:41.32**
- 19 • **Speaker: Kevin Tisdel of Chico, WA**
- 20 • **Mr. Tisdel is a 3rd generation Kitsap County resident who questions**
21 **whether we should be trying to match the growth and density levels of**
22 **larger jurisdictions, such as King County.**
- 23 • **Mr. Tisdel felt there was not enough time for him to read and understand**
24 **the material provided and found the website difficult to navigate. He asks**
25 **for more time for citizens to consider the proposal.**

- 26 • **Hearing closed: 5:44:15**
- 27 • **Ms. Williams will follow up with the speaker, and there will also be an opportunity**
28 **to speak again before the Board of County Commissioners before adoption.**
- 29 • **Question/Discussion: Aaron Murphy believes Footnote 46, Item 23, Footnote 46**
30 **regarding porches could be contradictory. Ms. Williams clarifies this change was**
31 **requested specifically through the Keyport Community group sub-area planning**
32 **process and only applies to the Keyport Village Commercial Zone.**

33 **5:47:05**

34 **F. Public Hearing: – 2017 Development Code Amendments Batch of 33 - Liz Williams, DCD**
35 **Planner**

- 36 • **Darren Gurnee briefly describes the batch of 3 code amendment proposed for**
37 **approval, introduced at the October 17th 2017 Planning Commission meeting.**

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- The public comment period will remain open until November 30, 2017.
- **New and existing short-term vacation rentals** would be required to obtain a permit similar to Bed & Breakfast (B&B) establishments. Alternatives may be developed, such as establishing a registry and over-the-counter permit
- **Discussion:** The Planning Commission requested clarification on location, volume and content of complaints at the last meeting and feels the information is needed in order to understand and move through the next phases, including the Public Hearing.
 - DCD responds that the level of complaints has been difficult to label and quantify as there is no current list of existing rentals or method of attaching specific details to specific complaints. Other avenues, such as code enforcement and law enforcement do not typically specify that properties are short-term vacation rentals in their response or record.
- **Question/Clarification:** The cost of an Administrative Conditional Use Permit (ACUP) is approximately \$5,000 and a Conditional Use Permit is approximately \$8,000 and is a reason DCD is looking to develop alternatives, such as an over-the-counter permit that also identifies registered owner/operators.

5:59:30

- **Amending lot size exemptions** allows minimum densities to be met without requiring subdivision through a critical area when it can be achieved otherwise.
- **Question/Clarification:** This applies to currently registered lots; future lots would have to meet the maximum lot size.
- **Amending paved parking area terminology** to read paved or porous concrete to prevent the misinterpretation that gravel is acceptable where paved surface is required.
- **Question/Discussion:** Will short-term rentals be required to meet ADA compliance, or will there be any exemption possibility? The Planning Commission requests clarity around this before changing code. DCD will research and clarify.
- **Chair Baglio clarifies the extension of the comment deadline applies to written comment, there will not be another hearing before the Planning Commission, and opens floor to public testimony**

6:03:56

- **Public Hearing Opens**
- **Testimony: Jackie Lewis of Keyport, WA**
 - Owns Grandview Gardens Bed & Breakfast and believes there is a massive difference between a B&B and a rental through Airbnb or VRBO.
 - She cares, as do most other traditional B&B owners about their property, their community, their neighbors and are able to consider and accept or decline requests for rentals based on circumstances that may affect them.

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- 1 • B&B owners have to apply for an ACUP, maintain licensing for food and
2 beverage and invest a great deal of time and money during the lengthy
3 process, which took over a year in her case.
- 4 • It doesn't make sense, and she has a serious objection to asking previously
5 established B&B business owners to go through another process.
- 6 • The County is missing multiple tax and license benefits, such as owner,
7 sales, property and use taxes, that B&B owners are paying. Short-term
8 rentals come along and pay none of that and they probably should.
- 9 • Other places, like New York City have been calling short term rentals
10 alternative hotel sites and requesting budgets and other financial document
11 so they will have to pay some of those taxes and costs.

12 **6:08:04**

- 13 • **Clarification:** Current, established B&B businesses permitted through the CUP/ACUP process
14 will not have to re-apply or go through the process again.
- 15 • **Question/Clarification:** Will this change to code contradict or create duplication in other parts
16 of the permitting process such as health/safety compliance? This only affects previously
17 established, non-permitted businesses. New use applications are required to follow the
18 CUP/ACUP process which includes health/safety requirements, so there is no contradiction.

19 **06:10:02**

- 20 • **Testimony: Mark Eisses of North Kitsap**
 - 21 • Works in Central Kitsap in the engineering field and believes the County
22 should maintain a list of the legally established businesses who have
23 followed the zoning process for b&b's that have been in place since 1995.
24 They shouldn't have to deal with this and the County should see that the
25 illegal operators don't get a special pass on the rules.
 - 26 • Maximum lot sizes went into effect last year, leaving many unsuspecting
27 owners with vacant land they bought in an Urban Growth Area (UGA) that
28 now prohibits them from building unless they subdivide. If you bought a half
29 acre or acre and wanted to build a home, now you have to build 25. He
30 believes this doesn't make sense, and asks if the County has a list of how
31 many property owners are affected by this. He also questions how the
32 difference in lot sizes and requirements affects sewer and septic.
 - 33 • He feels the County recognizes there is a problem, but needs to do more
34 research before passing these amendments because there are unintended
35 consequences.
 - 36 • As an example, taking a piece of parking code that covers every single zone
37 in the County, and giving it a blanket change to 'within the UGA' will have
38 unintended consequences and undo standards for parking within each zone.
 - 39 • He questions the County's proposed change to require paved surfaces
40 based on the claimed intent, but does it make sense to require it in all
41 places? You've included industrial zones in this, so do you need a gravel lot

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1 at the fairgrounds, for boat storage, or in a contractor's yard? Do you need
2 pavement or is gravel or a durable surface, which is how it's stated
3 currently, good enough? If you put in a water reservoir and you have to
4 provide two parking stalls for the contractors, do they need a paved lot?
5 This just doesn't make sense and he does not believe the intent was ever to
6 have all paved parking lots everywhere.

- 7 • He is asking the Planning Commission to ask the County more questions.
8 Especially on the maximum lot size. Use technology to identify all lots in
9 urban low that are affected, then follow up and explain what this change
10 means to the property they bought. Most of the general public doesn't have
11 the same level of knowledge as the Planning Commission or staff or
12 someone who works with this every day.

13 **6:16:40**

- 14 • **Testimony: Annalise Baglio of Port Orchard, WA**

- 15 • Sells Real Estate and has many clients who have purchased property for
16 VRBO. Can't speak to Airbnb, but in her experience with VRBO, they require
17 taxes, insurance and safety mechanisms to be in place before they can list
18 on the VRBO website, so some of these concerns are already addressed.
- 19 • She is curious about whether and what kind of outreach was done to the
20 individual owners who operate these? Has there been a conversation or
21 process with the stakeholders? That would be beneficial to all.
- 22 • There are also questions from some individuals she has spoken to, as to
23 what kind of complaints have been received, because they also have rules
24 and regulations in place for the rentals they own and operate, so people
25 want to know more about that.

26 **6:18:45**

- 27 • Aaron Murphy feels there is a big difference between a 6 – 8 bedroom b&b and some
28 of the smaller houses being rented out and questions the need for regulating rental
29 houses, especially if Airbnb has its own set of rules and regulations.
- 30 • Tom Nevins suggests continuing discussion after the public hearing is closed.

31 **6:20:05**

- 32 • **Testimony: Ken Erickson of Hansville, WA**

- 33 • Owns a VRBO, has been in real estate over 30 years and has rented in
34 Florida, New York and other locations.
- 35 • As an owner, he usually sees about 3 months or so in a year where people
36 are renting. The rainy offseason doesn't see much demand. Often the
37 renters are families coming in for an event, or meeting for a vacation and
38 instead of reserving a big block of hotel rooms they think it's nice to have a
39 house where they can all gather. For most owners he knows, it's smaller
40 scale and the unincorporated areas don't see near as much business as

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- 1 • He, and other VRBO owners collect their own taxes and other forms and
2 requirements under their business license and send it all in. Word of mouth
3 is a big deal and if there was a complaint at my place, everyone would know
4 who owns it, because you just look it up on the website. People give reviews
5 and they list all the details about your place, complaints are lodged on the
6 site and higher ratings and reviews are something you want to work at.
- 7 • There is lots of information on the VRBO website, you can just go in and pick
8 the area you want to look at and they all come up or you can pick an
9 address.
- 10 • He considered becoming a b&b, but chose not to. He has stayed in other
11 VRBOs all over the states and it's nice to have a place larger than a hotel
12 room, besides, hotels in Kitsap County are pretty packed already
- 13 • As an owner, you can set limits for things like an age, size of the group,
14 purpose for the rental or other things, because as an owner, you care about
15 what happens. Sometimes the complaints we have about the renters that
16 are a bigger concern.

17 **6:25:55**

- 18 • **Discussion Clarification:** An occupancy limit, or maximum number of
19 vehicles are among the details that are specified by the owner in the rental
20 details for each property on the national registry. This also specifies the
21 owner/operator information and any complaints that may have been
22 lodged through VRBO by a renter or by the owner/operator can also be
23 found on this website.

24 **6:29:45**

25 • **Testimony: Kevin Tisdell of Chico, WA**

- 26 • Looked into the process of purchasing a property for use as Airbnb, and can
27 see that it could be a glaring conflict and liability for the County, who is
28 charged with meeting density requirements
- 29 • Airbnb makes the process of purchasing a home with the intent of operating
30 a short-term rental easier by offering financing of loans for the down
31 payment, creating more incentive to buy up available single-family homes
32 and turn them into vacation investment rentals.
- 33 • This could possibly create a destination or tourism appeal for Kitsap County,
34 similar to Leavenworth or other places, but that does seem to go against the
35 intent here.

- 36 • **Chair Baglio closes the Public Hearing portion, noting that the period to submit**
37 **written public comment will remain open through November 30, 2017**

38 **06:32:00**

39 **G. Admin Update – Jim Bolger, DCD Assistant Director**

- 40 • **Electronic plan review and online permitting system will go live in phases with a soft**
41 **rollout on November 6th with fire permits already online. Our Outreach Staff is**

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1 working with customers and scheduling training demonstrations around the County
2 for stakeholder groups like Kitsap Builders Association and others, also can host
3 sessions in places of business and other large groups. We will hold one for the
4 Planning Commission at an upcoming meeting. For individuals who still want to
5 come in, those without electronic capabilities or for other reasons, we will still have
6 some assistance available in office as well.

- 7 • DCD's annual fee adjustment is moving forward, we held a Work Study with the
8 Board of County Commissioners yesterday. Title 21 fees are currently based on a
9 deposit and then we actual cost throughout the process is calculated and the
10 applicant is either billed for outstanding or refunded the difference. We are now
11 able to consistently estimate the costs associated with several of these closely
12 enough that 17 of 71 Title 21 permits will now have flat fees
- 13 • The past 10 years of permitting revenues was requested at the last meeting, the
14 chart in your packet shows those numbers
- 15 • For staff updates, Jeff Rowe has left to take a position with Pierce County, so the
16 Certified Building Official/Assistant Director is an open position, we also have a few
17 term inspector positions open for projects based largely in the silverdale area with
18 Central Kitsap School District, the hospital and others, those will run through 2019.
19 Also a new position to provide cross training on commercial inspections, as we
20 prepare for some retirement on that side

21 H. Good of the order

- 22 • **Clarification:** Record is kept open until November 30 for the Batch of 3, while the
23 batch of 33 will be back for deliberation at the meeting on November 21
- 24 • **Request for Clarification:** The Planning Commission asks for some real data, not too
25 many details, but enough to be informed about the differences of what is required
26 already for these kinds of short-term rentals. No need for b&b's as they are already
27 regulated through the permitting process

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30 Time of Adjournment: 6:43:48

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34 Minutes approved this 19 day of December 2017.

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38 Robert Baglio, Planning Commission Chair

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Amanda Walston, Planning Commission Clerk