

# **Executive Summary for Planning Commission**

Issue Title:	Amendments to Kitsap County Development Code
Meeting Date:	December 19, 2017
From:	Darren Gurnee, Planner

#### **Action Requested At This Meeting:**

- 1) Review public comment received regarding proposed amendments.
- Deliberate and make a formal recommendation to the Department of Community Development regarding <u>one</u> proposed amendment to Kitsap County development code, maximum lot size exemption.

#### **Background**

The proposed amendments to Kitsap County development code were introduced to the Planning Commission during a work study on October 17, 2017. The proposed amendments impact Title 17 (Zoning), and relate to the following topic areas:

- permit requirements for vacation rentals;
- paved parking areas in Urban Growth Areas (UGAs); and
- maximum lot size in Urban Growth Areas (UGAs).

Public outreach was conducted through a dedicated and up-to-date web page, email notification to 22,000 subscribers, and meetings with various interested parties. A public comment period was made available via an online form on October 19, 2017. The Planning Commission held a public hearing on November 14, 2017 to accept public testimony regarding the proposed amendments. The public comment period was extended to November 30, 2017 to receive additional written public testimony. A summary of the written and verbal testimony received throughout the process can be found in **Attachment A**.

Based on feedback received to date the Department of Community Development will be withdrawing two of the three items introduced at Planning Commission public hearing on November 14, 2017 to allow for additional analysis and public outreach.

#### Permit Requirements for Vacation Rentals

The Department is withdrawing the proposed amendment that impacts permit requirements for short-term rentals. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for regulating short-term rentals. Should the need for additional alternatives be identified in the future, the Department would reinitiate the public process, introduce additional analysis, and present the identified alternatives at a new public hearing held by the Planning Commission.

#### Paved Parking Areas

The Department is withdrawing the proposed amendment which would clarify the surface requirements for off-street parking areas in Urban Growth Areas. The current definition of "durable and dustless" is ambiguous and leads to inconsistent interpretations of code requirements. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for surface requirements of parking and maneuvering areas in Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Census Urbanized Areas, and all other areas. Once additional alternatives are identified, the Department would reinitiate the public process, introduce additional analysis, and present the identified alternatives at a new public hearing held by the Planning Commission.

#### Recommendation

The Department of Community Development is presenting the following code amendment which is summarized in Attachment B for the Planning Commission's deliberation and consideration. Attachment C contains the existing and proposed language for the proposed code amendment. Language proposed to be deleted is shown in strikethrough. Language proposed to be added is shown in red and underlined.

#### Maximum Lot Size Exemptions

An analysis completed by the Department has been included within Attachment D for the Planning Commission's review ahead of deliberation and action on the proposed exemptions to the existing maximum lot size provisions in Kitsap County Code. The code requirements were established in 2016 as a "reasonable measure" and impacts approximately 422 vacant parcels within Kitsap County Urban Growth Areas. The proposed code amendment would reduce the number of vacant parcels impacted to 199. The analysis suggests that the proposed code amendment better aligns with Kitsap County Comprehensive Plan policies and county-wide planning policies including; natural systems protection, livable urban communities and neighborhoods, and responsive government.

#### Attachments

Attachment A: Amendments to Kitsap County Development Code: Written & Verbal Comment Matrix Attachment B: Amendments to Kitsap County Development Code: Summary of Changes

Attachment C:

Attachment D:

Amendments to Kitsap County Development Code: Detailed Language Analysis of Maximum Lot Sizes - Summary of the Potential Impact of Amending Kitsap County Code 17.420.060(A)25

Name	Method	Comment	Response to Comment
Jackie Lewis	In-Person at 11/14/2017 Public Hearing 6:04:00 PM	<ul> <li>Location: Keyport</li> <li>there is a distinction between bed and breakfast and AirBnB. Owners of a bed and breakfast are on site.</li> <li>Obtained an ACUP in 2009 and should not have to go back and register the operation, has operated in 7 years without a complaint, everything is inspected, and pays taxes on the revenue from renting her home</li> <li>county is missing out on tax revenue</li> <li>AirBnB are not inspected for safety or health, bed and breakfast operations pay and operate under state regulations</li> </ul>	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach Uses that obtained a conditional use permit would not be required to apply for a new permit to continue operation. The Department is withdrawing the proposed amendment that impacts permit requirements for short-term rentals. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for regulating short-term rentals.
Mark Isis	In-Person at 11/14/2017 Public Hearing 6:12:00 PM	<ul> <li>Proposals appear to be developed in a vaccuum</li> <li>Bed and breakfast's have been in the code since 1995, why add vacation rentals</li> <li>Staff should provide more analysis so that an informed recommendation can be made by planning commission</li> </ul>	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirements for short-term rentals. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for regulating short-term rentals. The definition of a "vacation rental" and the permissibility by zone to establish a vacation rental use was adopted in June of 2016, see Kitsap County Code (KCC) 17.110.738 'Vacation rental' and KCC 17.410.040 (A - C) 'Allowed Uses'. The intent of the proposed amendment was to allow Kitsap County to: • provide a mechanism for neighbors to be notified and provide feedback on proposed uses; • reduce potential adverse impacts to surrounding areas; • reduce the number of complaints received; • provide county services to short-term rental locations; and • ensure building and fire regulations are met and the structure can accommodate proposed occupants. The proposed amendment, that is currently withdrawn from discussion, would have applied permissibility requirements to uses established prior to June 2016 to allow Kitsap County.
Mark Isis Continued Testimony	In-Person at 11/14/2017 Public Hearing	<ul> <li>Proposals appear to be developed in a vaccuum</li> <li>Maximum lot size: how many parcels are affected by current code, how many would be affected by proposed code, staff should be providing this information, entire requirement should be removed</li> <li>Staff should provide more analysis so that an informed recommendation can be made by planning commission</li> </ul>	Maximum Lot Size Exemption: No change recommended Planning Commission Deliberation: December 19, 2017 The maximum lot size requirement was established in 2016 as a "reasonable measure" and impacts approximately 422 vacant parcels within Kitsap County Urban Growth Areas. The proposed code amendment would reduce the number of vacant parcels impacted to 199 and . The analysis suggests that the proposed code amendment better aligns with Kitsap County Comprehensive Plan and county-wide planning policies including; natural systems protection, livable urban communities and neighborhoods, and responsive government. The proposed amendment intends to reduce the creation of lots encumbered by critical areas and the potential for reasonable use exemptions and furthers the protection of natural resources. Adding additional flexibility for projects that meet minimum density requirements also helps to ensure livable urban communities and neighborhoods that offer a wide variety of housing choices.

Name	Method	Comment	Response to Comment
Mark Isis Continued Festimony	tinued at 11/14/2017 - Paving surfaces: language was established in 1995. Doesn't seem right to not allow g public Hearing facility for vehicles or boats, the k fairorounds parking area, serves its purpose and gravel is appropriate, why force that use		Paved Parking Areas: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment which would clarify the surface requirements for off-street parking areas in Urban Growth Areas. The current definition of "durable and dustless" is ambiguous and leads to inconsistent interpretations of code requirements. The intent of this code means a paved surface that can withstand vehicle loads and traffic. The Kitsap County Department of Community Development has consistently followed this interpretation. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for surface requirements parking and maneuvering area in Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Census Urbanized Areas, and all other areas.
Ana Li Baglio	In-Person at 11/14/2017 Public Hearing 6:16:00 PM	<ul> <li>Real estate profession and helps clients find Vacation rentals</li> <li>Vacation rentals pay taxes and insurance</li> <li>County should outreach to these owners, get a list from the state and send those owners a notification</li> </ul>	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirement for short-term rentals. Written and verbal testimony received to date demonstrates the ner for additional public outreach to identify alternative options for regulating short-term rentals
Ken Erickson	In-Person at 11/14/2017 Public Hearing 6:20:00 PM	<ul> <li>VRBO Owner in Hansville</li> <li>Market for rental is only 3 months (July, Aug, Sept)</li> <li>obtained a business license through the state and pays taxes, parking not a problem, license addresses health district concerns</li> <li>looked at Bed and Breakfast use but the permit was too expensive and onerous</li> <li>occupancy limit is prescribed</li> <li>rules established for rental because the owner doesn't want the house destroyed</li> </ul>	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirement for short-term rentals. Written and verbal testimony received to date demonstrates the net for additional public outreach to identify alternative options for regulating short-term rentals
Kevin Tisdale	In-Person at 11/14/2017 Public Hearing 6:29:00 PM	<ul> <li>short term rentals are a potential liability for the County</li> <li>vacation rentals takes housing away from long term rental market</li> <li>ultimately increases the cost of housing in Kitsap</li> <li>supplemental to verbal testimony, written comments hand delivered prior to November 30, 2017 were scanned and are provided in the link below</li> </ul>	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirement for short-term rentals. Written and verbal testimony received to date demonstrates the ne for additional public outreach to identify alternative options for regulating short-term rentals. The intent of the proposed amendment was to allow Kitsap County to: • provide a mechanism for neighbors to be notified and provide feedback on proposed use • reduce potential adverse impacts to surrounding areas; • reduce the number of complaints received; • provide county services to short-term rental locations; and • ensure building and fire regulations are met and the structure can accommodate propos occupants.

Name	Method	Comment	Response to Comment
Kevin	Online Form	Vacation Rental and Paved Parking provisions should not be added to the Code and the property owners shouldn't be required to subdivide their land in order to build. The requirements of going through a very expensive hearing examiner to get approval to continue operate a vacation rental in an area where we should encourage people to visit is absurd. You're making it much more difficult to get approval and allowing the neighboring property owners will be shut down because they either cannot afford the fees, or the neighbors are jerks. If the neighbors want the right to more fully control their neighbor's land, they should purchase it or come to a mutual agreement with their neighbor. There's something to be said for purchasing property that has CC&Rs. I can understand more for areas where it would have a larger impact for such a small benefit, like small-lot (less than 0.25 acre parcels) residential subdivisions. To pull previously approved operations is ridiculous. The previous approval comes from the lack of regulation. I'm sure there were some people hustling to get their vacation rental up and running prior to the last code change. And the County at that time probably promised that those businesses would not be affected. The County's development fees are high enough, there's no need to make it more difficult for property owners to enjoy their land and any benefits they might have from it. If weddings and other large gatherings are an issue, create an additional land use classification and require a permit for weddings for more .	The Department is withdrawing the proposed amendment that impacts permit requirements for short-term rentals. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for regulating short-term rentals. Currently, permissibility of event venues in rural locations is regulated via Kitsap County Cord 17.410.040 (A-C) 'Allowed Uses' under categorical use 306 'Club, civic or social'.
Kevin	Online	The maximum lot size exemption shouldn't have been implemented to begin with. If I own vacant land, I should be able to build a single-family dwelling without having to go through the process of subdividing. The net result is having to have unnecessary multiple taxable parcels, which are not guaranteed to be built on, but they sure as heck will be taxed like that. Setbacks and other development restrictions will limit the buildable area. There are too many two-story houses in this community and not enough opportunity for property owners to build something that suits them so they can grow old in place. I hope you end up in a nursing home, because you can't climb the stairs in your house, for even thinking this is a good idea.	Maximum Lot Size Exemption: No change recommended Planning Commission Deliberation: December 19, 2017 The code requirements were established in 2016 as a "reasonable measure" and impacts approximately 422 vacant parcels within Kitsap County Urban Growth Areas. The proposed code amendment would reduce the number of vacant parcels impacted to 199. The analysis suggests that the proposed code amendment better aligns with Kitsap County Comprehensive Plan and county-wide planning policies including; natural systems protection livable urban communities and neighborhoods, and responsive government. The proposed amendment intends to reduce the creation of lots encumbered by critical areas and the potential for reasonable use exemptions and furthers the protection of natural resources. Adding additional flexibility for projects that meet minimum density requirements also helps t ensure livable urban communities and neighborhoods that offer a wide variety of housing choices.
Kevin	Online	So, let me get this straight, first you add porous gravel driveways to the stormwater regulations as impervious surfaces, now you want to require property owners to pave their driveways. Which is it? Requiring a paved or hard-surfaced driveway might be acceptable for commercial or high-use purposes and possibly for medium to higher-density residential development (over five dwelling units per net residential acre), but it doesn't work well for lower-density development. Single-family homes are relatively low trip generators. The amount of dust that is kicked up in lower-density residential developments is not impactful.	Paved Parking Areas: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment which would clarify the surface requirements for off-street parking areas in Urban Growth Areas. The current definition of "durable and dustless" is ambiguous and leads to inconsistent interpretations of code requirements. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for surface requirements parking and maneuvering area in Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Census Urbanized Areas, and all other areas.
Michael Armstrong	Online Form	Currently (3) states "Revise language to require new parking areas in Urban Growth Areas (UGA) to be "paved"." Should pervious paving be recommended or required?	Paved Parking Areas: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment which would clarify the surface requirements for off-street parking areas in Urban Growth Areas. The current definition of "durable and dustless" is ambiguous and leads to inconsistent interpretations of code requirements. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for surface requirements parking and maneuvering area in Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Census Urbanized Areas, and all other areas. Alternatives could include incorporating specific types of pervious pavement options.

Name	Method	Comment	Response to Comment
Pat Fuhrer	Online Form	I think that this maximum lot size exemption is a carry over from the legacy lot aggregation Staff proposal during the Comp Plan Update last yearit is NOT a Reasonable Measure to promote density in the UGA, and will affect citizens who own larger parcels in the subject zones adversely if they plan on building a single home, by FORCING them to do an expensive subdivision, which leads to street frontage improvements, additional storm water improvements, extending sewer mains in the streets, etc. It is NOT a reasonable measure because property owners are not going to do be able to pencil these small subdivisions! If Staff feels that this is a MANDATE from the Growth Management Gurus up on-high and there is no way around the max. Iot sizethen lets go back to the pre-plan submittal days of yore, and show how a large parcel MAY be further divided in the future, and require their proposed building to comply with the pre-plan and ditch the maximum lot size idea please!	Planning Commission Deliberation: December 19, 2017
			development regulations were removed as a reasonable measure "to encourage sewer connection and urban densities sooner" as stated in the Kitsap County August 2007 Builda Lands Report: Appendix C 'Reasonable Measures". Changing Kitsap County Code to allo preplanning is not recommended at this time.
Pat Fuhrer	Online Form	It really bothers me that Staff is pursuing this code mandate to projects over the guise of meeting "the intent of the Code"we have found the same reference to the same language in "the code" going back to the 80's!!! I don't believe there is a single Staff member that has been around long enough to know what the "intent' of "durable and dust free" (aka "all-weather surfaces") surfacing meant to the original authors over 30 years ago! I have personal experience as to why Staff and the Director are proposing this code amendment: clients wanted to expand their existing outside storage facility, and wanted gravel surfacingjust like their existing site had currently. DCD commented during permit review that the proposed gravel surface did not meet the intent of "durable and dust free", and requested that the project be paved. This would have added over \$60,000 to the cost of their project! Fortunately, our clients were able to get Staff to agree that gravel surfacing was and is in-fact durable and dust free and met the codeespecially given the light traffic use of the site! This code requirement to me is a Big Brother over-reachlet the private sector and project proponents drive whether their commercial or industrial project needs to be paved or not to be profitable. Does Staff think that my clients chose a gravel surface knowing full well that their customers would stick around with all the dust on their million-dollar motorhomes? Does Staff believe that the gravel and grass parking areas that are used intermittently at the County Fairgrounds, for example, be paved? I would hope not, because obviously there has not been a NEED identified to do so during the driest times of the year!!!! I would challenge Staff to produce a record of dust complaints in the UGA's and the circumstances surrounding the complaint before adopting this code amendment it really isn't a MINOR decision to	The Department is withdrawing the proposed amendment which would clarify the surface requirements for off-street parking areas in Urban Growth Areas. The current definition of "durable and dustless" is ambiguous and leads to inconsistent interpretations of code requirements. The intent of this code means a paved surface that can withstand vehicle loads and traffic. The Kitsap County Department of Community Development has consistently followed this interpretation. Written and verbal testimony received to date demonstrates the need for additional public outreach to identify alternative options for surface requirements parking and maneuvering area in Urban Growth Areas (UGAs), Limited Areas of More Intense Rural Development (LAMIRD), Census Urbanized Areas, and all other areas. This effort would include the possibility of exemptions for specific uses.

Name	Method	Comment	Response to Comment
Chris Ehlert	Online Form	I own a .94 acre (UL) 5-9 dwellings per acre lot and would like exceptions. There is no sewer nearby and I have type 4 soils with public water source. There should be exceptions if there is no sewer nearby. The health department requires 18,000 sq. feet minimum for a single family home septic with type 4 soils and a public water source.	Maximum Lot Size Exemption: No change recommended Planning Commission Deliberation: December 19, 2017 The code requirements were established in 2016 as a "reasonable measure" and impacts approximately 422 vacant parcels within Kitsap County Urban Growth Areas. The propose code amendment would reduce the number of vacant parcels impacted to 199. The analys suggests that the proposed code amendment better aligns with Kitsap County Comprehensive Plan and county-wide planning policies including; natural systems protecti livable urban communities and neighborhoods, and responsive government. The propose amendment intends to reduce the creation of lots encumbered by critical areas and the potential for reasonable use exemptions and furthers the protection of natural resources. Adding additional flexibility for projects that meet minimum density requirements also helps ensure livable urban communities and neighborhoods that offer a wide variety of housing choices.
Gary T. Chrey		Greetings, I am the owner of Kitsap County tax parcel number 032401-3-095-2004 which is zoned Urban Low Residential and is located in the Rocky Point area of Kitsap County. This email is submitted as a comment regarding the consideration by the Kitsap County Planning Commission and the Kitsap County Board of Commissioners of the proposed revision to the Maximum Lot Size language of Section 17.420.060 A.25 of the Kitsap County Code. I have included with this email as an attachment a copy of the Staff Report for the Planning Commission dated November 6, 2017 that was prepared for the hearing that was held on November 14, 2017 for your convenient reference. Please confirm receipt of this email by return email. Kitsap County implemented this Code provision as a Reasonable Measure to induce more building permits to be issued in the Urban Growth Areas. The proposed revision is proposed to clarify issues that have arisen from the implementation of the initial code provision. For example, if the owner proposes an apartment building on a lot in one of these zones that achieved the gross density allowed by the zone (maximum density, gross acreage times maximum density of the zone), the current code does not recognize that the developable area" clause is concerned, it is my understanding that this has already been implemented in practicality because the subdivision standards address minimum required density as being based upon the net developable area. Net developable area is defined as the gross parcel area minus critical areas, roads, storm water management tracts, community drainfields, recreational tracts and so forth. Therefore, it appears that the proposed revisions only provide clarification of the requirement without really addressing the problem. As previously stated, Kitsap County proposed this code element as a Reasonable Measure to achieve a higher ratio of building permits issued in the Urban Growth Areas. The GMA goal is that 90% of building permits should be issued in Urban Growth Areas and therefore less t	Maximum Lot Size Exemption: No change recommended Planning Commission Deliberation: December 19, 2017 Confirmation of receipt was provided on November 30, 2017. The code requirements were established in 2016 as a "reasonable measure" and impacts approximately 422 vacant parcels within Kitsap County Urban Growth Areas. The proposed code amendment would reduce the number of vacant parcels impacted to 199. The analys suggests that the proposed code amendment better aligns with Kitsap County Comprehensive Plan policies and county-wide planning policies including; natural systems protection, livable urban communities and neighborhoods, and responsive government. T proposed amendment intends to reduce the creation of lots encumbered by critical areas a the potential for reasonable use exemptions and furthers the protection of natural resource Adding additional flexibility for projects that meet minimum density requirements also helps ensure livable urban communities and neighborhoods that offer a wide variety of housing choices. In August 2016, a maximum lot size was established for Urban Cluster Residential and Urt Low Residential zoning designations to help achieve minimum density requirements. However, recurring issues have emerged that warrant a change in code to refine the language adopted in 2016. As proposed, the method used to calculate whether an 18,000 square foot threshold is met, as identified in 17.420.060 A.25, would change from gross ar to net developable area. The 18,000 square foot threshold identifies when a footnote (17.420.060 A.25) applies to a parcel, it is not used in a direct calculation of density.
Gary T. Chrey Continued Testimony	Email	The Kitsap Building Association and the development community have previously argued that this is actually an Unreasonable Measure because the uncertainty, cost, frustration and anxiety of going through a subdivision, short plat or not, is not something a person trying to build one house is going to attempt. That person, who would have happily lived in the Urban Growth Area on an oversized lot (greater than 18,000 SF), will find it easier to buy and build on 5 acres in the non-Urban Growth Areas which is counterproductive to the goal of the provision. It is my understanding that the Department of Community Development has received numerous complaints from the public about this "Reasonable Measure" which indicates to me that the requirement does not have the support of the public. It would be interesting to know how many homes that would have otherwise been built in the Urban Growth Areas have now been built in Rural areas of the County.	Preplanning or "shadowplatting" was established as part of Kitsap County Code until the development regulations were removed as a reasonable measure "to encourage sewer connection and urban densities sooner" as stated in the Kitsap County August 2007 Builda Lands Report: Appendix C 'Reasonable Measures". Changing Kitsap County Code to allow preplanning is not recommended at this time.

Name	Method	Comment	Response to Comment
Continued Continued Testimony	Online form and Email	It is clear that the proposed revisions do not improve this ineffective and counterproductive code provision. Other jurisdiction have addressed this issue through "preplanning" which requires that the home be positioned on the lot so that the minimum density of the zone can be achieved with a future subdivision. Kitsap County once allowed preplanning but did not have a good experience and deleted the option years ago. Perhaps this provision should be brought back with better application by DCD to avoid the previous problems. As an alternative, perhaps Kitsap County should consider allowing 2 or 3 lot short plats as needed to achieve this minimum density pursuant to an over the counter same day permit. Another alternative would be for this provision to recognize elements such as availability of sanitary sewer or othe Another alternative would be for this provision to recognize elements such as availability of sanitary sewer or other infrastructure required to achieve densities related to 9000 SF lot sizes. For example, should the provision be limited to parcels within 200 feet of an existing sanitary sewer? At the end of the day, perhaps the most straightforward solution would be for this provision to be repealed in its entirety. Please do not hesitate to email or call with any questions. Thank you for your consideration. GARY T. CHREY chrey@shierslaw.com	
Cinda Bakken		My husband and I own a Guesthouse in Hansville. We have rented our farmhouse for twelve years. Mainly to members of our community to house relatives and friends. We have spoken with other Guesthouse owners and we agree a four to six thousand dollar permit would hugely hurt us. Please do not pass new legislation and/or grandfather existing Guesthouses	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirement for short-term rentals. Written and verbal testimony received to date demonstrates the net for additional public outreach to identify alternative options for regulating short-term rentals
Patricia Dewing	Online Form	Long term vacation rental owner, permitting process a hardship at 4 to 7 thousand dollars. Please grandfather existing house or this legislation. We bring a community service to our community our guest are neighbors family.	Permit Requirements for Vacation Rentals: Withdrawn for further analysis and outreach The Department is withdrawing the proposed amendment that impacts permit requirement for short-term rentals. Written and verbal testimony received to date demonstrates the nee for additional public outreach to identify alternative options for regulating short-term rentals

#### 11/26/2017

**Kitsap County Planning Commission Board** 

Kevin Tisdel

Public Commentreference – Code Amendment, Short Term Rentals or AirbnbRentals

Thank you for reviewing my comments.

After extensive reading and fact gathering, I conclude that:

- Seattle and King County have implemented regulations for Airbnb rentals recognizing that affordable housing is in critical need. See attached documents.
- Currently most of these Airbnb rentals appear to be in the downtown Bremerton "corridor", where housing is more affordable and in proportion to our local workforce average wage and needs. This area is also being consumed by "residential commuters" creating more burden on retirees fixed income and other vulnerable people.
- This is creating more expense for County and City services associated, and drives a growing tax burden
- Airbnb rentals are and should be taxed and permitted as both lodging and commercial use as in Kitsap County ordinances and codes 70-A-1998 lodging tax of 4.0%

17.410.044 (3), good luck finding this code, I cannot find it again. Although it is a change item. I referenced it in my notes?

• Not regulating and making specific zoned areas for allowed use of this type is counterproductive to the well-intended and partially public funded efforts by the Olympic Workforce Consortium, Visit Kitsap, and like models intended to improve our local economic and social stability. We indeed should have these areas zoned for vacation rentals and investment

opportunity much like Seabrook near Ocean Shores. This better alignment would provide local jobs, revenue, and more.

• This code amendment is also not disconnected from a repeated theme in Kitsap County documents containing remarks like "*rapid growth is largely attributed by resident commuters, mostly downtown Bremerton*", and "*basically higher density to accommodate King County*". Careful, thorough, skilled planning is needed to preserve our natural environment and counter the harsh impacts of dense populations.

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Thank you for reviewing my comments.

Kevin Tisdel

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Mobile 206 349 6784 6630 Caledonia Ct NW Bremerton WA 98312

# **Attachment B**

## Amendments to Kitsap County Development Code: Summary of Changes

ID	<b>Topic</b> (Subject)	KCC Ref	Action	Goal, Policy, or Explanation
1.	<b>Maximum Lot Size:</b> (Achieving urban density in Urban Growth Areas (UGA))	17.420.060 A.25	Provide exemptions from the subdivision requirements for lots over 18,000 square feet in Urban Growth Areas.	The need to achieve a higher urban density within Urban Growth Areas is a consistent theme throughout the 2016 Comprehensive Plan. Current code requires subdivision of lots over 18,000 square feet within urban growth area and limits the lot size to no more than 9,000 square feet. Exemptions are proposed to increase Kitsap County Code consistency with the Comprehensive Plan.

## Amendments to Kitsap County Development Code: Detailed Language

## MAXIMUM LOT SIZE

## 17.420.060 Footnotes for Tables.

- A. Where noted on the preceding tables, the following additional provisions apply:
  - 25. For new building permit applications on vacant lots over eighteen thousand square feet located in urban low residential (ULR) and urban cluster residential (UCR) zones, the maximum lot size shall not exceed nine thousand square feet. ; provided, however, that this restriction shall not apply if it conflicts with a condition imposed through subdivision approval... This restriction shall not apply if:
    - a. The net developable area of the existing parcel is less than eighteen thousand square feet; or
    - a.b. The project application will meet minimum density requirements as established by chapter 17.420 'Density, Dimensions, and Design'.



# Analysis of Maximum Lot Sizes - Summary of the Potential Impact of Amending Kitsap County Code 17.420.060(A)25

## Background:

In 2015 the Central Puget Sound Growth Management Hearings Board determined that Kitsap County was not achieving urban densities within designated Urban Growth Areas and must address the issue. Kitsap County responded in 2016 by adopting maximum lot size requirements in Urban Low Residential (UL) and Urban Cluster Residential (UCR) zoning districts. The development regulation requires a vacant parcel over 18,000 square feet located in the UL or UCR zoning districts to subdivide into lots that do not exceed 9,000 square feet prior to issuing a building permit. The development regulation intends to reduce the potential for urban sprawl by ensuring larger parcels within designated Urban Growth Areas achieve higher density as development occurs.

However, the maximum lot size requirement has the potential to create unintended consequences. These consequences include the creation of parcels that are heavily encumbered by critical areas. This can lead to an increase in reasonable use exemptions and development occurring in critical and hazardous areas. Another consequence is reducing flexibility for the development community to propose projects that would otherwise achieve minimum density requirements for the zone. This can lead to a reduction in the type of housing choices available in Kitsap County.

For these reasons, the Department of Community Development (DCD) proposes to amend Section 17.420.060(A)25 of Kitsap County Code (herein referred to as footnote 25). The proposed amendment would exempt development projects from the subdivision requirement if:

- 1. The net developable area of the existing parcel is less than eighteen thousand square feet; or
- 2. The project meets minimum density requirements as established by chapter 17.420 'Density, Dimensions, and Design'.

## <u>Analysis:</u>

An analysis of vacant parcels within the UL and UCR zoning districts was conducted by DCD staff in October 2017. The analysis focused on the impact the proposed amendment would have on privately-owned vacant parcels within the UL and UCR zones. Publicly-owned vacant parcels were removed from the analysis because they were assumed to provide a public benefit and would not likely be developed. The methodology used to determine net developable area was the same as Kitsap County's Buildable Lands Report. It accounts for stream and critical area setbacks and buffers by applying a 75% reduction for critical areas with buffers and a 50% reduction for lands within geologically hazardous areas that are moderate or areas of concern.



# Kitsap County Department of Community Development

Table 1 provides an overview of the number of lots potentially affected before and after the proposed amendment. There were 1,209 privately-owned vacant parcels identified within the UL and UCR zones, of which 422 or 34.9% are greater than 18,000 square feet and subject to the exiting requirements of footnote 25. Next, privatelyowned vacant parcels with a net developable area greater than 18,000 square feet were identified to determine the number of parcels that would be impacted after the proposed amendment. Approximately 199 or 16.5% of privately-owned vacant parcels within the UL and UCR zones would still be required to subdivide prior to issuance of a building permit.

Table 2 offers a summary of the ownership types that would be impacted by the proposed amendment. Ownership can be linked to a person or family for 65.3% of the impacted vacant lots. 17.6% are owned by limited liability corporations and 9.5% are owned by trusts or estates. Churches own 6% and private utilities own the remaining 1.5% of vacant lots impacted by the proposed amendment.

Table 3 demonstrates that the proposed amendment still achieves the original intent of footnote 25 through the creation of between 2,332 and 8,416 developable lots which have the potential to accommodate between 5,830 and 21,040 residents.

The proposed amendment better aligns with county-wide planning policies including; natural systems protection, livable urban communities and neighborhoods, and responsive government. The proposed amendment intends to reduce the creation of lots encumbered by critical areas and the potential for reasonable use exemptions and furthers the protection of natural resources. Adding additional flexibility for projects that meet minimum density requirements also helps to ensure livable urban communities and neighborhoods that offer a wide variety of housing choices.

#### Estimated Impact of Proposed Amendment to KCC 17.420.060.A.25

#### Table 1: Number of Lots Affected Before and After Proposed Amendment

	Urban Growth Area (UGA)									
	Bremerton	Bremerton	Central			Port				
	East	West	Kitsap	Gorst	Kingston	Orchard	Poulsbo	Silverdale	Total	
# of lots in UL & UCR zones	1,463	1,660	5,009	25	649	4,446		4,959	18,211	
# of public vacant lots in UL & UCR zones	26	20	2		2	21		19	90	
# of private vacant lots in UL & UCR zones	91	287	167	13	47	242		362	1,209	
# of private vacant lots in Row C > 18,000sf*	48	82	78	5	19	97		93	422	
% of private vacant lots impacted prior to proposed amendment	52.75%	28.57%	46.71%	38.46%	40.43%	40.08%	n/a	25.69%	34.9%	
# of privant vacant lots (Row D) with net buildable area > 18,000sf**	7	22	45		13	56		56	199	
% of private vacant lots impacted after proposed amendment	7.7%	7.7%	26.9%	n/a	27.7%	23.1%	n/a	15.5%	16.5%	
	# of public vacant lots in UL & UCR zones # of private vacant lots in UL & UCR zones # of private vacant lots in Row C > 18,000sf* % of private vacant lots impacted prior to proposed amendment # of privant vacant lots (Row D) with net buildable area > 18,000sf**	# of lots in UL & UCR zones1,463# of public vacant lots in UL & UCR zones26# of private vacant lots in UL & UCR zones91# of private vacant lots in Row C > 18,000sf*48% of private vacant lots impacted prior to proposed amendment52.75%# of private vacant lots impacted after proposed amendment77%% of private vacant lots impacted after proposed amendment7.7%	# of lots in UL & UCR zones1,4631,660# of public vacant lots in UL & UCR zones2620# of private vacant lots in UL & UCR zones91287# of private vacant lots in Row C > 18,000sf*4882% of private vacant lots impacted prior to proposed amendment52.75%28.57%# of private vacant lots impacted after proposed amendment7.7%7.7%	# of lots in UL & UCR zones1,4631,6605,009# of public vacant lots in UL & UCR zones26202# of private vacant lots in UL & UCR zones91287167# of private vacant lots in Row C > 18,000sf*488278% of private vacant lots impacted prior to proposed amendment52.75%28.57%46.71%# of private vacant lots impacted after proposed amendment7.7%7.7%26.9%	# of lots in UL & UCR zones1,4631,6605,00925# of public vacant lots in UL & UCR zones262022# of private vacant lots in UL & UCR zones9128716713# of private vacant lots in Row C > 18,000sf*4882785% of private vacant lots impacted prior to proposed amendment52.75%28.57%46.71%38.46%# of private vacant lots impacted after proposed amendment7.7%7.7%26.9%n/a	# of lots in UL & UCR zones       1,463       1,660       5,009       25       649         # of public vacant lots in UL & UCR zones       26       20       2       2       2         # of private vacant lots in UL & UCR zones       91       287       167       13       47         # of private vacant lots in Row C > 18,000sf*       48       82       78       5       19         % of private vacant lots impacted prior to proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%         # of private vacant lots impacted after proposed amendment       7.7%       22       45       13         % of private vacant lots impacted after proposed amendment       7.7%       7.7%       26.9%       n/a       27.7%	# of lots in UL & UCR zones       1,463       1,660       5,009       25       649       4,446         # of public vacant lots in UL & UCR zones       26       20       2       2       21         # of private vacant lots in UL & UCR zones       91       287       167       13       47       242         # of private vacant lots in Row C > 18,000sf*       48       82       78       5       19       97         % of private vacant lots impacted prior to proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%         # of private vacant lots impacted after proposed amendment       7.7%       7.7%       26.9%       n/a       27.7%       23.1%	# of lots in UL & UCR zones       1,463       1,660       5,009       25       649       4,446         # of public vacant lots in UL & UCR zones       26       20       2       2       2       21         # of private vacant lots in UL & UCR zones       26       20       2       2       24       242         # of private vacant lots in Row C > 18,000sf*       48       82       78       5       19       97         % of private vacant lots impacted prior to proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a         # of private vacant lots impacted after proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a         # of private vacant lots impacted after proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a         # of private vacant lots impacted after proposed amendment       7.7%       7.7%       26.9%       n/a       27.7%       23.1%       n/a	# of lots in UL & UCR zones       1,463       1,660       5,009       25       649       4,446       4,959         # of public vacant lots in UL & UCR zones       26       20       2       2       21       19         # of private vacant lots in UL & UCR zones       91       287       167       13       47       242       362         # of private vacant lots in Row C > 18,000sf*       48       82       78       5       19       97       93         % of private vacant lots impacted prior to proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a       25.69%         # of private vacant lots impacted after proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a       25.69%         # of private vacant lots impacted after proposed amendment       52.75%       28.57%       46.71%       38.46%       40.43%       40.08%       n/a       25.69%         # of private vacant lots impacted after proposed amendment       7.7%       7.7%       26.9%       n/a       27.7%       23.1%       n/a       15.5%	

\*Number of lots required to subdivide prior to the proposed amendment.

\*\*Number of lots required to subdivide after the proposed amendment.

#### Table 2: Ownership of Private Vacant Lots Impacted by Proposed Amendment

	Urban Growth Area (UGA)											
	Bremerton	Bremerton Bremerton Central Port Total								Percent of		
Ownership Type	East	West	Kitsap	Gorst	Kingston	Orchard	Poulsbo	Silverdale	Lots	Total Lots		
Church	1		3			4		4	12	6.0%		
LLC/INC	2		7		3	8		15	35	17.6%		
Person	4	20	34		7	30		35	130	65.3%		
Trust/Estate		2	1		3	11		2	19	9.5%		
Private Utility						3			3	1.5%		
Total	7	22	45	n/a	13	56	n/a	56	199	100.0%		

#### Table 3: Resulting Lots and Population Capacity Based on Proposed Amendment\*

	Urban Growth Area (UGA)									
	Bremerton	Bremerton	Central			Port			Total	Population
	East	West	Kitsap	Gorst	Kingston	Orchard	Poulsbo	Silverdale	Lots*	Capacity**
Resulting lots at 9,000sf max lot size	54	97	249		97	512		1,124	2,332	5,830
Resulting lots at 2,400sf min lot size	208	383	983		371	1986		4,286	8,416	21,040

\*Net Developable Area was used to determine resulting lots. Resulting lots were rounded up to the nearest whole number.

\*\*Assumes 2.5 persons per lot

#### Table 4: Summary of Net Developable Area of Vacant Lots Impacted by Proposed Amendment

	Urban Growth Area (UGA)											
	Bremerton	Bremerton	Central			Port			Total			
	East	West	Kitsap	Gorst	Kingston	Orchard	Poulsbo	Silverdale	Lots			
0.42 acres to 1.00 acre	2	15	28		8	28		24	105			
1.01 acre to 5.00 acres	5	7	16		5	25		20	78			
5.01 acres to 10.00 acres	0	0	1		0	2		7	10			
10.00 + acres	0	0	0		0	1		5	6			
TOTAL	7	22	45	0	13	56	0	56	199			