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CITY OF BREMERTON

PLANNING COMMISSION MINUTES OF REGULAR MEETING March 20, 2023

CALL TO ORDER:

Chair Tift called the regular meeting of the Bremerton Planning Commission to order at 5:30 p.m.

ROLL CALL

Commissioners Present

Chair Tift
Vice Chair Rich
Commissioner Coviello
Commissioner Flemister
Commissioner Mosiman
Commissioner Pedersen
Commissioner Wofford

Staff Present

Andrea Spencer, Director, Department of Community Development
Garrett Jackson, Planning Manager, Department of Community Development
Christina Raine, Project Assistant, Department of Community Development

Quorum Confirmed

CHAIR CALL FOR MODIFICATIONS TO AGENDA

The agenda was accepted as presented.

APPROVAL OF MINUTES

COMMISSIONER WOFFORD MOVED TO APPROVE THE MINUTES OF FEBRUARY 27, 2023, AS AMENDED. COMMISSIONER COVIELLO SECONDED THE MOTION, WHICH CARRIED 6-0-1, WITH COMMISSIONER FLEMISTER ABSTAINING.

PUBLIC MEETING

Call to the Public (public comments on any item not on the agenda)

Chair Tift invited comments from citizens.

Jim Cline, Interim Vice President of the Charleston Business District, reported that the business district has implemented the Tidy Up Tuesday Program, which encourages all merchants to clean up the fronts of their stores on Tuesdays. They have also worked with the realtor for the old Wells Fargo Bank building to clean up the site and address the ongoing problem of homelessness and litter. He said the business district would like to continue its work with the City to identify programs and projects that will implement the existing subarea plan.

Workshop: Housing Element of the City's Comprehensive Plan for the 2024 Update

Mr. Jackson said the purpose of the workshop is for the Planning Commission to consider public comments received during the workshop and provide feedback to staff on the existing Housing Element of the Comprehensive Plan. He announced that Jeffrey Flogel and Blaine Peet were the February winners of the Bremerton tumblers. He reminded the public that those who provide comments related to the Comprehensive Plan will be automatically entered into a monthly drawing to win one of the tumblers.

Mr. Jackson reviewed that the State requires local jurisdictions to update their Comprehensive Plans to be consistent with the Growth Management Act (GMA). The City plans regionally with the Puget Sound Regional Council (PSRC), and they provide a guiding document for regional planning growth called Vision 2050. The City also plans with the Kitsap Regional Coordinating Council (KRCC). The KRCC's Countywide Planning Policies guide development within Kitsap County. The City's Comprehensive Plan must address local needs, while also meeting criteria for KRCC, PSRC and GMA. He reminded the public that the City is forecasted to grow to just under 64,000 people by the year 2044, which is an increase of about 30%. Jobs are forecasted to increase by about 58,000 or about 25%.

Mr. Jackson advised that an Environmental Impact Statement (EIS) scoping notice was sent out to the public via postcard, and about 75% of the respondents indicated that population growth should be located in existing centers and high-density areas. The City has been implementing a "centers" approach since 2004. The intent is to protect lower-density areas by concentrating the most intense development in the centers and ensure the strategic and efficient use of infrastructure. Centers are also the accepted method of development per the PSRC and KRCC.

Mr. Jackson shared a table that provides a brief overview of the City's population. He pointed out that from the 1980 census to the 2010 census the City only grew by about 4% (36,209 to 37,259). However, it is important to note that because the City is directly adjacent to Naval Base Kitsap (NBK), the population counts can vary due to ship location. During that same time period, the population increase in Kitsap County was about 42%. Between 2010 and 2020, the City's population increased by 14% (43,988) and the most recent Office of Financial Management Population Forecast (April 2022) had the City at just over 45,000.

Consistent with the Commission's review of each element of the Comprehensive Plan, **Mr. Jackson** reviewed the vision and goals in the Housing Element and invited the Planning Commission and public to provide feedback as to whether or not the aspirational statements are still applicable.

- **Vision.** *Encourage the growth of Bremerton by strategically locating a wide variety of housing types throughout the City in a way that protects the environment and fosters community health.*
- **Goal H1.** *Protect and enhance Bremerton's existing quality housing stock.* An example of this could be the Community Development Block Grant (CDBG) Program to weatherize and provide minor repairs for homes throughout Bremerton.
- **Goal H2.** *Encourage the development of a variety of housing options and densities to meet the changing needs of Bremerton's residents.* An example of this is the recently-adopted housing types for low-density and medium-density residential zones, adding duplexes, townhomes and cottage homes.
- **Goal H3.** *Support access to quality and affordable housing for all Bremerton residents.* An example of this is the Multifamily Tax Exemption (MFTE) Program, which provides an additional tax exemption for properties that provide affordable housing. The City is working on anti-displacement regulation for new development.
- **Goal H4.** *Implement and coordinate strategies that promote public and private efforts to facilitate improvements to the housing stock.* The City has a variety of public partners, including the Bremerton Housing Authority, Kitsap Community Resources, Kitsap Mental Health and others. These partners work in concert with private developers to ensure that that Bremerton's housing stock is expanded.

Mr. Jackson advised that there are also new State requirements that must be incorporated into the Comprehensive Plan. Previously, the City had to plan for a number of housing units based on forecasted populations from the State. Now, the State has further segmented this requirement into planning for housing types across all income bands. The State forecasts that an additional 1.1 million homes will be needed within the next 20 years, and there has been some inequity as far as the types of homes that have been constructed. The State also forecasts that an additional 91,000 emergency housing beds will be needed

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in Washington during that planning period. He reviewed the five income bands that the City must plan for, noting that the area median income is based off all of Kitsap County.

- **Extremely Low-Income Households** are defined as a single person, family or unrelated persons living together whose adjusted income is at or below 30% of the average median income (AMI) adjusted for household size. This band includes both Permanent Supportive Housing (PSH) and Non-PSH. If your income is between 0% and 30% AMI, it is possible that you are in some sort of housing transition and may need PSH. A good example would be the new Pendleton Place project on Kitsap Way.
- **Very Low-Income Households** are defined as a single person, family or unrelated persons living together whose adjusted income is 31-50% AMI.
- **Low-Income Households** are defined as a single person, family or unrelated persons living together whose adjusted income is 51-80% AMI.
- **Moderate-Income Households** are defined as a single person, family or unrelated persons living together whose adjusted income is 81-120% AMI.
- **Higher-Income Households** are defined as a single person, family or unrelated persons living together whose adjusted income is greater than 120% AMI.

Mr. Jackson explained that the City must demonstrate it has planned for each of the income segments. He shared a table from the Department of Commerce that breaks down zoning categories, housing types and income levels. As per State guidance, detached single-family homes are associated with higher-income households, and townhomes, duplexes, triplexes and quadplexes are associated with moderate-income households. The remainder of housing for low-, very low- and extremely low-income households is associated with apartments, and accessory dwelling units (ADUs).

Mr. Jackson shared a graph illustrating the different income bands for Washington State and the percentage of population that is supposed to be absorbed in the State overall and in Kitsap County's jurisdiction. He summarized that, in Kitsap County, lower-income households are requiring a little more housing proportionally percentage wise than the State overall. Washington State Department of Commerce (Commerce) is still fine tuning what the individual jurisdictions' numbers will be, but they expect to have them soon. He explained that while the State's forecast is 1.1 million homes over the next 20 years, the PSRC is actually planning out to 2050. It is anticipated that an additional 800,000 new homes will be needed in the PSRC counties (Kitsap, King, Snohomish and Pierce). The State has three pillars that local jurisdictions must plan around for their housing elements. They are known as the Three S's of Affordable Housing:

- **Supply.** Build more housing of different types to support each demographic within the jurisdiction.
- **Stability.** Provide opportunities for residents to live in housing that meets their needs. For example, being located on a transit corridor will help people get from home to work. Is it walkable and bikeable?
- **Subsidy.** Create and sustain long-term funding sources to create and preserve housing for very low-income households and unhoused residents. This will be a larger portion of the updated Comprehensive Plan to recognize that the lower-income levels will need to be subsidized. Pendleton Place is a good example of a fully-subsidized housing complex.

Mr. Jackson shared a graphic to recognize the interplay between what local government is able to do and what other public- and private-sector partners are needed to make development happen. For example:

- **Stability.** The City funds weatherization and home repair programs and has created development displacement programs. It has also set rental unit housing standards through code enforcement. If there is something wrong with the rental stock, code enforcement shows a basic level of housing consistent with City code.
- **Supply.** The private sector is more involved in addressing this element, but the City can help by implementing changes to the land-use regulations (see Infill Toolkit) and providing predictable permitting timelines.
- **Subsidy.** This could include rental assistant programs provided by the City, the MFTE, and a potential utility rate discount.

Mr. Jackson said the State asks jurisdictions to answer four questions:

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- **Does the housing element support sufficient housing to address the community’s population and housing growth targets?** At the Commission’s February meeting, staff presented population and housing numbers for the City’s growth strategy.
- **Does the housing element support housing growth where it will be supported by regional and local transportation infrastructure?** Kitsap Transit and the PSRC have indicated that 65% of the population growth is supposed to occur along the planned rapid-transit corridor (Highway 303) leading from the downtown Bremerton Ferry Station up to Silverdale. That is where most of the City’s growth is planned.
- **Do housing policies support the provision of housing to meet the needs of households with lower incomes and special needs?** Reconsidering the types of housing allowed in each zone can open up areas that have been economically and/or racially segregated in the past.
- **Do policies work to address racially-disparate impacts?** This can also be addressed by reconsidering the housing types allowed in each of the zones.

As discussed at the January and February Planning Commission meetings, **Mr. Jackson** advised that Bremerton’s Housing Strategy is to focus development along transit routes and centers. The bulk of the zoning changes are proposed within the Downtown Subarea, which is within a 10-minute walkshed of NBK, ferries and bussing. This is in concert with the vision found in Kitsap County’s newly adopted plan of a Bremerton to Silverdale bus rapid transit. It also helps to address racial equity via different housing types.

Mr. Jackson recalled that, at their last meeting, the Commission talked about the types of housing allowed in the low- and medium-density residential zones. Staff provided an example of how a 7,000 square foot single-family home is allowed in these two zones, but a 7,000 square foot multifamily building that might house up to 11 families is not allowed by the code. The footprint, square footage and number of stories would be same, and multifamily uses are already allowed in low-density residential zones in the Kitsap County Urban Growth Areas (UGAs), which the City will likely annex at some point in the future. To maintain equity and jurisdictional cohesion, the Commission should consider allowing multifamily uses in low-density zones in Bremerton.

Mr. Jackson recalled that, at their last meeting, the Commission asked how pending State legislation would impact the City’s Comprehensive Plan update. The answer provided to this point is that staff will pivot, if necessary, in order to meet any pending State requirements. However, he acknowledged this could be difficult. For example, Senate Bill (SB) 5466 has been passed by the Senate and is currently in the House for consideration. The PSRC has shared a map that provides a visual representation of the areas in the City that the legislation would apply to. The bill would require cities to allow a minimum floor-area-ratio (FAR) of 4 to 6. Regardless of the size of a lot, you would be allowed to construct a building that is four times the square footage of the lot. No density restriction would be allowed, and no parking would be required within this geographic area. The minimum qualifying transit service would be seven days per week, with a minimum of three buses per hour for a span of at least 10 hours per day during weekdays. He summarized that SB5466 would have a significant impact on the City’s land uses, as it would result in more than a 1,000% increase just in the portion of low-density residential identified in the geographic area. Staff has requested further information from the State on the specifics of the legislation, and Kitsap Transit, the PSRC and State stakeholders are working through the details of the bill.

Mr. Jackson cautioned that it isn’t possible for the City to plan for every pending legislation. Sometimes the differences are so great that it would take the City very far afield of what is currently required by the State. For an example of how SB 5466 might be applied, he shared that the Marina Square development has a gross FAR of 3.5. This is a three-story, mixed-use building with a far lower FAR than what the City would be required to allow.

Mr. Jackson advised that all of the comments received to date can be viewed online at www.bremerton2044.com. For the Commission’s information he provided a brief synopsis of those that have been received since their last meeting.

56. **Marianne Weber** supports staff-proposed structure heights. She provided specific development recommendations for downtown.
57. **Allison Satter** provided formal public comments for NBK related to the joint land-use study and further coordination with the Navy. Staff is meeting regularly with the Navy to sort through the issues.
58. **Kathleen Kersten** writes that traffic and parking in the downtown is a concern.

59. **John Clauson, Kitsap Transit**, supports the proposed changes to the Land-Use Element that were presented at the Commission's February meeting.
60. **Jennifer Kreidler-Moss, Peninsula Community Health Services**, writes to support the proposed changes for the Bay Vista Subarea Plan.
61. **Doug Skrobut** writes to support his previously-submitted mapping request.
62. **James Clough, Kitsap County Realtor Association**, writes to support the proposed changes to the Downtown Subarea Plan.
63. **Lori Knapton** writes to support lower residential cluster development open space requirements of 15%.

Chair Tift invited members of the public to comment on the staff presentation. There were none.

Commissioner Wofford asked staff to explain how AMI for Bremerton is determined. **Mr. Jackson** answered that the AMI for Bremerton is based off all of Kitsap County and is done by the Department of Housing and Urban Development. Traditionally, it has been skewed by incomes on Bainbridge Island.

Commissioner Mosiman asked if there are any housing policies or goals that have been met, are no longer applicable or need to be updated. **Mr. Jackson** answered that, as called out by the State and the PSRC, some changes are needed to include standards for racial equity. **Director Spencer** said that, in addition to the goals outlined by Mr. Jackson, the implementation strategies will need to be updated to reflect current practices for densities, etc. This is particularly true for the low-density residential zones to address racial inequities.

Commissioner Mosiman asked staff for clarification on the term "special needs" that is used in Goal H2(E). **Mr. Jackson** cautioned that thorough definitions will not be provided for every population type. That is more appropriate for the zoning code. However, he agreed to note the ambiguity and try to provide more clarity in a revision of the policy based on direction from the Commission. **Commissioner Mosiman** suggested the term should be taken out because the term is used widely in other venues and could result in confusion. **Director Spencer** explained that the intent is to make sure the housing policies are reflective of the needs of students who need close proximity to the college, etc. She agreed that the word "special" could be eliminated. She said staff would review the policies and identify other situations of ambiguous language.

Commissioner Coviello asked if the City has reached out to the Bremerton Housing Authority and if they have provided any comments regarding the Housing Element of the Comprehensive Plan. He referred to the slide showing the Department of Commerce's housing types, which listed condominium under a lower AMI. His observation is that condominiums are expensive. He asked if any progress has been made on promoting condominium construction in the City. **Mr. Jackson** responded that the City receives condominiumization proposals every year, but insurance issues are still being worked out with the State in order to make it more advantageous to developers and lessen the amount of risk. Staff is scheduled to meet with the Bremerton Housing Authority later this month to go over the finer points of the Comprehensive Plan update and get feedback from them.

Commissioner Rich commented that the implementing policies under Goal H3 read like small paragraphs compared to the implementing policies in the rest of the Housing Element. Because they address things that people are particularly concerned about, she hopes they can be more similar to the other implementing policies. They need to be more specific and easier for people to understand.

Commissioner Pedersen observed that many of the comments submitted by the Suquamish Tribe are related to natural resource protection. He asked if the City could consider mapping natural resources on the outskirts of the City, such as stream buffer areas. He said it would be helpful to see where the stream resources are located and explore what additional buffers the City could require. **Mr. Jackson** answered that the County is currently working with the City of Bremerton to retype and map streams. Since the last Comprehensive Plan update, there has been a reclassification of streams by the Department of Fish and Wildlife, which leads to more streams being designated as fish-bearing. If a proposed development would fall within the most extreme buffer of a stream, the City requires the developer to get the stream typed by the Department of Fish and Wildlife because the City and County maps can sometimes be inaccurate.

In thinking of problems that might have slipped through the cracks in planning over the past 10 years, **Commissioner Pedersen** recalled the large tower that was planned for the Eagles Building. Although a number of residents voiced concern about its

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height, there is no height limit in the Downtown and South Kitsap Industrial Subareas. He asked if his fellow Commissioners would be interested in exploring at least some height limit in these areas. He said he would be interested to learn how other jurisdictions address this issue. **Commissioner Wofford** said his understanding is that the height limit in the Downtown Subarea is 80 feet, with the option of additional height if certain amenities are included. **Mr. Jackson** said there is a bonus amenity program for FAR and height that allows incremental height increases. However, in the downtown core of the Downtown Subarea Plan, the height limit is market driven.

Commissioner Coviello asked if there are any safety regulations regarding height in the Downtown Subarea, such as from the Fire Department. He asked if there has been any recent push from the public to limit heights. **Commissioner Pedersen** said the concern came up through his own anecdotal conversations with members of the public. **Chair Tift** added that NBK has also identified some concerns related to height. He noted that the current height regulations have been in place since at least 2007. It's anyone's guess whether the market will result in a high-rise building. **Director Spencer** advised that staff hadn't planned on doing big edits to the established zones in the Downtown Subarea. However, at their last meeting, staff provided an overview of small expansion areas and tweaking some of the residential areas that are outside of the market-driven heights. In addition, staff will continue to work with NBK to address security measures for building heights closer to the fence line. However, these changes will be made in the Zoning Code and not in the Comprehensive Plan. She cautioned that lowering building heights would impact the City's ability to meet the housing targets.

Chair Tift asked what Senate Bill 5466 would do to the work done so far if it passes. **Director Spencer** responded that it would essentially require the City to start over. At this time, they don't know if the proposal for bus rapid transit, which is many years into the future, would even qualify to trigger the requirements of the bill. There needs to be a lot more clarity about the definitions provided in the bill, as well as the bill's intentions. Staff has spent a lot of time talking to the City's lobbyist, who attempts to influence how the bills are crafted and works very closely with the Association of Washington Cities (AWC). The AWC doesn't support the bill and has been trying to get it shaped correctly so that it can be implemented by local jurisdictions. As currently proposed, the change to low-density residential zones would result in a nearly 1,000% increase in development capacity, and the City doesn't have the infrastructure to support that kind of growth, and it isn't likely that other jurisdictions in the State would have the needed infrastructure, either. The City has written comment letters for the legislature's consideration. If the bill is passed, she is concerned that the City would not be able to meet the timelines established by the State to update the Comprehensive Plan by the end of 2024.

Commissioner Coviello said he spent the day in his regular job analyzing both the Senate and House bills. While he isn't a lawyer, he has a strong confidence that they would not apply to Kitsap County, as they reference a Revised Code of Washington (RCW) law that was essentially created for Sound Transit. **Director Spencer** said the concern is that the bills have round-robin references to transit, etc. Taking what they know of local plans, policy analysts at PSRC reviewed the bills and developed the map that was presented earlier in the meeting. She summarized there are a variety of interpretations, and staff intends to use as much influence as possible to make sure the City is not negatively impacted.

BUSINESS MEETING

Chair Report

Chair Tift commented on 100% attendance by the Commissioners.

Director Report

Director Spencer did not have any items to report.

Old Business

Commissioner Wofford asked **Director Spencer** for an update on how permitting has been going over the past few months. **Director Spencer** advised that the number of permits that have been issued is low, but the amount that is in the review queue is the highest they have ever seen. This is highly unusual, and she is working on a data analysis to identify why.

New Business

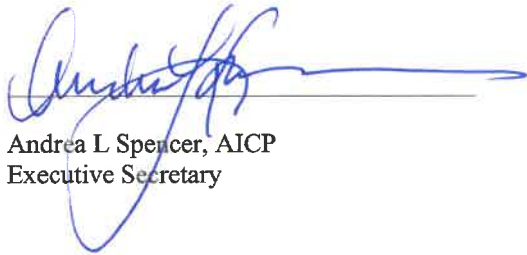
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There was no new business.

ADJOURNMENT

The meeting was adjourned at 6:29 p.m.

Respectively Submitted by:



Andrea L Spencer, AICP
Executive Secretary



Rick Tift, Chair
Planning Commission

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