



# PLANNING COMMISSION

## Tuesday, April 24, 2018

### Poulsbo City Hall Council Chambers

### MINUTES

Commissioners Present: Ray Stevens, Kate Nunes, Gordon Hanson, Jerry Block, Gary McVey, Jim Coleman

Staff Present: Karla Boughton, Nikole Coleman, Helen Wytko

- 6:00 PM
1. Call to Order
  2. Flag Salute

#### 3. Comments from Citizens

RS: Comments from Citizens including items on the agenda.

Joan Hett: Thank you for all the hard work. If someone could define under grade parking? It's included in 18.80.050 and again in 18.80.K.9. It is my understanding that underground parking is not allowed in C1 and I would like to know how these are different. To me under grade means you're digging.

Charlie Wenzlau: I'm an architect from Bainbridge Island. I introduced myself to you two weeks ago with Mike Brown talking about the project we are working on in old town Poulsbo. This is an aggregation of a number of the properties that Marion Sluy previously owned. We are interested in discussing a zoning challenge that we are facing with our project site being in two different zones. The project site we area that we're working in is composed of what we're calling the south parcel which has an aggregation of three separate buildings and it runs from Front Street back to 3rd Avenue. And then you'll see off to the other side the north parcel an aggregation of approximately four different parcels which sits directly across the street from City Hall. As I understand it the south parcel is now allowed horizontal mixed use whereas when we get to the north parcel as I understand it that is within what's the traditional C1 zoning where mixed use must be vertical such that housing is only allowed directly above commercial. This highlights in yellow, the two different building footprints that we're looking at, we're actively working with staff on these now, we're in the very early stages of the planning process. We're engaged with the City on the 3<sup>rd</sup> Avenue street design. The building that's along 3<sup>rd</sup> Avenue is currently proposed as a purely residential building and this is allowed because it's contiguous with parcels along Front Street. The parcel on the corner that sits at 3<sup>rd</sup> and Moe we would like



to see that be also a similar type of building where it is allowed, to have ground floor residential. Its primary frontage is along 3<sup>rd</sup>. Once we are done with the project aggregation we will have this through lot concept from Front to 3<sup>rd</sup>, but we don't at present. I'm trying to do this quickly as an overview of a real time situation as we're working with some really good code changes. What I want you to look at is the lower of these two drawings which is the view from Moe Street. This reflects the grade condition that you're all familiar with outside the building with the steep street. And if in this original design we had commercial on the lowest floor of the building but as you can see that lower floor becomes the second floor as the grade sweeps down the hillside.

What I wanted to illustrate is an alternative approach we could take to enliven that façade if it were to be entirely residential on main floor level. Would be able to give each of the residential units entrances along the street level. Our request for you to consider is that this corner site should enjoy the same horizontal mixed use zoning concept as we're allowing further up the street on 3<sup>rd</sup>. Thanks a lot I really appreciate all the work you and the staff are doing on this, it's good stuff.

Mike Brown: Principal in Sound West Group. Would like to echo what I said two weeks ago. Not just for the properties that we're involve with but for anybody that wants to undertake a project in the zone, that you carefully consider the convertibility issue. That maybe you don't foreclose on the idea of residential of residential versus commercial but it's an either or with the potential of conversion to commercial at such time it makes sense.

#### 4. Approval of minutes - 3/13, 3/20 and 3/27.

JB: 3/13 last page halfway down change it to "biggest concern excluding mini storage is we are allowing other things that are just as bad in my mind". Kind of clarifies what I said.

COLEMAN/NUNES – Minutes of 3/13 approved with JB amendment – all in favor

COLEMAN/NUNES – Minutes of 3/20 – all in favor

COLEMAN/NUNES – Minutes of 3/27 – all in favor, 1 abstention (JB)

#### 5. Public Meeting 2018 Commercial Code Update

RS: Any issues from previous workshop.

NC: Brief summary of where we are at in this process. We have some new folks in the audience to briefly get them caught up. For tonight's agenda we will talk about the overview of the process up until this point and then review of the two parked items from the last four workshops which include height and mixed use. The Planning Commission received a memo discussing those two items and that was also added to our website last Friday as well.



## Tonight's Agenda

Overview of Process to Date

Review of Parked Items (Height and Mixed-Use)





## Review Process to Date

March 2, 2018	Initial Release of Draft Commercial Districts Ordinance Update
March 9, 2018	Issue Notice of Application/Optional DNS
March 13, 2018	Planning Commission Workshop No. 1
March 20, 2018	Planning Commission Workshop No. 2
March 27, 2018	Planning Commission Workshop No. 3
April 10, 2018	Planning Commission Workshop No. 4
April 20, 2018	Issue Planning Commission Notice of Public Hearing
April 24, 2018	Planning Commission Workshop No. 5

<https://cityofpoulsbo.com/commercial-code-update/>

NC: We started with the initial release on March 2<sup>nd</sup> and since then we had our notice of application release on March 9<sup>th</sup> and then we've had four workshops starting on March 13<sup>th</sup>, the last one we had on April 10<sup>th</sup> and here we are tonight April 24<sup>th</sup> for our fifth workshop. The process doesn't stop after Planning Commission we have our hearing for the Planning Commission scheduled for May 8<sup>th</sup> which means that the staff report will be available May 1, 2018. And then we move on to the City Council review process, the Planning Commission is a recommending body to the City Council. Planning commission will make a recommendation to City Council. The City Council has three workshops scheduled and their public hearing is scheduled for June 20<sup>th</sup> assuming that all the dates continue to work out. We have more information on the website, have been updating any documents and power points we add all the information the next day or two. You can also stop by the second floor of City Hall.



## Review Process Moving Forward

April 25, 2018	Economic Development Committee Meeting (summary will be provided)
May 1, 2018	Planning Commission Staff Report Available
May 8, 2018	Planning Commission Public Hearing
May 16, 2018	City Council Workshop 1
May 23, 2018	Economic Development Committee Meeting (summary will be provided)
June 6, 2018	Issue City Council Notice of Public Hearing
June 6, 2018	City Council Workshop 2
June 13, 2018	City Council Staff Report Available
June 13, 2018	City Council Workshop 3 (if needed)
June 20, 2018	City Council Public Hearing

<https://cityofpoulsbo.com/commercial-code-update/>

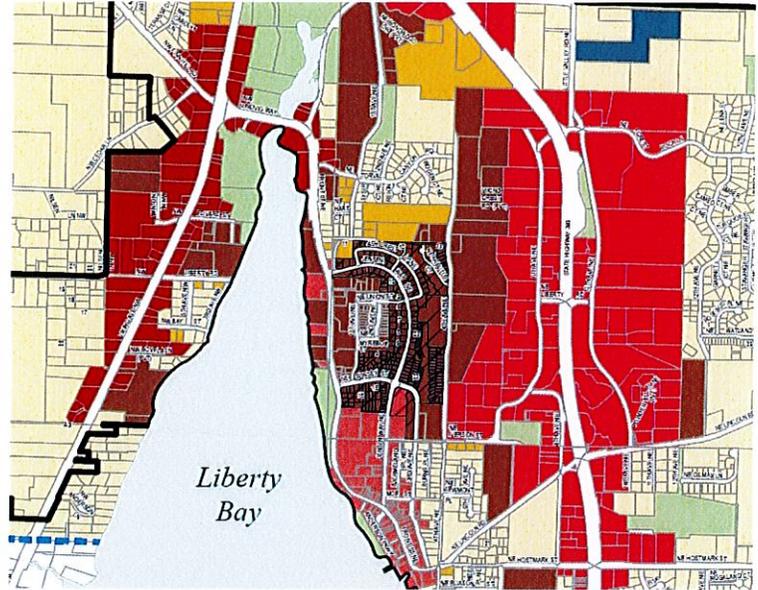
## Commercial Districts PMC 18.80

The general purpose of the city's commercial districts is to provide the necessary commercial goods and services for the Poulsbo and greater north Kitsap communities. The commercial districts provide for the location of retail sales and services, professional services and offices, food and drinking establishments, lodging, personal and health services, arts, amusement, medical facilities, educational and recreational uses among others.

The commercial designation is broken up into four commercial zoning districts on the City's Zoning Ordinance Map based on geographic areas of the city and are identified as: C-1: Downtown/Front Street, C-2: Viking Avenue, C-3: SR 305 corridor, and C-4: College MarketPlace.



-  C-1 Downtown/Front Street
-  C-2 Viking Avenue
-  C-3 SR 305 Corridor
-  C-4 College MarketPlace



NC: A summary of the Planning Commission review. Reminder we are looking at commercial zones which include C1 Downtown, C2 which is Viking Avenue, C3 which generally along the SR 305 corridor and C4 which is our College Market Place Olhava.

## Factors Contributing to Proposed Amendments

- Ownership change and redevelopment Downtown;
- Increased interest in mixed-use structures/development;
- Adaptation of uses due to the impact of online retail;
- Clarification or enhancement of some existing standards;
- Addressing self-storage facilities in the C-3 zoning district.



## Systematic Review of Staff Proposed Amendments

- Overview staff presentation.
- Page by page review of draft.
- Parked items that required additional time.
- PC amendments = red underline and ~~strikethrough~~.

NC: When we got started on this there were a number of factors contributing to this work that led us to this point.

NC: First parked item is height.

## Overview of Height

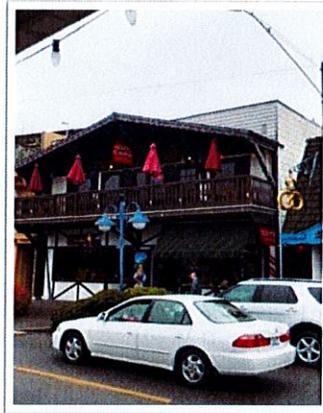
- Current height limit for ALL zones is an average of 35 feet.
- This height is measured from finished grade to the peak or highest point of the structure and is the average of all four sides.
- Update in 2000 provided for an additional 10 feet of height when underbuilding parking is provided.
- Staff proposed to remove the 10 foot height bonus for the C-1/Downtown zoning district.
- At the March 20, 2018 workshop, the Planning Commission concurred with the staff recommendation, but also asked for additional information and wished to bring the issue back for final discussion.



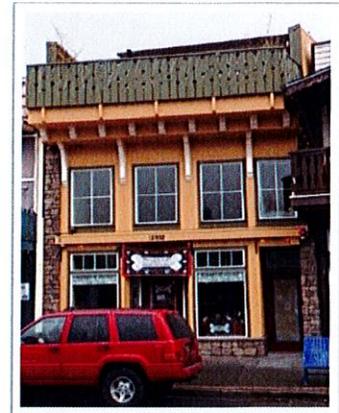
NC: Gary Lindsey who is a local resident and developer helped us measure buildings downtown.



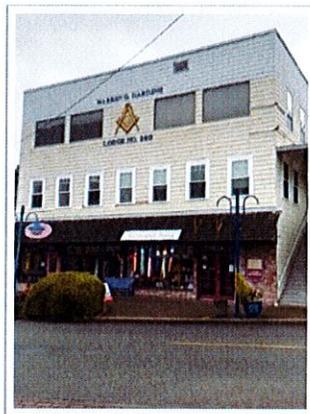
Tickled Pink storefront is 18'



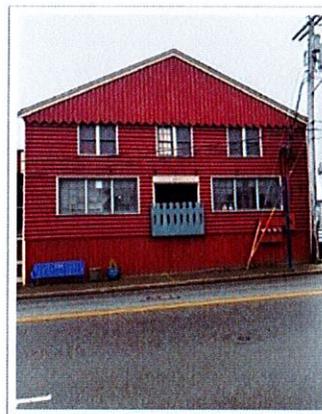
Crimson Cove and Tizley's is 27'



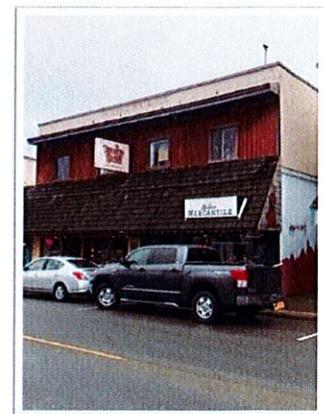
Boomer's Pet Boutique is 25'



Masonic Lodge is 38'



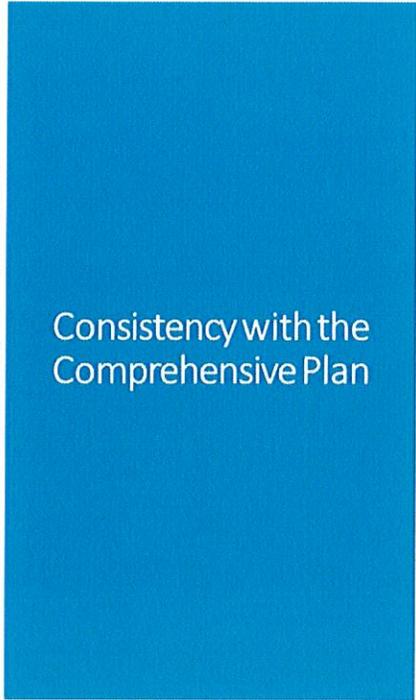
"Red" building is 34'



Myrebow Block is 27'



Background we provided when we had this discussion back in March provided policies identified in the Comprehensive Plan. Staff, PC, and CC have been thinking about these concepts for a while and most recent version was adopted in 2016.



Consistency with the Comprehensive Plan

*POLICY LU-3.5. In order to retain the pedestrian-friendly scale in the C-1 (Downtown/Front St) zoning district, the City's zoning ordinance shall identify **appropriate development standards for height and scale** of new development and redevelopment in this district.*

*POLICY CC-5.7. New development and redevelopment in Downtown Poulsbo shall retain its pedestrian-friendly scale and be **limited in height to an average of 35'**.*

*POLICY CC-5.8. The City's design standards for Downtown Poulsbo should be evaluated to ensure that redevelopment in the Downtown **will retain its intimate, pleasant and pedestrian-scale character**. Height, street frontage design and colors, building design, placement of buildings, and view of rooflines (from below and above), at a minimum should be assessed.*

## Comparisons Downtown Height

<b>Bainbridge Island</b>	
Central Core	35' (45' if parking underbuilding)
Madison Ave	25' (35' if parking underbuilding)
Erickson Ave	25' (35' if parking underbuilding)
Gateway	35' (45' if parking underbuilding)
<b>Gig Harbor</b>	27'
<b>Edmonds</b>	25'-30'
<b>Langley</b>	30' (35' feet with a pitched roof)
<b>Coupeville</b>	28'
<b>La Conner</b>	30'
<b>Port Orchard</b>	27'- 39'
<b>Steilacoom</b>	26'
<b>Sequim</b>	25'-45'
<b>Anacortes</b>	25'-35'



NC: What you see in the draft that was provided April 20<sup>th</sup>, and is the staff recommendation.

Standard	C-1 Downtown	Shopfront Overlay	C-2 Viking Avenue <sup>1</sup>	C-3 SR 305 Corridor	C-4 College MarketPlace
Maximum Avg. Building Height <sup>3</sup>	35'	35' <sup>4</sup>	35' <sup>5</sup>	35' <sup>5</sup>	35' <sup>5</sup>

<sup>1</sup> Alternative development standards for the C-2 zoning district may be allowed through the provisions in Section 18.80.070.

<sup>2</sup> Alternative development standards for a PMUD may be allowed through the provisions in Section 18.80.090.

<sup>3</sup> See Section 18.150.050 for building height measurement; Section 18.310.010 for building height exceptions.

<sup>4</sup> See Section 18.80.050 D.14 for upper level setback requirement.

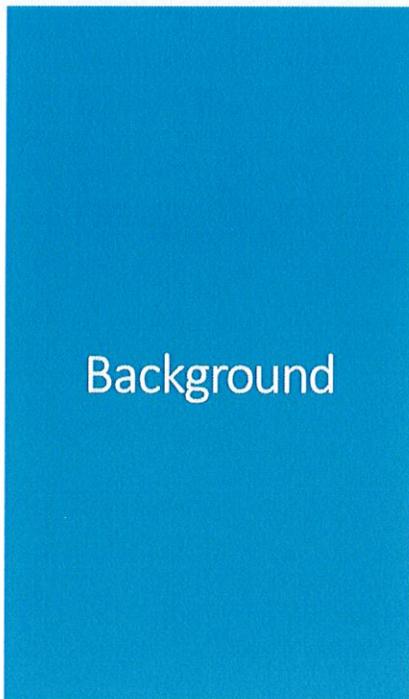
<sup>5</sup> See Section 18.80.060 A.7 for upper level setback requirement.

<sup>6</sup> Lots over 15,000 square feet in size shall have a maximum lot coverage of 85%.

Chapter 18.310.010.B:

Underbuilding Parking. When a structure is proposed to include underbuilding parking in the RM, RH, ~~all C districts~~ C-2, C-3, C-4, OCI, BP and LI zoning districts, the building height limit may be increased by ten feet. The building height calculation shall remain the same as set forth in Chapter 18.150. The increased height shall be reviewed for bulk, scale and compatibility to surrounding structures, and may not be allowed if impacts cannot be adequately mitigated. The gross square footage of the building area allowed by the increased height shall be equal or less than the gross square footage of the underbuilding parking.

NC: The second parked item is mixed use.



Mixed use – locating residential units within commercial zoning districts either within a commercial structure or on a commercially zoned site – is a planning concept that was first introduced in Poulsbo in the 2009 Comprehensive Plan Update.

Within the past months, the PED Department has received several mixed-use structure applications, where the distribution of uses caused some concern of whether the mixed-use structure standards remain relevant.

At the April 10, 2018 PC workshop, two issues were discussed:

1. What uses should be allowed on the first floor; and
2. What density of residential units is appropriate.



## Uses on the First Floor - Options

1. Require commercially permitted uses only on the first floor.
2. Require commercial uses on the first floor along street frontage, and other uses can be allowed behind. Other uses may include those that support the residential uses, such as exercise rooms, lobbies, community rooms/meeting spaces, hospitality suites, and parking.
3. Require commercial uses on the first floor along street frontage and allow other uses (as defined above) and allow residential uses behind.
4. Allow conversion space by requiring first floor to be constructed and parked to commercial standards but allow for residential use until market demand supports commercial use.
5. Make no requirement for any commercial space and allow full-residential structures in the C zones.

## Density - Options

1. Allow setbacks, parking, lot coverage and height of the zoning district to determine number of residential units allowed (current standard).
2. Establish proportionate standards for how much the building square footage can be utilized for commercial use and residential use.
3. Provide a maximum density in C-1 zoning district.
4. Provide a maximum density in C zoning districts for mixed use structures that utilize 45' height bonus.



NC: Not in the current draft. Add additional language to allow staff to address on the amount of commercial space to be required.

KB: This is what we are recommending the PC. Still require some type of non-residential use along the first floor of building (professional offices, entertainment, food and beverage) oriented towards street frontage. Behind these spaces on first floor allows support uses to the residences. From those options that we presented in the staff memo and in slide, we landed in the middle leaning towards more restrictive side. Still recommending no residential on the first floor. You have received written and oral testimony for more flexibility.

NC: Recommend requirement we felt like this was redundant as it was identified in the mixed-use structure sections. Public hearing May 8<sup>th</sup>.

## Staff Recommendation

### 18.80.080 J. Mixed-Use Structure.

1. Purpose. Mixed use structures allow for placement of a mix of commercial and residential uses in a single building. Mixed use structures are intended to allow for efficient use of land and public services in an urban setting; encourage convenient access between employment, services and residential opportunities; and increase development alternatives.
2. A mixed-use structure shall contain at least two complementary, integrated, or mutually supporting uses (such as offices, retail, professional services, food and beverage, entertainment, public service and residential).
3. New mixed-use structures shall have the following standards:
  - a. Residential units must be located above allowed commercial uses (residences may not be located at street/ground level or below). However, uses accessory to the residential, such as lobby, fitness center, storage, community room and other accepted uses, may be located on the first floor (street level), and shall generally be located behind the street level commercial uses. Number of residential units shall be limited by the mixed-use structure's required development standards (lot coverage, height, parking and setbacks) for the underlying zoning district.
  - b. The mixed-use building shall be designed to look and function as an integrated development and encourage pedestrian travel between uses and adjacent buildings.



- c. Buildings should be located adjacent to the primary street or immediately behind a public or semi-public space, such as a forecourt, plaza, or an outdoor seating area.
- d. Commercial uses located on the ground floor shall have a prominent entrance facing the primary street, provide use and activity presence along the street frontage, and be designed to clearly define it as commercial space.
- e. Compatible with the height, massing, setback and design character of surrounding uses shall be considered in mixed use structure design.
- f. ~~e.~~ At least one outdoor activity feature shall be provided for the mixed-use building, including but not limited to courtyards, delineated gathering spaces, or seating areas. These areas must be paved and landscaped.
- g. ~~d.~~ Private or shared open space shall be provided for each of the residential units, such as a private outdoor balcony or rooftop deck, and shall be provided at a minimum of thirty-eight square feet per unit.
- h. ~~e.~~ On-site pedestrian circulation that links the public street and the primary entrance to the structure or residential units shall be provided. When the pedestrian circulation crosses driveways, parking areas and loading areas, it must be clearly identifiable through use of different paving materials.
- i. ~~f.~~ Existing residential units in a mixed-use structure in the C zones may continue without meeting the standards above.

RS: Lets go around the table. We have a big document we reviewed and have changes in it.

GM: I have one question regarding the various mixed use options. That is the suggestion that we allow on the first floor for construction so that it can be designed for commercial use but to allow residential use in the beginning until market condition changes. I am wondering if other cities have been using this. Who determines at which date this transition occurs? Is this up to the building owner? Are there any other stipulations?

RS: That is if we choose this option that staff is not recommending.

NC: Some have sunset dates. Try to rent this space for a year and then you can use as a residential space. A few different ways that is seemed to be used. Would depend we can set that up flexible or not.

RS: What do we think about the recommendation from staff regarding mixed use changes?

GH: I concur with staff's recommendation for mixed use. Still confused about Moe Street.

RS: One question I have we talked about parking could be a use. Does that mean they can have all parking on the first floor and that would be their commercial use?

KB: The way I would administer # 2 is to say that there must be some type of commercial use oriented towards the street and then they could do under parking behind it. The inclusion of



number 2, from our definition section it does identify that we are anticipating some type of commercial use on the first floor and we are providing more explanations of what can occur. Idea is that we can have commercial spaces personal services food and beverages. Other uses for residents like parking occur behind.

RS: Previous explanation includes parking, we would have to make sure we understand.

KB: under A we should say parking can be allowed but not as the primary use.

RS: Do we specifically want to address Moe Street?

KB: New proposed revision in the code section. Right now, we only contemplate vertical mixed use. We do allow for some horizontal through the planned mixed use for 5 acres or larger. No one has utilized that. New provision contemplating residential facing 3rd Ave eastward can be appropriate transitional use between the shopfront overlay downtown and the residential low zoning district 4<sup>th</sup> Avenue and beyond. This area that is being contemplated is the back of buildings and is only designated for this area of town. It envisions row townhouses that will utilize that grade to have under building parking but not underground parking. And would have their street frontage for the residential units facing 3<sup>rd</sup> Avenue with their front doors but parking below so not garage doors facing 3<sup>rd</sup> Avenue. Those are the design standards. What you have been requested to consider is a corner lot on Moe and 3<sup>rd</sup>, who is also under the same ownership as those other properties as Mr. Wenzlau showed. These are proposed code standards, they have not been adopted at this point in time. Our conversations are if these were adopted how would they apply, these are proposed standards. Whether they will be adopted is City Councils decision. We believe that the mixed use site is an appropriate transition use between commercial downtown and residential low density so we are suggesting that as part of our draft. Corner lot the way currently written, would allow for some residential units to face 3<sup>rd</sup> Avenue. For the Moe Street side that would fall under the mixed use structure piece. What they are asking for is to consider the whole corner lot under that mixed use site provision that is only applying to the through lots down at the south parcel.

Hostmark and 3rd Avenue is another potential. When we write code we have to look at all applications of it not just a specific site. What is being requested is that horizontal mixed use be considered for these corner lots meaning full residential could be constructed there with no commercial use.

GH: Are there any others that would possibly?

KB: These provisions are specific to 3<sup>rd</sup> Avenue, only for those two corner lots if that's how we wanted to write it for corner lots. Through lots from Front Street to 3rd avenue that you have a grade conducive to under building parking with small townhome type development on 3rd



transitional use that makes sense commercial and low density residential. In the planning world most intensive to less intensive to least intensive. Not being applied at this time.

RS: At this time the piece of property on Front Street and this piece of property those are tied together?

NC: Currently not tied together could do a boundary line adjustment and combine them.

RS: In essence they're creating a Front Street to 3<sup>rd</sup> Street lot is that correct? On the South Parcel. Go all the way through. Parcel on the back not part of the same parcel.

KB: Under same ownership so they have option to do a boundary line adjustment.

RS: Typical for somebody to create so it falls into a different zone?

KB: To clarify all under the C1 zone. What that was an option to qualify under the mixed use site which specifically identifies through lots. Certainly if you recommended changing, you wouldn't need to do that through lot configuration.

RS: I just wanted to make sure.

JB: Slide above north parcel going east there is a small portion is that also part of that north parcel?

KB: It is ROW, not usable. We are looking at what 3<sup>rd</sup> Ave could be if developed. Red dashed line is parcel boundary.

GM: When you talk about other parcels along 3<sup>rd</sup> may take advantage of this you mentioned 3<sup>rd</sup> and Hostmark.

GM: Conceivably you could have a residential building at 3<sup>rd</sup> with no entry from Hostmark, is that correct?

KB: Don't know about entry but yes.

RS: This one would be significantly more difficult.

KB: For parking purposes grade along 3<sup>rd</sup> and Front.

JB: Wholeheartedly agree they are two different things. I don't know what traffic is doing downtown but that is a concern.

RS: Not sure how they would be able to do it.

KB: You can put locational criteria in there but zoning ordinances don't usually speak to one site.



RS: What is the advantage of having commercial space on that corner. We have brewery and City Hall. Essentially that is a commercial street. I am not totally convinced commercial is a bad thing in that area.

KB: Another way to address it is to go back to mixed use structure piece. If you are open to this idea in the staff memo, setting similar to downtown where you have synergy with residential, commercial uses. Larger cities in transit areas close to where people can walk and grab a cup of coffee downtown. We are concerned about fully allowing residential uses on first floor because we want to see commercial in commercial zone. We need square footage for jobs and services. If you believe downtown poses a different environment than say 7<sup>th</sup> Avenue or 10<sup>th</sup> or Viking you could allow for residential uses on the first floor in the C1 district only but not in the other C zoning districts.

NC: But not in shopfront overlay.

KB: Started in small configuration which only captured our existing shopfronts today, the PC expanded it because you were thinking about having shopfronts to continue on. If you wanted to allow for residential on the first floor in the C1 zone then I would recommend we go back to the original configuration of the shopfront overlay. Because it captures in some of those larger parcels where a mixed use structure could occur. Instead of addressing the Moe Street 3<sup>rd</sup> Avenue through the mixed use site you could capture it through the mixed use structure. We would allow for residential units in the we decided going through Sons of Norway and up the street.

Requested to consider corner of Moe street and 3<sup>rd</sup> Avenue a different way the draft is suggesting. Way to address that is through the mixed use site or mixed use structure.

RS: I hate to fight against the market because it does dictate what will happen. If we have a high vacancy rate of commercial structures then there is a problem. But if we move all the residences into commercial space, why do we have zoning? Original intent of mixed use was mom and pop . What does this do to our allocation? We have zoned for our allocation and zoned shift does that mean we are going to be able to have large lots again in Poulsbo?

KB: Under GMA we are required to take a population growth allocation and have to demonstrate to the state that we can accommodate that population. The City has been in same UGA since 1998 because we haven't realized allocation and we achieved higher density of land. If we start allowing for flexibility in mixed use structures and we start seeing market support resident in commercial zone. Largest lot we can have is a 1/4 of acre 10,980sqft. Larger lots would be a nice addition to our city because the only ones we have are older lots. To answer your question, it would have an impact on our GMA allocation. We would have to forecast how mixed use would be a piece of how to accommodate our population allocation. Did want to go back to commercial uses and purpose of C zones. Started with the changing of retail market with online. No one



knows the future of commercial brick and mortar. We don't really know what is going to happen with our commercial spaces. We are getting interest up in College Market Place and Olhava, Viking Avenue starting to come back and 305 about the same. I can't predict but that we need to keep commercial zoning for the market to be able to respond to that. Should we keep or limit mixed use structures for downtown synergy that mixed use is kind of about. It is hard to find the right balance.

NC: Seattle designates pedestrian street that has to be commercial, but usually do live work. We get a lot of residential only buildings in commercial districts there right now, they have a need for housing.

KB: And you have mixed use where commercial on the first floor can't be leased but the residential units above are rented. Difficult to weigh all the variables.

JC: I think we should go along with recommendations. I don't think we have an easy answer.

RS: One thing we have to remember there is going to be need to have some commercial use. If all we have is very high density residential they are going to have to drive someplace to get to work.

GM: Of we followed staff recommendations for mixed use at this point. There is still some flexibility on a project by project basis?

KB: If a project came in that was a mixed use structure the proposed language would be no residential on first floor, some type of commercial on the first floor, but there would be ability to have other uses that are supportive of residential structure.

GM: No residential on first floor.

KN: I was wondering if for these sites, that might be a situation where we want to have convertibility so for those particular types of sites built out to commercial standards and reviewed 5 years or as market changes. As we have more vibrant more economically viable.

JB: I agree with that too. Live work as a use. This property where City Hall is was that always commercial?

KB: Commercial for souther portion and RL in northern portion. Government administrative allowed in RL zone with CUP..

NC: Are you looking for recommendation to look at potential options for C1 zone, not shopfront, or unique sites for potential?



KN: I was thinking just those couple corner sites. Through lots we were already covered with something that made sense there.

RS: I am not opposed to Kate's idea of letting those two lots be convertible. I think we would be safe on the Hostmark side. That is going to be difficult to park, plus grade changes and access.

KB: There is a consensus we would include in mixed use site section and leave mixed use structure piece staff recommendation and address corner lots in Third Avenue.

GM: Want convertibility with specific language. How long a period of time and how that decision on converting it and when is handled.

RS: Is there is a way to tie it into commercial vacancy rate in the area.

KB: Yes, we will research it. This is the direction you need. Something similar to you must demonstrate first there is not a commercial market or allowing for the convertibility with specific parameters on how long or how a property would demonstrate that?

GM: I think it could be based on time or market conditions open to either.

KB: What I think I've heard from the PC is mixed use structure that the staff recommendation as presented is acceptable, look at mixed use site for the corner lots. For height, concurred with our recommendation keep 35' as the base height City wide and to delete the 10' height bonus for under grade parking for the C1 district. To answer the question we use underground and undergrad interchangeably. Surface parking but designed for layer of the first floor to be above it. As it turns out we have underbuilding used by police force, we have under grade parking for the garage main garage. Point is that you would not get the bonus height. If a designer or developer could still design structures that used under building or under grade parking but they wouldn't get the additional 10' in height. Clarify and confirm with PC that you have not changed your concurrence about proposed amendment or if you wanted to change height in any other way.

JC: Have you done a survey on all of our zones on what commercial structures are vacant and what commercial land is available for development

KB: No, I did not commission an analysis.

JC: Is that something that should have been done?

KB: Helpful but we do not have the budget for it.

RS: Back to height to we concur?



(consensus yes).

RS: Does anyone have any other questions. We have a little bit more work on mixed use.

KB: Confirm shopfront overlay area as proposed. Address those corners through shopfront overlay which has additional design and siding standards. Confirm this is the configuration you like.

RS: This last one on the north end what is that last piece? The condos and Grand Kirk. Not sure that needs to be included. Transition into other buildings. The corner of King Olaf Way and Front Street include area in between.

KB: We have a nail shop and vacancy there yes or no for that parcel. Delete Grand Kirk.

(consensus yes)

KB: Southward we included the Marine Science Center, the Pharmacy, the old police station and the office building on the corner do you concur you want those included?

RS: Yes.

KB: Thank you, where we go from here, in a week from tonight we will have our staff report available , public hearing on May 8<sup>th</sup>. In that staff report we will summarize revised draft and discussion tonight. Include recommendation for conversion options for the two corner lots on Third Avenue.

RS: We would have that review at the public hearing?

KB: You would have that review at the public hearing. PH is on revised draft, PH will be public testimony on that draft. At the close of the hearing upon your deliberations any additional modifications you determine appropriate can be identified during your deliberations any additional modifications you determine are appropriate. You will direct staff through your motion what those amendments would be. Capture all of that and send to City Council. What they would look at is original draft plus all revisions. They will have their first workshop on May 16<sup>th</sup>.

GH May 8th 7pm?

KB: Yes 7pm.

GH: Are we going to go through any revised draft items?

RS: Yes.



GH: Page 6 childcare center we deleted it in all categories.

KB: Added it under education on page 5 preschool and childcare centers are being combined.

RS: I have a couple of small ones too.

KB: Let's check in with food trucks too.

RS: On page 3 isn't a TUP a separate use. Change from 4 to 5.

KB: Okay

RS: Page 7 footnote 3. Should that be referring to shopfront section rather than repeating language.

KB: We keep the footnote in but refer them to later on.

RS: Page 15 number 14 the first red 25 height mark. Should the word foot be in there?

KB: Yes.

RS: Page 25 mobile food trucks is a new section?

KB: Yes.

RS: I Liked all of it but, where it says placed in existing parking lot take up no more than three parking spaces. Should add language that it does not obstruct traffic or other business uses.

KB: Okay.

RS: Last section for food truck, add the word "each" business day page 25 2.b.4.

KN: One comment on food truck. 2.b.i one truck per parcel is allowed. Seeing that as one truck at a time or one food truck ever?

NC: Clarify to be one truck at a time.

GM: Page 14 4 provided when possible. I thought we changed that to "whenever possible". Seems a little stronger. I thought there was another reference we changed to that as well.

KB: I think you are right.

RS: I did say you changed the number of parking spaces to 2.

KB: Changed parking from 1 ½ to 2 consistent across the entire code.



RS: Anybody else?

KB: We did take a little liberty we inserted reference to master street tree plan and tried to emphasize Scandinavian heritage stronger. It is not our intent to change that and is a part of who we are. What we took from public comment that we received.

#### 6. Comments from Citizens.

Brian Smith: Want to start with a thank you, as a citizen of Poulsbo and historical society, you are engaged informed and invested in the rewriting of this code. Thank you for preserving Scandinavian heritage. Thank you for master tree plan important to our group. Thank you for recommending we maintain two parking spaces and we feel you are listening. There are seven vacant retail spaces in the shopfront overlay. Not sure adding residences in those mixed use helps business supply. If we add more commercial space too many vacant fine line between looking like a vibrant town and what appears to be a dying town. Commercial pilot who flies to Asia, they forecast huge growth and their big residential businesses. We do have unique preservable historical districts. Can new development help us do this? Probably, can't fight it all. Get confused when developer donates to our auction but wants to take down 2nd oldest building and one of the City's oldest trees. Please consider that in downtown Poulsbo without preserving the past in the future, there will not be much past to preserve.

Lynn Mervang: I would like to thank you for all your hard work, thoughtfulness of decisions. You have something at stake in this. Appreciate Little Norway was included in document. There is a Little Norway invitational coming. I would like to ask you to consider what is appropriate when thinking about the mixed use in the C1 area. Right now we have building on Jensen way with 70 plus units and Vanaheimr that has 25 units with hospitality units. Moe street residential units. Developer would like 42 units on 3rd Avenue and 10 to 15 in shopfront and shopfront overlay. We already have about 105 and adding another 42 units and we are thinking shopfront with all this residential around it. Is that the best use of the C1 District. Would it be good to put residential somewhere else and put commercial use in that area. In light of that i was thinking about what should change in the shopfront overlay. Things have changed for that potential. Right now it is residential but including it in that. Ask you to reconsider that also.

#### 7. Commissioner Comments.

KB: I will be contacting the historical society about the walking tour and would like that before the public hearing. Reaching out to them for as many of you that can attend we will have a special notification. No decisions can be made during meeting for informational purposes. We will notice that we will be doing this. Work on commission.



RS: One question. Seems like there is a billboard on Highway 305, advertisement for Liberty Bay Auto.

KB: We will take a look at it. Billboards are prohibited or off premises signage. We will have code enforcer look into it.

8. Adjourn 7:38

A handwritten signature in blue ink, consisting of a stylized initial 'R' followed by a long, horizontal, wavy line.