



C-1 DOWNTOWN LIMITED ZONING AMENDMENTS - FLEXIBLE USE

Planning Commission Public Hearing
July 23, 2019

Review Schedule

- June 28, 2019 | Initial Release
- June 28, 2019 | Notice of Application with Optional DNS Issued
- June 28, 2019 | Notice of Planning Commission Public Hearing Issued
- **July 23, 2019 | Planning Commission Public Hearing**
- July 26, 2019 | Notice of City Council Public Hearing Issued
- August 14, 2019 | City Council Public Hearing

Background

- City Council adopted amendments to the Commercial Zoning Chapter in 2018.
- Amendments were to all C zones and addressed use table, height, landscaping, design standards, and the creation of the downtown shopfront overlay.
- Mayor requested the CC Economic Development Committee reconsider the mixed-use component in downtown based upon new information.



Background Cont.

- The EDC discussed options for residential uses in the C-1 district, as well as in the other commercial districts, at multiple meetings throughout the spring (2/27/19, 3/27/19, 4/12/19, 4/24/19).
- The EDC decided to focus on residential uses in the C-1 zone and at its 4/24/19 meeting requested that the full City Council hold a workshop to continue the discussion.
- A full City Council workshop was held on the topic on 6/19/19.

What's on the Books for C-1:

- Design standards which reinforce Scandinavian heritage.
- Establishment of Shopfront Overlay.
- Height limit of 35', except:
 - 3rd Avenue between Moe St and Hostmark St shall be 25' as measured from the highest sidewalk grade of 3rd Avenue adjacent to property line;
 - In Shopfront Overlay, west side of Front St shall be 25' and the east side of Front St shall be 35' as measured from the highest sidewalk grade of Front St.



Mixed-Use - 2018

- Mixed-use was discussed at length during the 2018 Commercial Code Update.
- Two types of mixed-use considered: 1) mixed-use structure and 2) mixed-use site.
- The discussion around the mixed-use structure centered on what uses were appropriate on the first floor of a multi-story building in the commercial zoning district (residential was already allowed above the first floor).
- The discussion around the mixed-use site was whether 'standalone' residential units should be allowed in a specific geographic area within the C-1 District.

Mixed-Use 2018

	PC Recommendation	CC Adopted
Residential Units	Not permitted on the first floor.	Not permitted on the first floor.
Uses Accessory to Residential Use (lobby, fitness, etc.)	Permitted behind street level commercial on the first floor.	Permitted behind street level commercial on the first floor.
First Floor Commercial Requirement	Must be commercial and/or accessory uses to residential.	50% of street level ground floor gross square footage shall be occupied by uses allowed in Table 18.80.030 Commercial Uses (excluding residential uses).
Mixed Use Site (3rd Avenue)	Recommended, and included conversion option for 'book-end' lots at Moe and Hostmark. Required a market study or similar type document be submitted every four years to demonstrate that commercial uses are not viable in the first-floor space.	Eliminated Mixed Use Site.

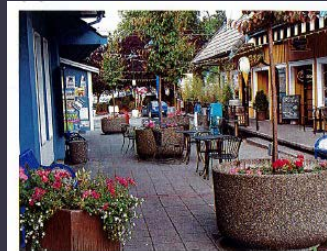
Request for Reconsideration

- The Mayor requested reconsideration of the mixed-use component of the C-1 Zoning District. She made this request based upon input from the development community regarding the financial feasibility for redevelopment, the existing commercial market rent, and her concern that an opportunity for reinvestment is being missed.
- Any upgrades to the existing structures in the shopfront overlay portion of the C-1 district will require life safety improvements. The property owner of the majority of downtown parcels on the east side of Front St has withdrawn building permits for improvements.



Missing An Opportunity?

- Delayed maintenance has resulted in expensive upgrades.
- Any upgrade to buildings requires life safety improvements – sprinklering.
- Commercial rents in downtown cannot at this time support the expense of building upgrades.
- New property owner has expressed his desire, vision and financing for downtown improvements.
- However, based upon the current financial status, he is not moving forward on building permits that were approved.



PEDESTRIAN STREETS

THE NEW "POST ALLEY"

The charm of old town is due to its pedestrian friendly qualities with narrow streets, little alleys and hidden places. New mid-block passageways will connect the hillside neighborhood to the waterfront park. The creation of a small green in front of city hall and improvements with Waterfront Park will create a unified pedestrian experience downtown.



Proposed Amendment

- The amendment is drafted to allow for flexibility of uses on the first floor of a structure in the C-1 zoning district but would require the first floor to be constructed at commercial building and fire code standards and would require parking at the commercial ratio requirements.
- The following is the substantive portion proposed amendment to PMC 18.80.080.J:

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.
 - j. Within the C-1 zoning district, but outside of the shopfront overlay, residential units may be allowed on the first floor, provided that the first floor shall be constructed to commercial building and fire code standards and parking required at the applicable commercial ratio, to accommodate flexibility of use as both residential or commercial, as the market supports.

Key Concerns - Traffic

- The Engineering Dept. prepared a technical memorandum summarizing the traffic conditions within the C-1 zoning district as it relates to Level of Service (LOS). This memo is included as Exhibit G.
- The Technical Memorandum evaluates the capacity of the roadway segments by Average Daily Trips (ADT), and intersection delays in the downtown. A Level of Service (LOS) is assigned to each roadway segment or intersection based upon a graduate scale (which is defined in the technical memorandum) with LOS A the best and LOS F as the worst.
- **All roadway segments in the downtown (Hostmark, Fjord Drive, Front Street, Jensen Way, and 3rd Avenue) all operate within a LOS A or B currently.**



Key Concerns - Traffic

- The City's adopted LOS is E. Therefore, **the roadway segments and intersections are currently well above the City's adopted LOS and remain well above as projected in the TIAs.** Any future development proposals within the C-1 zoning district are required to prepare a TIA to ensure LOS meets or exceeds E. Further, the next Comprehensive Transportation Plan update is scheduled for 2022-2023.



Key Concerns - Parking

- On-site parking will be required for all new and redeveloped projects in the C-1 zoning district. The commercial parking ratio for the C-1 zoning district is 1 space per 300 square feet. This is a conservative parking requirement.
- Therefore, any new or redeveloped structure in the C-1 zoning district, will be parked according to the City's adopted parking standards and will meet the needs of the structure without reliance on public parking lots or on-street parking.



Key Concerns - Parking

- The City conducted a downtown parking study in 2008 and refreshed with updated data in 2012. There are several strategies that were recommended but not yet implemented, including: enforcement of the public parking lots time limits; permit parking program for employee/long-term parking; and paid parking and enforcement for public parking lots.



Review Criteria - Conclusion

In order to grant a zoning code text amendment, the following findings must be made:

1. The amendment is consistent with the comprehensive plan; and
2. The amendment supports and/or enhances the public health, safety or welfare; and
3. The amendment is not contrary to the best interest of the citizens and property owners of Poulsbo

Staff Conclusion: The proposed amendment is consistent with the comprehensive plan; the amendment will require compliance with adopted International Building Code and Fire Code standards that ensure the public health, safety and welfare; and the amendment is not contrary to best interest of citizen and property owners as the City's development standards ensure that adopted transportation Level of Service standards remain intact and parking requirements will ensure all necessary parking is provided on-site and will not have an impact on publicly owned parking areas.

Recommended Motion

MOVE to recommend (approval) (approval with modifications) (denial) to the Poulsbo City Council the C-1 Downtown Limited Zoning Amendments (Flexible Use) as identified as Exhibit A; and direct the Planning and Economic Development Director to prepare findings of fact in support of this decision for the Planning Commission Chair's signature.



THANK YOU.

Questions or Comments:

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