



PLANNING AND ECONOMIC DEVELOPMENT

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MEMO

To: Hearing Examiner
From: Edie Berghoff, Associate Planner
Subject: Winslow Ridge PRD & Pre Plat | Planning File No. P-12-06-19-01
Addendum 2
Date: October 6, 2022

The Winslow Ridge staff report was distributed to the Planning Commission on September 6, 2022. The Planning Commission meeting was held on September 13, 2022. The Planning Commission recommended approval.

The following items are procedural and added at or subsequent to the Hearing Examiner Hearing.

1. New Exhibit 20: Staff Presentation Slides
 - A. Planning Presentation Slides
 - B. Engineering Presentation Slides
2. New Exhibit 21: Additional Public Comment Added at Hearing

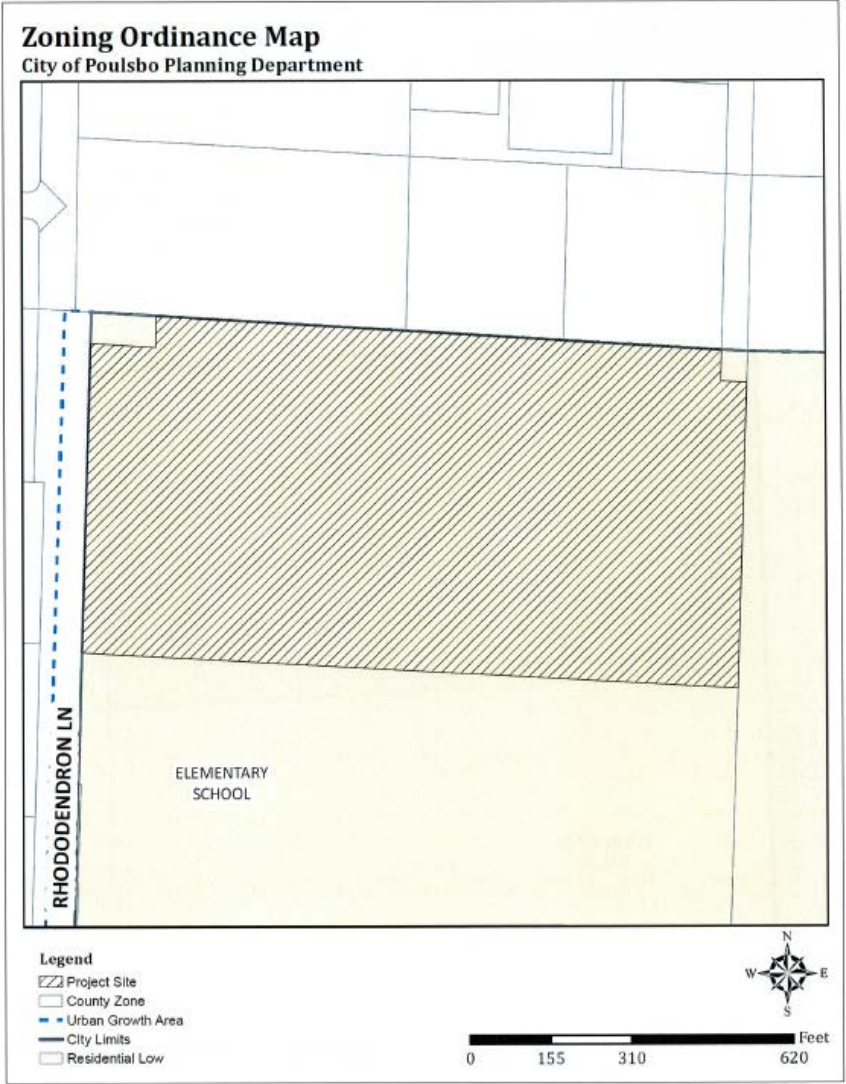
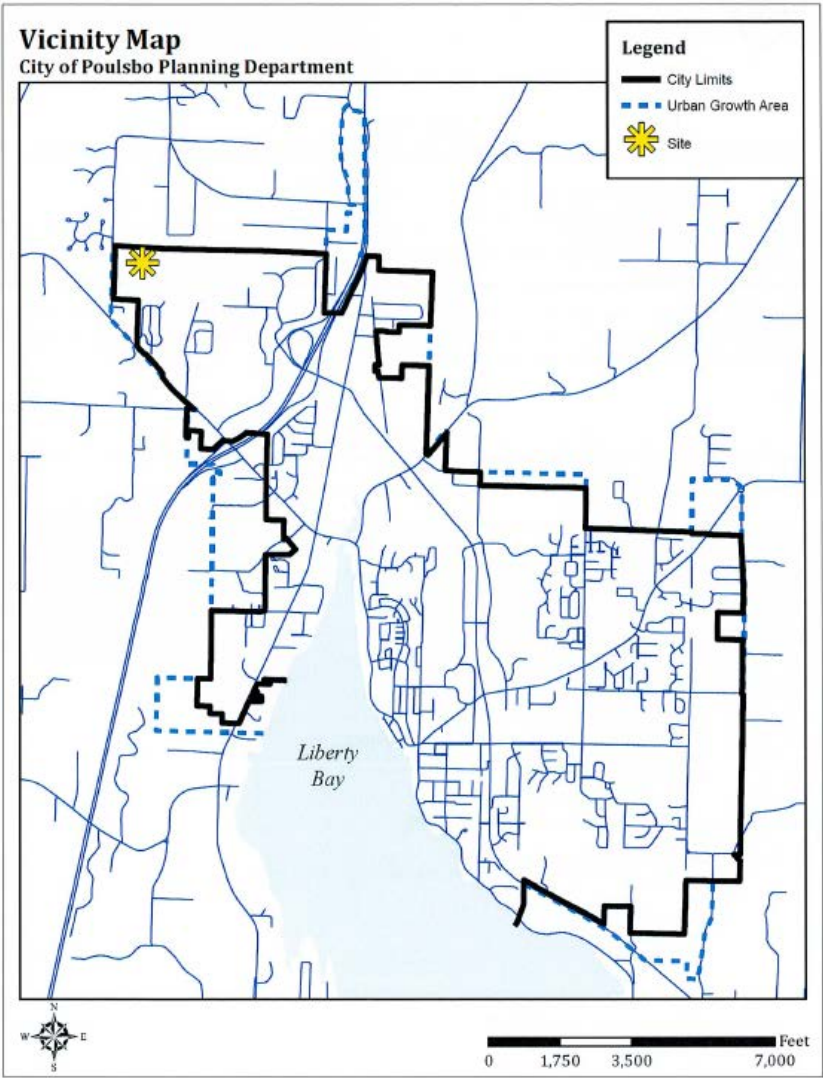
Additional public comment post hearing was not received.

WINSLOW RIDGE PLANNED RESIDENTIAL DEVELOPMENT & PRELIMINARY PLAT

Hearing Examiner

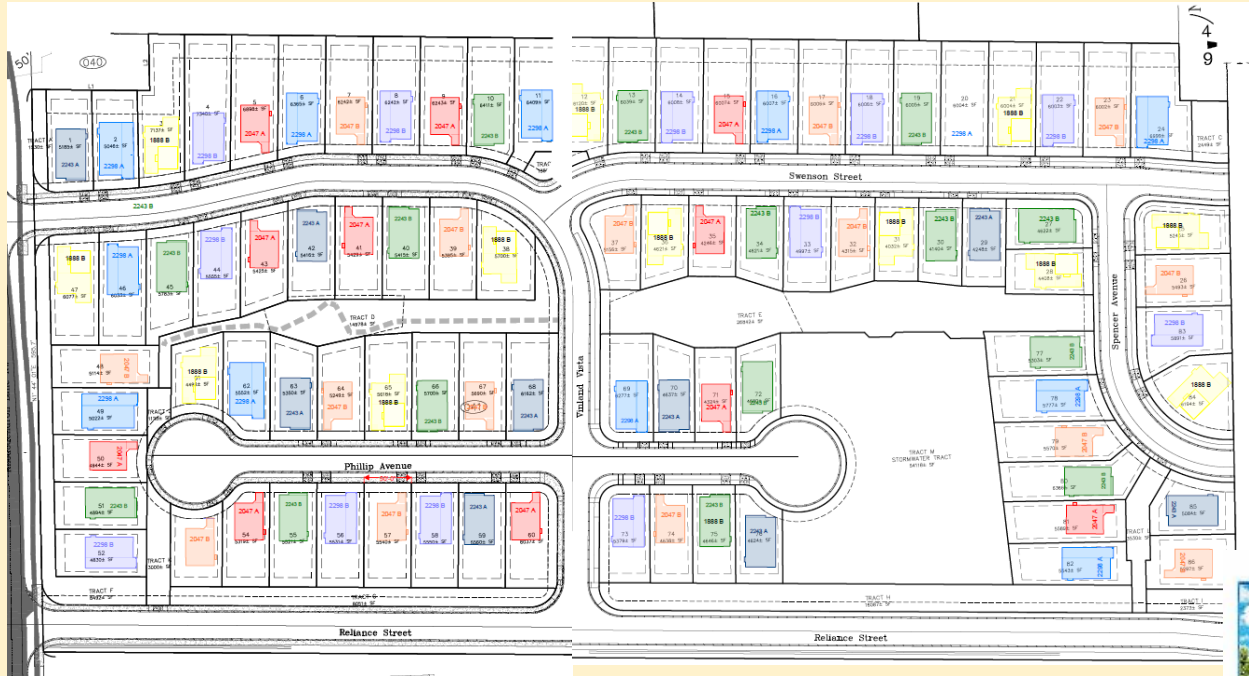
October 4, 2022

Location and Zoning



- Lots are 4,032 to 7340 square feet. (PRD minimum lot size is 3,750 square feet.)
- Lot area and dimension meet requirement as proposed.
- Setback, building height, building lot coverage, and general design reviewed with building permit submittal.

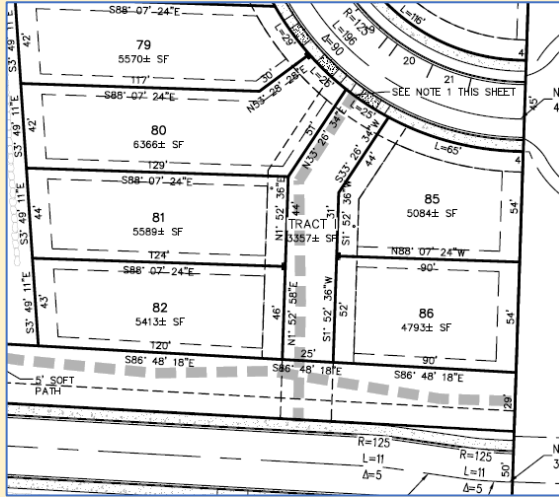
Winslow Ridge Home Siting Plan



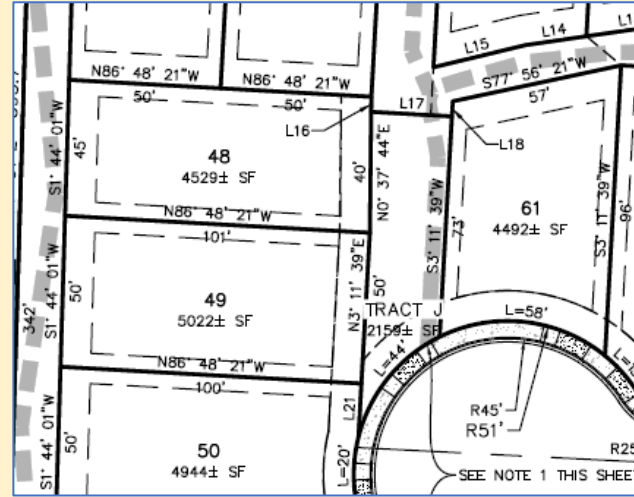
- Potential home locations shown; structure footprint will vary.
- Building lot coverage and impervious surface allowance limits structure area.



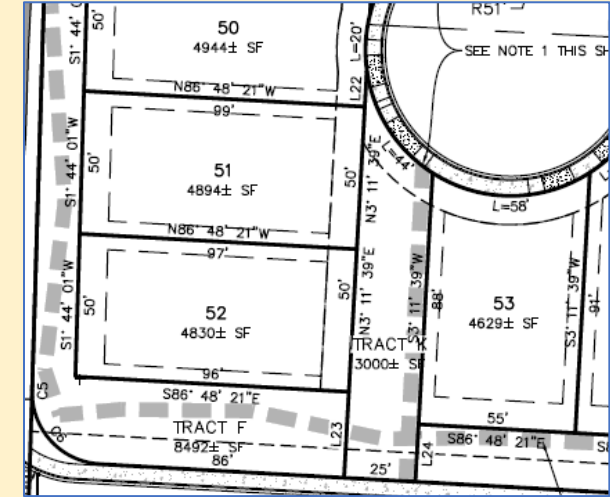
Winslow Ridge Privacy



- Tract I
- 4 homes face driveway.



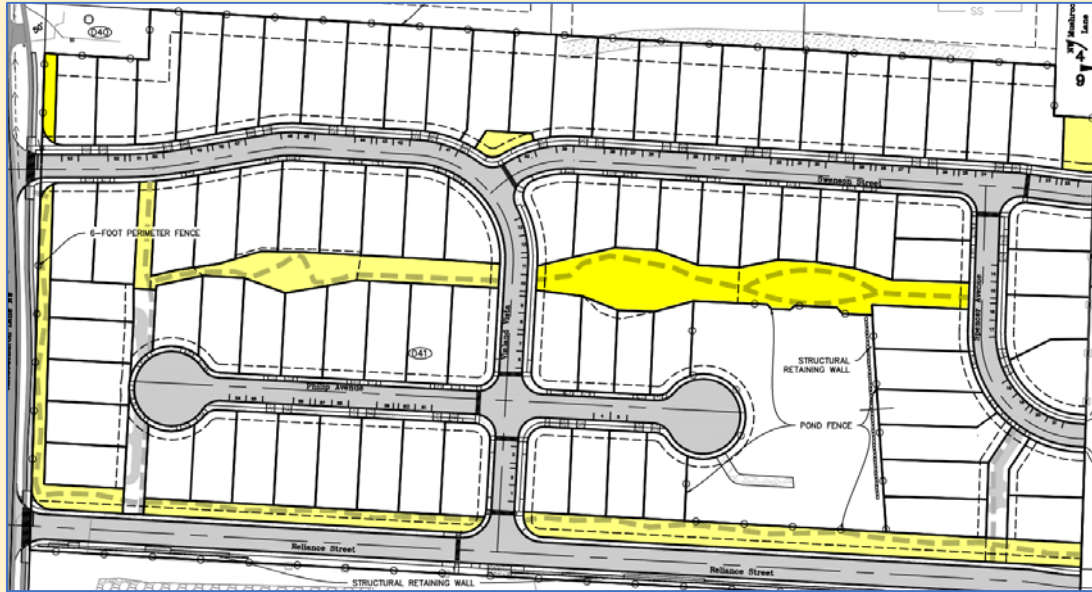
- Tract J
- 2 homes
- Fence along lot 61



- Tract K
- 2 homes
- Fence along lot 53

Winslow Ridge Open Space & Amenities

- Open Space



- 10% of project is open space for project resident use.

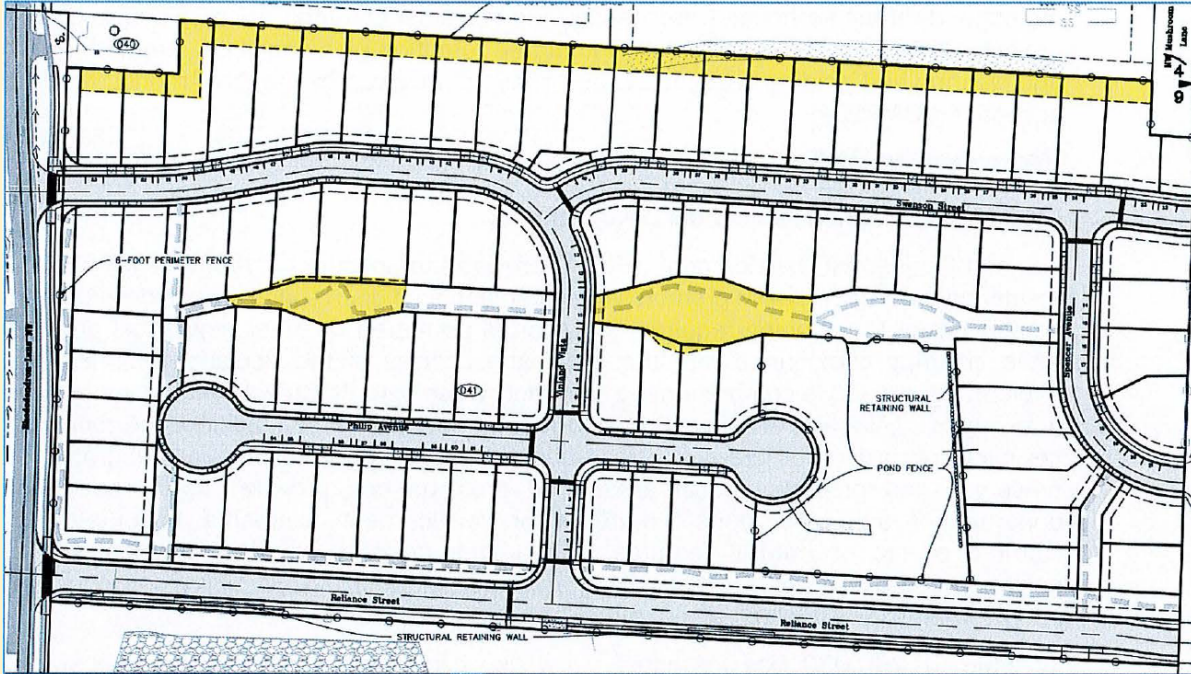
- Private Amenities:

- Commercial grade training circuit in Tract E
- 1,500 feet of 5 feet wide gravel walking path
- 7 benches; 6 are along pathway
- Gazebo

- Public Amenities:

- 1,500 feet of 5 feet wide walking path consistent with the UPP Plan

Winslow Ridge Tree Retention



- 121 significant trees, smaller trees provide 62 tree equivalents, and 106 trees planted.
- All trees planted will be located in project open space or tree retention easement.
- Retention trees maintained through HOA or other common ownership.

Landscape Plan



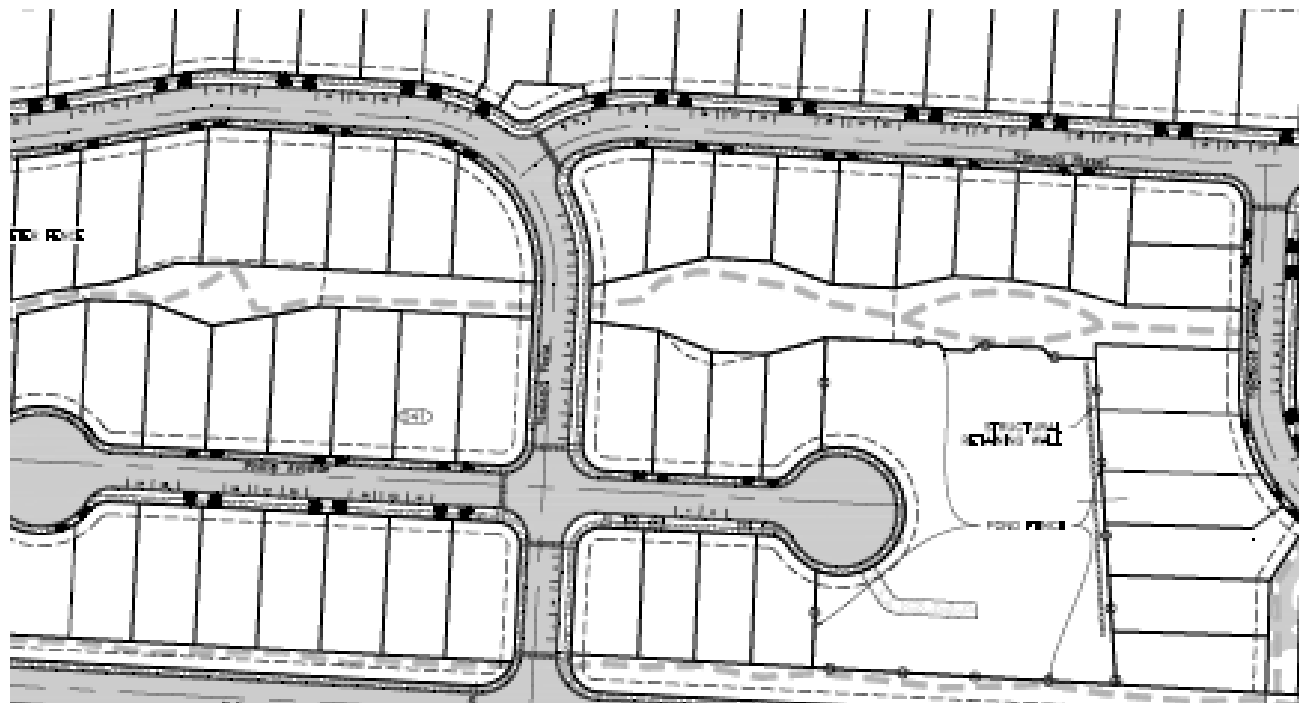
- Street trees along all internal streets.
- Landscape buffer along Rhododendron and Reliance.

Planning Commission Recommendation

Planning Commission recommends approval of the Winslow Ridge Planned Residential Development and Preliminary Plat, Planning File P-02-26-21-02, subject to the SEPA Mitigations and Conditions of Approval.

Winslow Ridge Preliminary Plat

Engineering/Public Works
Department Review and
Recommendations

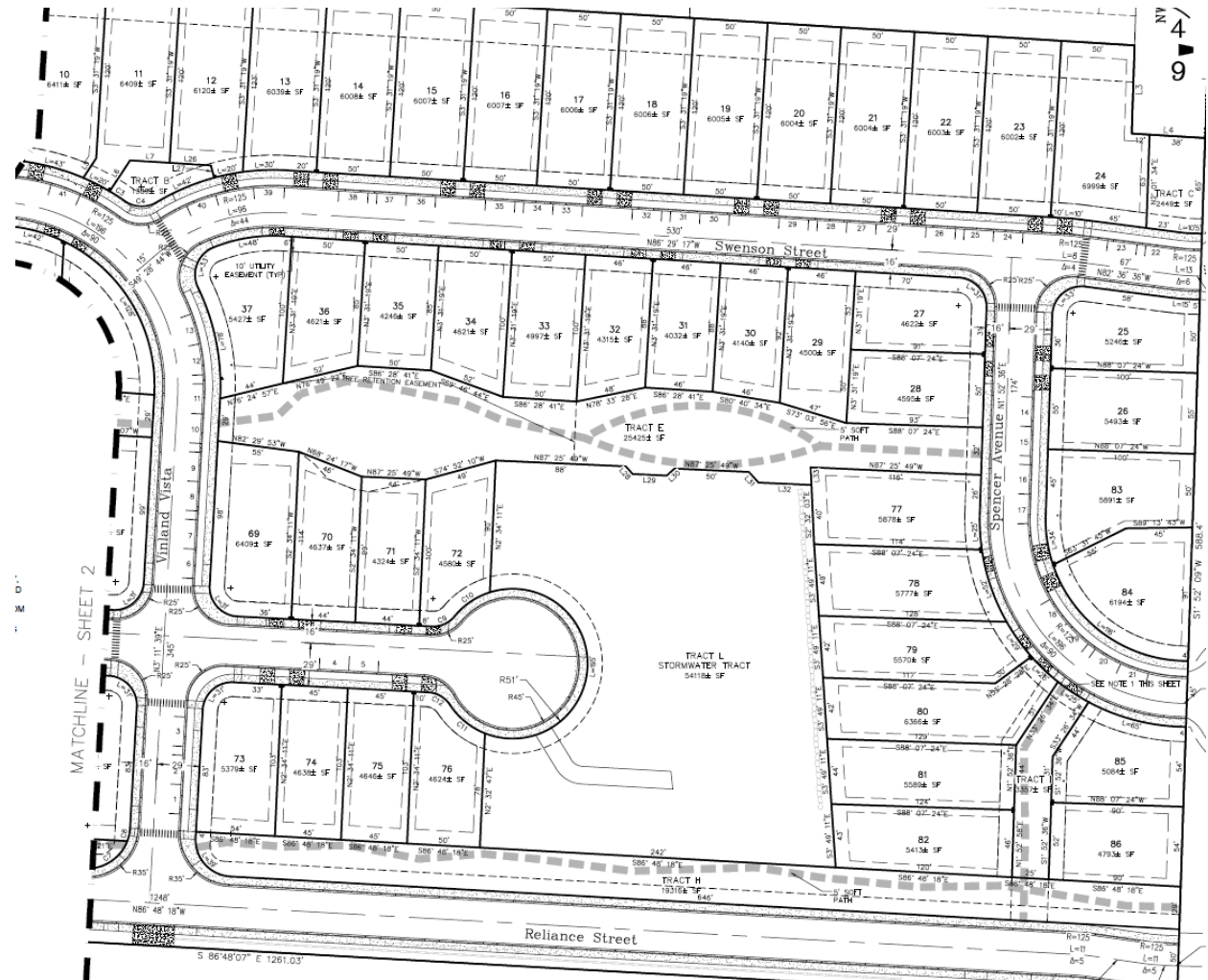


Engineering/Public Works Decision Criteria:

- *Makes adequate provision for streets, roads, alleys, other public ways, and transit stops as required; and the proposed street system provides for the safe, orderly and efficient circulation of traffic.*
- *Will be adequately served with water, sewer, storm drainage, and other utilities appropriate to the nature of the subdivision, and meets all current and applicable standards.*
- *Makes adequate provision for schools and school grounds.*
- *Makes adequate provisions for sidewalks and other planning features that provide safe walking conditions for students who walk to and from school.*
- *Serves the public interest and makes appropriate provisions for the public health, safety, and welfare.*

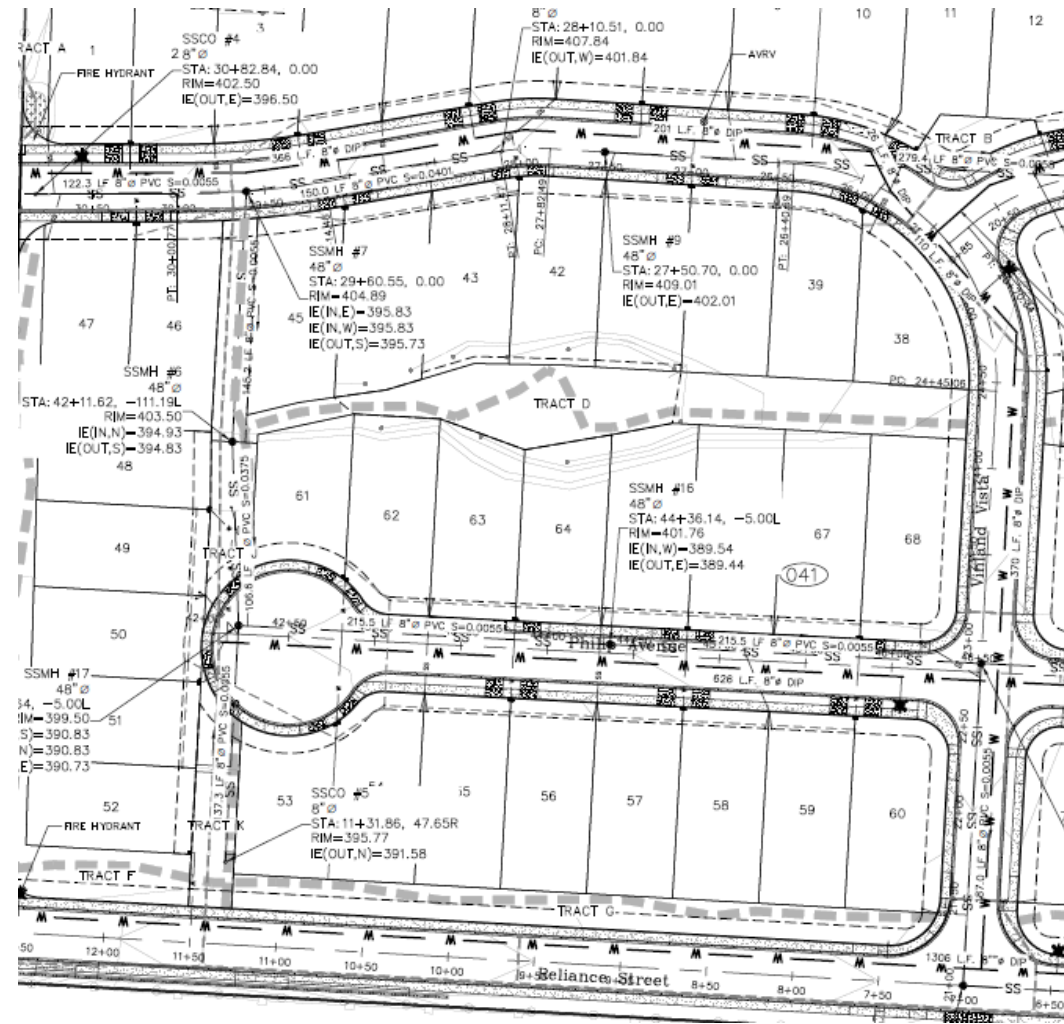
Makes adequate provision for streets, roads, alleys, other public ways, and transit stops as required; and the proposed street system provides for the safe, orderly and efficient circulation of traffic.

- Project generated traffic was evaluated in accordance with PMC 14.04.070.
- Applicant will be responsible for paying traffic impact fees per PMC 3.86.
- Project will provide extension of Shared Use Path along Rhododendron.



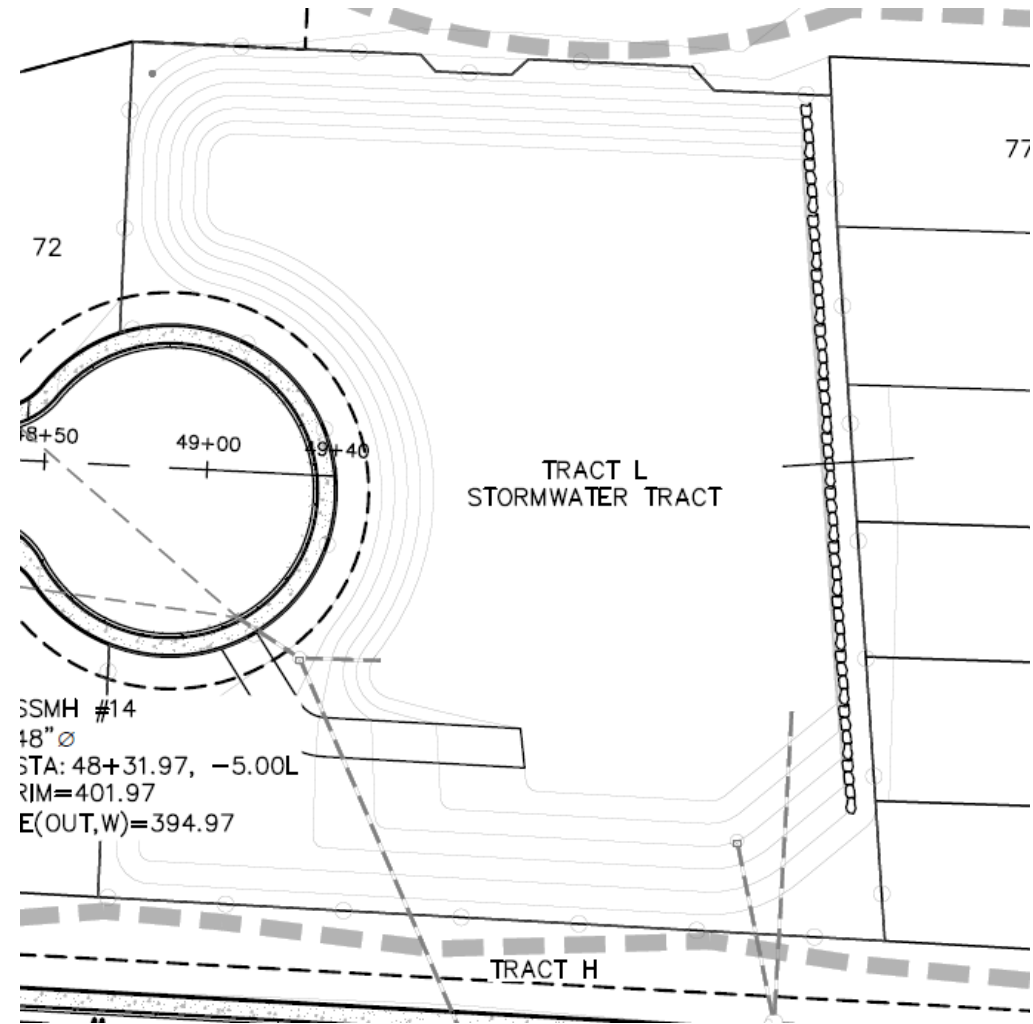
Will be adequately served with water, sewer, storm drainage, and other utilities as appropriate

- Water will be looped between developments.
- Hydrants provided in accordance with required spacing.
- Sewer service will be provided via an existing connection in 12th ave.



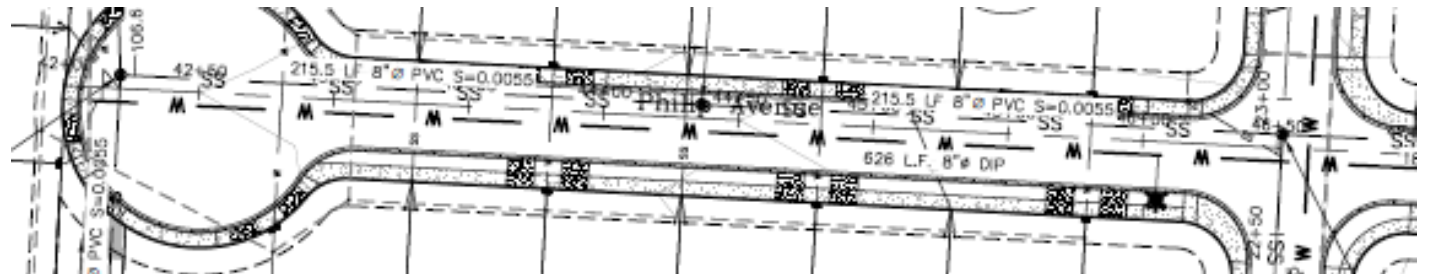


- Storm drainage will be provided by (1) Infiltration Detention Facility
- Both basins on site were peer reviewed and have satisfied the requirements of the 2014 DOE Manual.



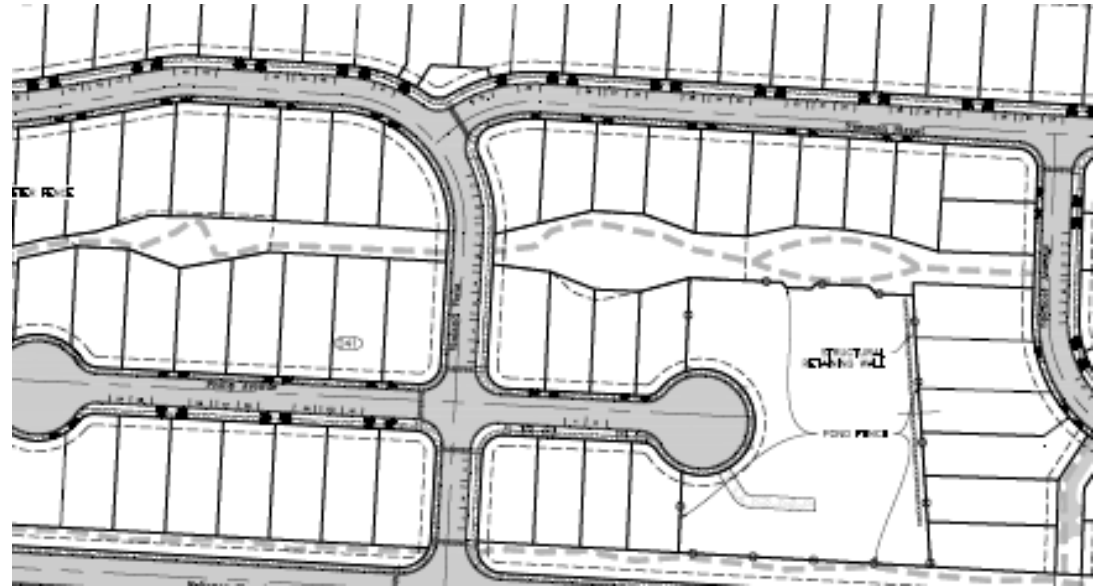
Makes adequate provision for schools, sidewalks and other planning features that provide safe walking conditions for students who walk to and from school, Fire and Emergency Access and Protection.

- Applicant will pay School Impact Fees.
- Enhanced Midblock Crosswalk provided to Vinland Elementary trail system.
- Extension of Shared Use Path.
- All roadways and hydrant spacing have been designed to City Standards.



Serves the public interest and makes appropriate provisions for the public health, safety, and welfare.

- The Engineering Department has reviewed the proposed Preliminary Plat known as “Winslow Ridge” for compliance with our City’s Construction Standards, Comprehensive Plans, and Subdivision Decision Criteria listed under Title 17 of Poulsbo Municipal Code. We have found the proposed water system, storm system, and proposed street designs to be in compliance with all City Codes and Ordinances subject to the provided technical analysis and provided conditions of approval.



From: [VINLAND CREST HOA](#)
To: [Eddie Berghoff](#)
Subject: Public Comments: P-02-26-21-02 Winslow Ridge Dev.
Date: Monday, October 03, 2022 6:04:04 PM

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Re: Public Comments

Submitted by:

**Vinland Crest Homeowners Association
Rhododendron Lane,
Poulsbo, WA 98370
Lynn Klassert, President, Board of Directors**

To: Mr. Eddie Berghoff, City of Poulsbo, Associate Planner

I am submitting the following comments regarding the Winslow Ridge Development.

- 1) The development project is being planned directly across the road from our Vinland Crest HOA of 66 homeowners. There is a concern of housing density in a forested area with native wildlife being further displaced. In addition, the large loss of trees and native landscape is so needed for our future environment.**
- 2) The development project will cause higher traffic levels and safety concerns for the children walking to/from adjacent Vinland Elementary School especially during darker winter hours. The plans will have 2 to 3 new streets flowing over the current Rhododendron public walkway to the school. The area already is experiencing increased parking, drop-off and pick-up traffic. This project will impact it even more, increasing concerns of safety for those parents and their children. In addition, the level of normal traffic along Rhododendron Lane during school opening and closing times is already causing congestion for those who live in our area.**
- 3) This development is being built adjacent to the new Urdahl project of 86 homes and the 86 homes of Vinland Pointe and 66 homes at Vinland Crest. Why? Currently, the financial markets have increased mortgage rates over 6.0% that has potential buyers sitting on the sidelines unable to afford the financing of a new home. Across our country builders have started to stop building new homes as the surplus has developed. The builders are selling their surplus homes to corporations who in turn are renting the units at higher rates than normal monthly mortgage payments. Young families will not be able to**

purchase a new home at this rate. A recent Bloomberg news report entitled "Builders Are Stuck With Too Many Houses as US Buyer's Pull Back" provides an excellent explanation of the nation's housing market.

Link: <https://www.bloomberg.com/news/articles/2022-08-09/homes-for-sale-surge-as-builders-are-stuck-with-too-much-inventory>

For the above outline concerns, we request this development be postponed and re-examined at this time.

Submitted by: Lynn Klassert, President, Board of Directors, Vinland Crest Homeowners Assn.

Wealth
Living

Builders Are Stuck With Too Many Houses as US Buyers Pull Back

The industry faces a glut of inventory after years of supply constraints fueled an affordability crisis.

1:25



US Housing Market Cools Off

By Prashant Gopal and Catarina Saraiva

August 9, 2022 at 7:01 AM PDT

In an American housing market that for years has been plagued by too little inventory, builders are suddenly finding themselves with a glut of unsold homes.

This year's surge in mortgage rates tossed buyers to the sidelines. The waitlists for new houses are gone. And new-home sellers such as Kevin Brown, who works just south of Houston, are on the front lines of a massive shift.

While Brown used to have back-to-back appointments, buyers now just trickle in to his Saratoga Homes sales office. Meanwhile, he's got 55 houses under construction and five that are complete, all without deals.

"There's a bit of pressure on us," Brown said. "Builders have got to hit goals and make their profit, and they don't like inventory just sitting on the ground."

The Snowballing US Rental Crisis Is Sparing Nowhere and No One

An abrupt halt to the pandemic housing boom has left builders that started construction months ago scrambling to adapt. The US supply of new homes relative to sales in June was the highest since

the midst of the last crash in 2010. And by early July, buyer traffic to homebuilder websites and sales offices had plunged to the lowest level for the month since 2012, according to a survey of builder sentiment from the National Association of Home Builders.



New Homes sales signs line a road near Rosharon, Texas. *Photographer: Mark Felix/Bloomberg*

The new-home pile up underscores a broader shift that's wreaking havoc in the market. A national housing shortage contributed to years of bidding wars and desperation among buyers who bid up prices to record levels for fear of missing out. But this year's surge in borrowing costs has now pushed affordability to a breaking point and eased some of the scarcity.

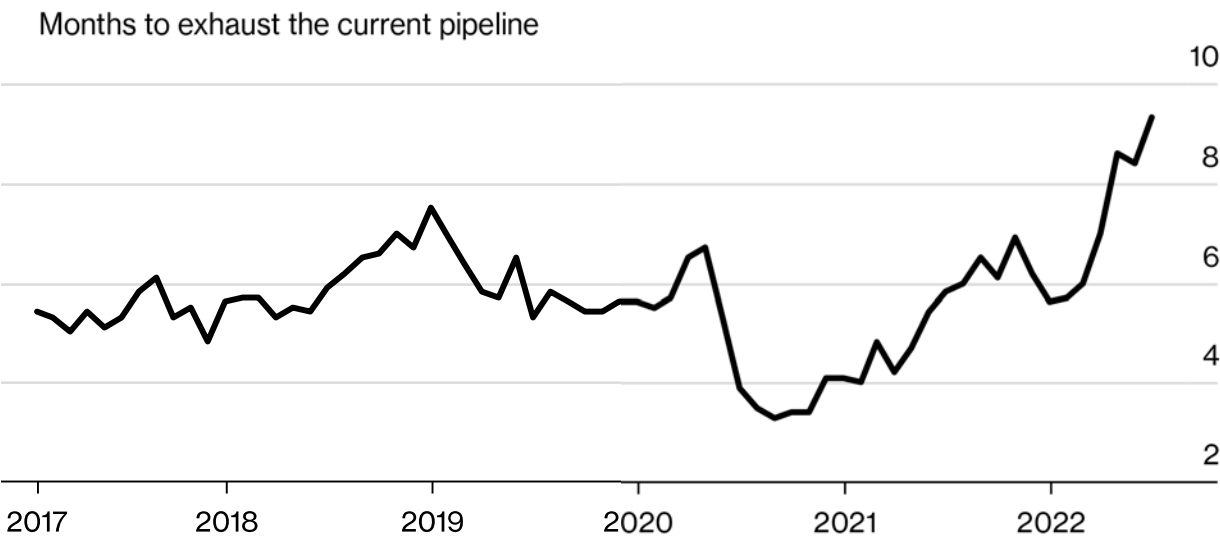
At the same time, the stage is set for longer-term supply constraints as builders pull back. A decade of underbuilding and a bulging population of young people aging into homeownership threatens to prolong the affordability squeeze.

"Despite the fact that there aren't enough housing units in the country, builders are not willing to take the gamble that's required to build them," said Jerry Howard, chief executive officer of the homebuilders group. "They're afraid that, in a recessionary environment, they won't be able to sell them."

In June, 824,000 single-family homes were under construction in the US, more than at any time since October 2006, according to an NAHB analysis of government data. Unsold inventory has ballooned in part because of supply-chain disruptions and labor constraints that created bottlenecks in the production pipeline.

Builder Inventory Soars

Months supply of new houses climbs to highest since 2010



Source: US Census Bureau

Now, with the economy looking murky over coming months, builders are cutting back on starts, trying to avoid having too many completed homes sitting empty. They’re also applying for fewer building permits, which for single-family homes fell in June to a two-year low, according to data from the government.

Not every market is cooling fast. But the change is stark in the pandemic boomtowns where builders piled in to meet demand for out-of-state arrivals, who often bid up prices beyond the reach of locals.

“It has become a very competitive market for builders where they are trying to offload any standing inventory,” said Ali Wolf, chief economist for Zonda, which tracks new-home production. “We may see a period where supply may actually exceed demand for a while in some of the markets that were the most feverish over the past two years.”





An abrupt halt to the pandemic housing boom has left builders that started construction months ago scrambling to adapt. *Photographer: Mark Felix/Bloomberg*

Boise, Idaho, is one of those areas where a pandemic bubble is bursting. Remote workers arrived from pricier states such as California, seeking open spaces and fewer virus restrictions. But now Covid restlessness is giving way to fears that the Federal Reserve's cure for inflation – higher rates – will tip the US into a recession.

Idaho's biggest builder, CBH Homes, has had about a third of buyers cancel contracts in the past few months, nearly twice the level at the start of the year, according to Corey Barton, the company's president. He's got 200 unsold finished homes, compared with 75 at the end of last year, and said he'll probably surpass the 350 he was left with after the last crash 15 years ago.

In a sense the inventory was there all along – it was just hidden, he says.

Builders had been deliberately holding back houses, waiting until they were a couple months from completion before releasing them for sale. That's because they couldn't build fast enough to meet sky-high demand. By waiting, they could charge the current market price as materials costs climbed.

But now, the market is getting flooded with listings, Barton said. Homes are finishing or are getting listed earlier in the construction process.

Meanwhile, CBH has cut starts by about half. Subcontractors involved in the early stages of construction, digging out basements or pouring foundations are already feeling it, he said.

“The movement from out of state caused a false market,” Barton said. “We have to accept things for the way they are. It’s going to get tough.”

The builders most likely to get into trouble are smaller ones that need sales to pay back construction loans, or those who loaded up on land at today’s elevated prices, said Carl Reichardt, a homebuilding analyst for BTIG. Large public companies have cheap long-term debt and strong balance sheets, with more geographic diversity to balance out weak markets, he said.

Still, builders such as PulteGroup Inc. and D.R. Horton Inc. have warned investors of slowing orders and increased cancellations. The S&P Supercomposite Homebuilding Index has tumbled 27% this year through yesterday, more than double the 13% decline in the S&P 500.

Builders are reluctant to add too many homes to their pipeline when they don’t know where interest rates – and buyer demand – will be when homes are completed, Reichardt said. They also are contending with rising inventory in the existing-home market, giving house hunters other options, according to housing economist Ralph McLaughlin. The number of active home listings nationwide jumped 31% from a year earlier, a record increase, according to a report Tuesday by Realtor.com.

“Existing inventory was at historic lows so buyers turned to new homes to fill the gap,” said McLaughlin, chief economist for Haus, a co-investment platform for buyers. “If existing inventory now rises to normal levels, builders aren’t going to have the upper hand they had for years.”

Most traditional sellers can afford to wait or even postpone a sale if conditions deteriorate. But builders will have to discount until they find the market-clearing price, said Benjamin Keys, a real estate professor at the University of Pennsylvania’s Wharton School.

He worries that at the end of a potential recession, continued underbuilding will help keep prices elevated.





Saratoga Homes's Glendale Lakes development. *Photographer: Mark Felix/Bloomberg*

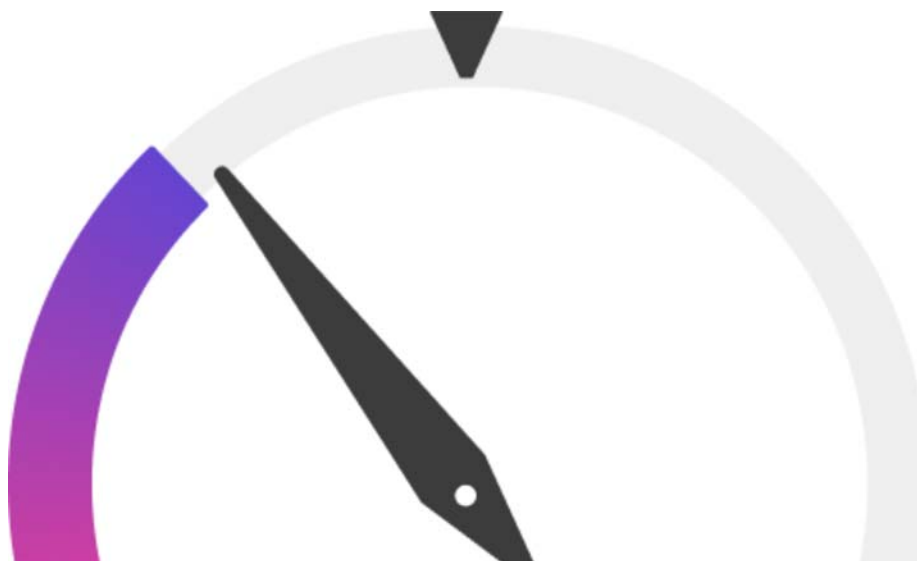
“The homebuilders have an understandable incentive to pull back right now and Americans need more affordable housing,” Keys said.

At Saratoga Homes's Glendale Lakes sales office, marketing director Christina Nuon said she's making cold calls to agents and hosting happy hour events to boost sales. The company has a menu of incentives to bring down costs for its entry-level buyers, from \$12,000 toward closing costs to a subsidized 30-year mortgage rate of just under 4%.

“Buying down rates, it's kind of going to be our incentive probably from now on out,” Nuon said. “Just because that's the only way we can help buyers. We can't reduce the price any lower.”

Brown, the sales consultant, says the incentives have helped put a dent in inventory.

“I am trying to find one buyer at a time,” he said, “and not get overwhelmed by what I have coming up.”





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