

City of Poulsbo

Planning & Economic Development



To: City Council
From: Nikole Coleman, AICP, Senior Planner
Date: April 4, 2024
RE: Olhava Master Plan (OMP) Overview and Proposed Code Amendments

The Olhava Master Plan (OMP) was submitted to the City of Poulsbo in 1995 and approved in 1997. The property is divided by State Highway 3 into a northern 174-acre parcel and a southern 41-acre parcel. Its approval included a 10-year phasing plan to construct a 50,000 square foot Olympic College, 490 residential units, 840,000 square feet of commercial and 325,000 square feet of business park. This area is commonly known today as College Marketplace.

In addition to the OMP, a Development Agreement between the property owners, Olympic College and the City was executed in 2004. Also, that same year, mass grading and infrastructure improvements such as roads, sewer and water were constructed and installed along with the grand opening of Olympic College campus in Poulsbo. Since the opening of Olympic College in 2004, approximately 18 development projects have been approved and constructed beginning with Wal Mart and Home Depot in 2006, with the most recent opening of Chipotle and the first phase of the CMP apartments.

On August 9, 2023, the Poulsbo City Council passed emergency Ordinance No. 2023-11 approving a 12-month development moratorium for vacant undeveloped property zoned Commercial (C-4) and Business Park (BP) within the OMP. A moratorium is a pause on some new development, land use, and construction applications in order for a city to consider new and/or revised development and zoning regulations. The State of Washington grants Cities the authority to adopt a moratorium under RCW 36.70A.390. There were multiple reasons for passing the moratorium, however, the principal purpose is the desire by the City Council to open up more residential capacity in this part of the city.

Following additional research, consultation with the City Attorney, and discussion with impacted property owners, it was determined that the Olhava Master Plan can only be amended by property owners (or applicants). Therefore, the city did not have the ability to holistically make changes to the OMP. However, amendments to the underlying zoning text could provide opportunities for property owners to construct additional much needed housing. Staff provided an update and proposed next steps to the City Council on January 17, 2024. The City Council provided direction to staff to proceed with proposed code amendments.

The Planning Commission, in its role as the City's primary land use advisory committee held a workshop on the proposed amendments on February 27, 2024. On March 26, 2024, the Planning Commission held a duly notified Public Hearing and respectfully recommended approval of the Olhava/College Marketplace Code Amendments. In the attached document, initial staff proposed amendments are represented as red underline and red strikethrough. Planning Commission modifications are shown in purple underline and strikethrough.

Resources:

- [Olhava Master Plan Documents](#)
- [Olhava Master Plan History – PDF Summary](#)
- [Olhava Master Plan History – Story Map](#)
- [Moratorium Webpage](#)