

Joint Planning Commission and City Council

EIS Preferred Alternative

March 11, 2025

Heather Wright, AICP, PED Director

Nikole Coleman, AICP, Planning Manager

WHY ARE

WE

HERE ?

The purpose of this joint workshop is for the Planning Commission and City Council to select a Preferred Growth Alternative.

| Comprehensive Plan Update (Updated February 13, 2025) | | | | |
|---|--------------|----------|-----------|-----------|
| TASK | ASSIGNED TO | PROGRESS | START | END |
| Joint CC/PC Meetings | | | | |
| Kick-Off | PED | 100% | 2/23/22 | 2/23/22 |
| Growth Target | PED | 100% | 3/22/22 | 3/22/22 |
| Growth Strategy | PED | 100% | 9/27/22 | 9/27/22 |
| Housing Allocation | PED | 100% | 6/13/23 | 6/13/23 |
| SR 305 Workshop | PED | 100% | 5/23/23 | 5/23/23 |
| Preferred Alternative Selection | PED | 25% | 3/11/25 | 3/11/25 |
| Regional/Countywide | | | | |
| Buildable Lands Report | PED | 100% | 2020 | 2021 |
| Countywide PPP | PED | 100% | 2020 | 2021 |
| Population/Employment Allocation | PED | 100% | 2021 | 2022 |
| Housing Allocation | PED | 100% | 2022 | 2023 |
| Initial Review of Elements - Goals and Policies | | | | |
| Introduction/Vision | PED | 100% | 5/1/22 | 5/24/22 |
| Community Character | PED | 100% | 6/28/22 | 7/12/22 |
| Natural Environment | PED | 100% | 7/26/22 | 7/26/22 |
| Economic Development | PED | 100% | 12/13/22 | 1/10/23 |
| Capital Facilities | PED/ENG | 100% | 1/24/23 | 2/7/23 |
| Parks, Rec, Open Space | PED/PARKS | 100% | 1/24/23 | 1/24/23 |
| Utilities | PED/ENG | 100% | 2/7/23 | 2/28/23 |
| Participation/Implementation | PED | 100% | 2/28/23 | 3/14/23 |
| Health and Human Services | PED | 100% | 3/14/23 | 3/28/23 |
| Housing | PED | 100% | 3/28/23 | 4/11/23 |
| Land Use | PED | 100% | 8/8/23 | 8/8/23 |
| Transportation | PED/ENG | 100% | 10/10/23 | 11/12/23 |
| Full Review of Elements | | | | |
| Introduction/Vision | PED | 100% | 5/9/23 | 4/3/24 |
| Community Character | PED | 100% | 5/9/23 | 4/10/24 |
| Natural Environment | PED | 100% | 9/26/23 | 7/10/24 |
| Economic Development | PED | 100% | 6/13/23 | 7/17/24 |
| Parks, Rec, Open Space | PED/PARKS | 100% | 8/29/23 | 5/8/24 |
| Capital Facilities | PED/ENG | 100% | 8/29/23 | 5/1/24 |
| Utilities | PED/ENG | 100% | 8/29/23 | 9/26/23 |
| Participation/Implementation | PED | 100% | 5/12/23 | 8/21/24 |
| Health and Human Services | PED | 100% | 1/9/24 | 6/26/24 |
| Housing | PED | 100% | 11/28/23 | 4/17/24 |
| Land Use | PED | 100% | 1/23/24 | 4/3/24 |
| Transportation | PED/ENG | 100% | 5/8/24 | 8/7/24 |
| Appendix A: Technical and Background Data | | | | |
| Appendix A.1: Housing Needs Assessment | PED | 100% | 2023 | 2024 |
| Appendix A.2: Land Use Inventory | PED | 100% | 2023 | 2024 |
| Appendix A.3: Racially Disparate Impacts Review | PED | 100% | 2023 | 2024 |
| Appendix A.4: Housing Land Capacity and Adequate Provisions | PED | 100% | 2023 | 2025 |
| Appendix A.5: Land Development and Review Evaluation | PED | 100% | 2024 | 2024 |
| Appendix B: City of Poulsbo Functional Plans | | | | |
| Appendix B.1: 2024 Water System Plan | ENG/PW | 100% | 2022 | 2025 |
| Appendix B.2: 2024 General Sewer Plan | ENG/PW | 100% | 2022 | 2024 |
| Appendix B.3: 2025 Stormwater Management Plan | ENG/PW | 90% | 2024 | 2025 |
| Appendix B.4a: 2024 Transportation Comprehensive Plan | ENG/PED | 90% | 2023 | 2025 |
| Appendix B.4b: 2024 Poulsbo Complete Streets Plan | ENG/PED | 100% | 2023 | 2025 |
| Appendix B.5: 2021 Parks, Recreation, and Open Space Plan | PARKS | 100% | 2021 | 2022 |
| Appendix B.6: 2018 Urban Paths of Poulsbo | PARKS | 100% | 2018 | 2019 |
| Appendix B.7: Solid Waste Utility Plan | PW | 100% | 2016 | 2016 |
| Appendix B.8: Poulsbo Fire Department 2024-2044 Capital Facility Plan | POULSBO FIRE | 100% | 2023 | 2024 |
| Appendix C: Public Participation | | | | |
| Appendix D.1: References | PED | 85% | 2024 | 2025 |
| Appendix D.2: Map Definitions and Citations | PED | 85% | 2024 | 2025 |
| Other | | | | |
| Section 2/Chapter 13: Capital Facilities Plan | PED | 75% | 2025 | 2025 |
| Comprehensive Plan Maps (15) | PED | 85% | 2023 | 2025 |
| Development Regulations | PED | 25% | 2025 | 2025 |
| Submittal to Department of Commerce for Review | PED | 0% | 2025 | 2025 |
| Submittal to PSRC for Review | PED | 0% | 2025 | 2025 |
| Impact Fees | PED | 10% | 2025 | 2025 |
| Critical Areas Ordinance | PED | 25% | 2025 | 2025 |
| SEPA Review/EIS | | | | |
| EIS Scoping Notice (Determination of Significance) | PED | 100% | 4/14/2023 | 5/29/2023 |
| Draft EIS | PED | 100% | 1/16/2025 | 2/18/2025 |
| Selection of Preferred Alternative | PED | 25% | 3/11/2025 | 3/11/2025 |
| Final EIS | PED | 0% | 4/11/2025 | 4/11/2025 |
| Public Engagement - Ongoing | PED | 90% | 2022 | 2025 |

The City of Poulsbo is updating its Comprehensive Plan consistent with the Growth Management Act.

The Comprehensive Plan Update addresses a 2044 horizon year, and considers new population, housing and job targets.

Update was due December 2024.

Development Regulations

Mandatory June 2025

Based on Draft Goals and Policies:

- RM/RH density increase
- Shared parking standards
- Mobile home park overlay
- PRD – housing variety

Other – State/Clean-Up:

- Mixed use standards
- ULS – permanent
- Parking stall size
- Existing BLD Conversion
- Application requirements
- Co-living
- Neighborhood Commercial

Discretionary Late Fall 2025

- Incentives for compact development
- Incentives for tree retention
- Cottage housing/cluster housing
- Bonus density for duplexes
- Design standards for institutional
- Art as an amenity
- Landscaping standards update
- Flexibility in PRD standards
- Short plat – 4 lots to 9
- Essential Public Facilities

Later

- Tree Retention
- Sign Code
- Wireless Facilities

SEPA

- Under SEPA, an Environmental Impact Statement (EIS) is an informational document that provides the City, public, and other agencies with environmental information to be considered in the decision-making process.
- The primary purpose of an EIS is to provide an impartial discussion of significant environmental impacts, and reasonable alternatives and mitigation measures that avoid or minimize adverse environmental impacts.
- Scoping Notice issued on April 14, 2023, with a 45-day public comment period. Two scoping comments were received.
- An EIS is required to identify and analyze alternative approaches to meeting the goals of a proposal.

DEIS

- The DEIS was released on January 17, 2025, and studies four land use and growth alternatives that include a no action and three action alternatives for the City Poulsbo and Urban Growth Area.
- Public comment was accepted for the DEIS through February 18, 2025. Public comments received during this period are provided in Attachment A.
- To move forward, the Planning Commission and City Council must select a preferred growth alternative so staff can prepare the Final Environmental Impact Statement (FEIS) and Final Comprehensive Plan update.
- The preferred growth alternative can be one of the four alternatives studied, or a combination of them.



EIS Alternatives

Alternative 1

Current Land Use Map

Alternative 2

Current Land Use Map

Missing Middle Housing

Alternative 3

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

Alternative 4

Current Land Use Map

Missing Middle Housing

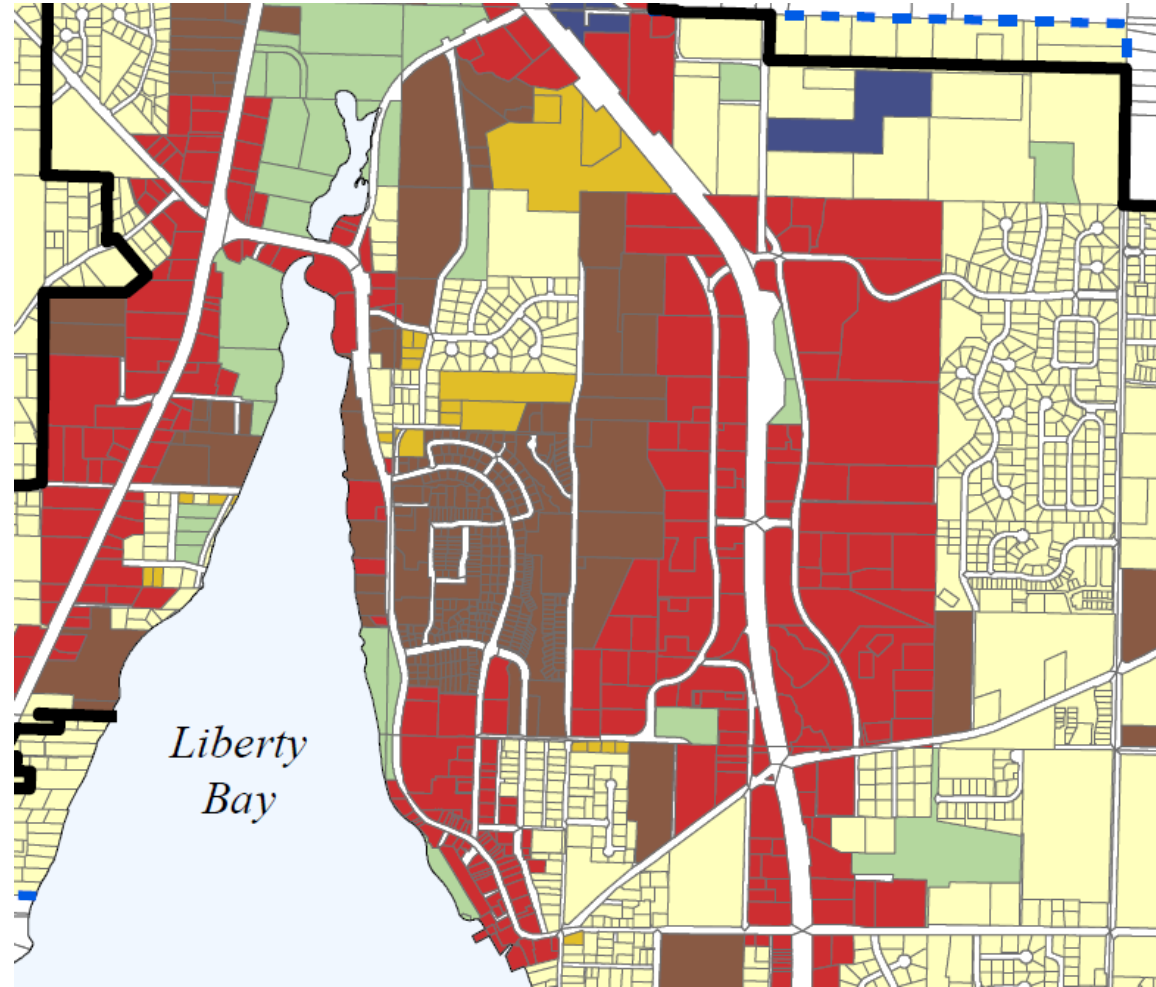
SR 305 Center Planning

Density Increases

Current Land Use Map

No Changes

Current Code and Incentives



Alt 1

Current Land Use Map

Middle Housing

- Reduced Minimum Lot Size*
- Duplex on Corner Lots*
- ADU Amendments*
- Infill Amendments*
- Strategic Amendments to PRD*
- Unit Lot Subdivision*
- 4 to 9 Short Plat*
- Mobile Home Preservation*
- PRD Flexibility*



Alt 2

Current Land Use Map

Missing Middle Housing



SR 305 Center Planning

Increased Height
Flexible First Floor
Transit Service
Parking
Vertical Mixed-Use
Horizontal Mixed-Use
Incentives (MFTE)



Alt 3

Current Land Use Map

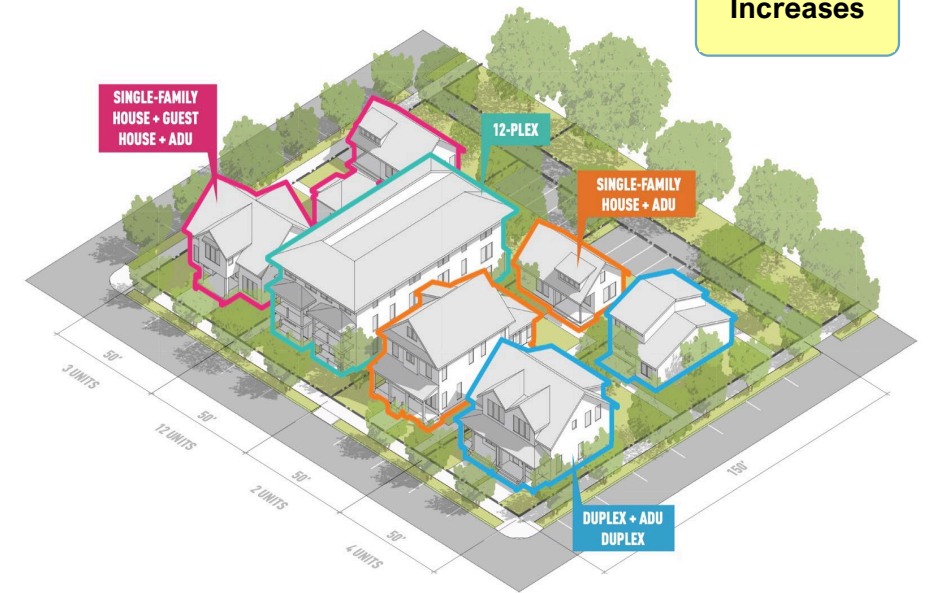
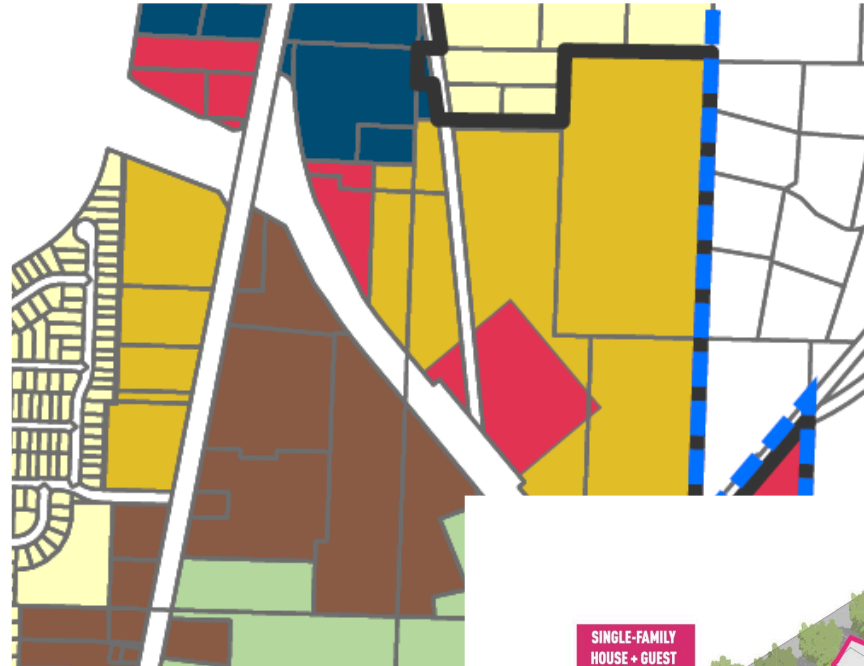
Missing Middle Housing

SR 305 Center Planning

Density Increases

Density Increases in RM and RH Residential Zones

| | <u>Current</u> | <u>Future</u> |
|----|----------------|---------------|
| RM | 6-10 | 6-14 |
| RH | 11-14 | 15-22 |



Alt 4

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

Density Increases

Capital Facility Planning

Water, Sewer, Stormwater, Transportation Functional Plans Evaluated 20 –Year Needs for Alternative 1 and 4

Table 2-14 Growth Alternatives – Additional Population and Employment through 2044 by Zone

| Pressure Zone | Alternative 1 | | Alternative 4 | |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Additional Population | Additional Employment | Additional Population | Additional Employment |
| 244 - Low Zone | 2,111 | 2,584 | 3,463 | 2,514 |
| 340 Sub-Zone (Poulsbo Place) | 0 | 0 | 0 | 0 |
| 396 - Middle Zone | 281 | 195 | 404 | 199 |
| 514 - East High Zone | 1,761 | 0 | 1,986 | 0 |
| East High Reduced Sub-Zone | 232 | 0 | 262 | 0 |
| 492 - West High Zone | 176 | 789 | 198 | 789 |
| North Viking Sub-Zone | 629 | 162 | 709 | 162 |
| Stendahl Sub-Zone | 26 | 0 | 29 | 0 |
| Vikings Landing | 0 | 0 | 0 | 0 |
| KPUD Service Area ¹ | 804 | 435 | 907 | 435 |
| Total | 6,020 | 4,165 | 7,959 | 4,099 |

Table 2-3
2027 and 2041 Population Projections

| Population | 2027 | 2041 | 2044 (Planning Alt. #1 / Alt. #4) |
|--------------|---------------|---------------|--------------------------------------|
| Residential | 14,879 | 19,002 | 17,572 / 19,572 |
| Employment | 4,814 | 6,043 | 8,211 / 8,275 ¹ |
| Total | 19,693 | 25,045 | 25,847 / 27,783 |

PROS

CONS

Alt 1

Current Land
Use Map

Pros and Cons: Alternative 1

| PROS | CONS |
|---------------------------------|---|
| Limited Amendments Needed | Does not Recognize Recent Growth Trends |
| Stay the Course of Land Use Map | Not Consistent with Poulsbo Proactive Planning Practice |
| | Critical Area Limitations on Available Properties |
| | <i>Does not achieve the housing units per income band</i> |

Pros and Cons: Alternative 2

Alt 2

Current Land Use Map

Missing Middle Housing

| PROS | CONS |
|-----------------------------------|---|
| Promotes Variety of Housing Types | Community Perception |
| Provides for Infill Development | Perceived Traffic Increases |
| Entry Level Housing | Produces Fewer Units Overall |
| Differing Price Points | <i>Does not achieve the housing units per income band</i> |

Pros and Cons: Alternative 3

Alt 3

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

| PROS | CONS |
|---|---------------------------|
| Vision 2050 Consistency– Center Planning | Physical Limit to SR 305 |
| Concentrate Growth on Transit Corridor | Utility Infrastructure |
| Diverse collection of services, housing, and jobs | Critical Area Limitations |
| Vacant Land Availability | |
| Maximize Use of Existing Infrastructure | |
| <i>Achieves housing units per income band</i> | |

Pros and Cons: Alternative 4

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

Density Increases

| PROS | CONS |
|---|------------------------------|
| Proactive | Limited RM and RH Properties |
| In Line w/ Legislative Actions | Critical Area Limitations |
| <i>Achieves housing units per income band</i> | |

Permanent Housing Needs by Income Level (% of Area Median Income)

| | Total | 0-30% | | >30-50% | >50-80% | >80-100% | >100-120% | >120% | Emergency Housing (Temporary) |
|-------------------------|-------|---------|-----|---------|---------|----------|-----------|-------|-------------------------------|
| | | Non-PSH | PSH | | | | | | |
| Allocation (2020- 2044) | 1,977 | 377 | 166 | 324 | 272 | 140 | 138 | 560 | 83 |

HB 1220

In 2021, the Washington Legislature changed the way communities are required to plan for housing. House Bill 1220 amended the GMA instructing local governments to “*plan for and accommodate housing affordable to all economic segments of the population of the state.*”

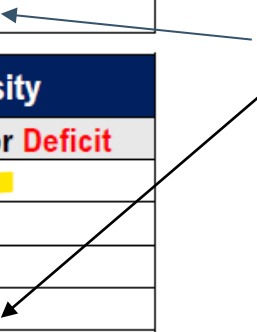
| Alternative 1: Comparison of Projected Housing Needs to Capacity, Current Zoning | | | |
|---|--------------------------------|------------------------------|------------------------------------|
| Income Level | Projected Housing Needs | Housing Unit Capacity | Capacity Surplus or Deficit |
| 0-80% AMI and PSH | 1,139 | 476 | -663 |
| >80-120% AMI | 278 | 590 | 312 |
| >120% AMI | 560 | 1,512 | 952 |
| Total | 1,977 | 2,578 | 601 |

| Alternative 2: Comparison of Projected Housing Needs to Capacity, Missing Middle | | | |
|---|--------------------------------|------------------------------|------------------------------------|
| Income Level | Projected Housing Needs | Housing Unit Capacity | Capacity Surplus or Deficit |
| 0-80% AMI and PSH | 1,139 | 771 | -368 |
| >80-120% AMI | 278 | 453 | 175 |
| >120% AMI | 560 | 1,425 | 865 |
| Total | 1,977 | 2,649 | 672 |

| Alternative 3: Comparison of Projected Housing Needs to Capacity, SR 305 Corridor Center | | | |
|---|--------------------------------|------------------------------|------------------------------------|
| Income Level | Projected Housing Needs | Housing Unit Capacity | Capacity Surplus or Deficit |
| 0-80% AMI and PSH | 1,139 | 1,282 | 143 |
| >80-120% AMI | 278 | 453 | 312 |
| >120% AMI | 560 | 1,425 | 952 |
| Total | 1,977 | 3,160 | 1,183 |

| Alternative 4: Comparison of Projected Housing Needs to Capacity, SR 305 Center + RM/RH Increased Density | | | |
|--|--------------------------------|------------------------------|------------------------------------|
| Income Level | Projected Housing Needs | Housing Unit Capacity | Capacity Surplus or Deficit |
| 0-80% AMI and PSH | 1,139 | 1,525 | 386 |
| >80-120% AMI | 278 | 541 | 263 |
| >120% AMI | 560 | 1,425 | 865 |
| Total | 1,977 | 3,491 | 1,514 |

Difference of 331 Total Housing Units



Staff Recommendation

- Growth Alternative 4, *Growth focused within SR 305 Corridor Center and increase to density in Residential Medium and Residential High zoning districts.*

DEIS Comments

Attachment A: Summary of DEIS Public Comments and Responses

| Summary of DEIS Public Comments and Responses DRAFT 3/4/25 | | | | |
|---|----------------------------|---------|---|---|
| No. | Name | Date | Comment | Response |
| 1 | Keith Bierman | 1/29/25 | | |
| 1.1 | | | I'm writing to provide comment on the Comprehensive Plan. I fully support alternative four. Aggressive action will be necessary to adapt our town for growth. I'm urging the city council to fully endorse alternative four. | Alternative 4's preference is noted and will be forwarded to Poulso City Council and Planning Commission. |
| 2 | Charlie Thompson, Fishline | 2/10/25 | | |
| 2.1 | | | I am writing to provide comments on the Draft Environmental Impact Statement for the City of Poulso's 2024 Comprehensive Plan Update. I am both a resident of Poulso and the Executive Director of Fishline. Each day I witness the challenges our residents have with affordability. People utilizing Fishline's services work hard, and it simply is not enough because the cost of housing and other basic needs are out of reach. The Draft EIS identifies four alternative paths for Poulso. I implore you to choose the path that provides the most options for affordable housing, Alternative 4. Importantly, according to the Draft EIS, "Housing affordability would continue to be a challenge in Poulso under all alternatives due to the pressures of regional population and employment growth." Knowing that challenges to affordability will continue under all four alternatives only increases the need to choose Alternative 4. We must do what is necessary to provide as much affordable housing as possible. Thank you for your time and consideration of my comments. | Alternative 4's preference is noted and will be forwarded to Poulso City Council and Planning Commission. |
| 3 | Bill McCoy | 2/17/25 | | |
| 3.1 | | | In my opinion, supporting Missing Middle Housing (Alternative 2) and mixed use in Hwy 305 Corridor (Alternative 3) along with increasing density in RM/RH zones (Alternative 4) is clearly the optimal direction to sensibly grow the Poulso community. Successfully implemented, Alternative 4 (which includes Alternatives 2 & 3) will help to concentrate Poulso's growth in more walkable/bikeable and transit-friendly areas while supporting a diversity of household types and income levels in the community. However, without more emphasis on zoning regulation and process changes the planned for growth from increasing density in RM/RH and enabling Middle Housing very likely won't happen, because development won't be economically viable, i.e. it won't "pencil" for developers. We'll continue to get mostly upscale detached single-family homes plus a few large apartment complexes, all in car-centric areas in the outskirts of the City, while RM/RH lots closer to town remain undeveloped. Obviously, this is what's currently happening. As the EIS indicates (p.131) from 2020-2024 391 single-family homes were permitted in the RL zone, while no multi-family units at all were permitted in the RH zone. Development in RH, Poulso's densest zone, isn't happening, because it won't pencil on these remaining - nearly all critical-area-burdened - properties given parking, landscaping, and other requirements and the costly and unpredictable site plan review process. Poulso can't just add more theoretical density (Alternative 4) and expect it to magically get utilized. Achieving more density in RM/RH - even achieving current density - will necessitate significant adjustments to zoning regulations and processes. | Alternative 4's preference is noted and will be forwarded to Poulso City Council and Planning Commission. Amendments to the City's Zoning Ordinance will be necessary to implement Alternatives 3 and 4. Comments regarding the need to adjust landscaping, parking and other regulations that may be barrier to middle housing unit types and higher densities are noted and will be evaluated during the zoning ordinance amendment process. The City commissioned a market study that evaluated mixed use and higher density opportunities and barriers in Alternative 3 and 4's SR 305 Corridor, and will also use this study to inform needed amendments. |
| 3.2 | | | And, what multi-family that has been built or permitted in recent years is almost entirely large rental apartment projects (90 to 468 units), across major streets and highways from downtown, despite there being many smaller parcels in RM/RH zones, closer to downtown, that could support Middle Housing scale developments that would be more walkable, bikeable, and transit-friendly, and in many cases offered for sale and thus a pathway to homeownership. These large apartment complexes, despite their parking lots, ironically increase rather than reduce Poulso's street-parking burden because if the residents come downtown, they drive. We are getting only large-scale projects because the significant fixed costs of Poulso's development processes and requirements are only bearable if amortized across a large number of units. And because Poulso's car-centric parking requirements - that basically require as much space for parking lots as for buildings - don't work for our remaining smaller lots, that generally also come with slopes. So since Middle Housing doesn't pencil now on smaller lots in zones where it's already allowed, also allowing it in RL (Alternative 2) - generally on even smaller lots - won't magically make it happen. Achieving the planned growth from Middle Housing will also necessitate significant adjustments to zoning regulations and processes. Just two specific adjustments would significantly close the plan goals vs. economic reality gap: <ol style="list-style-type: none"> 1. Reduce multi-family off-street parking requirements for multi-family developments from 1.75 space per unit net to 1 space per unit. 2. Eliminate all standards (e.g. setbacks, building perimeter landscaping) and mandated processes (e.g. architectural design review) for developing multifamily units on existing parcels that are more restrictive than the standards and processes required for developing detached single-family residences on existing parcels. <p>These two broad-brush changes could be limited or conditioned to mitigate any potential negative impacts. For example, the changes could be applicable only to multi-family infill in any residential zone (e.g. projects of less than 20 units), developments outside the historic Downtown zone, and/or excluded in situations of more public concern (e.g. RM/RH when adjacent to RL). Parking reductions could be applicable only if a study supports a surplus of on-street parking, and/or could start smaller (eliminate the .25 per unit guest parking space., allow reduction from 1.5 to 1</p> | Comments provide specific suggestions to the City's zoning ordinance to lessen standards that would assist developers in financially being able to support middle housing and increased density multifamily housing. Elements identified include parking, landscaping, architectural design review, and encourage the City to review these standards during the process to amend the zoning ordinance to ensure implementation of the preferred alternative. |

Next Steps

- Release of Final EIS and Comprehensive Plan – April 11, 2025
- Planning Commission Final Workshop and Public Hearing – May 2025
- City Council Final Workshop and Public Hearing – June 2025
- Send to Dept of Commerce and PSRC – June 2025

**WHAT IS THE
PREFERRED
ALTERNATIVE?**



AROUND THE ROOM

Alternative 1

Current Land Use Map

Alternative 2

Current Land Use Map

Missing Middle Housing

Alternative 3

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

Alternative 4

Current Land Use Map

Missing Middle Housing

SR 305 Center Planning

Density Increases