

City of Poulsbo

Planning & Economic Development



2025 Critical Areas Ordinance Update, Phase 1 STAFF REPORT AND RECOMMENDATION

To: Planning Commission
From: Nikole Coleman, AICP, Planning Manager
Subject: 2025 Critical Areas Ordinance Update, Phase 1
Date: September 12, 2025

Staff respectfully recommend approval of the 2025 Critical Areas Ordinance Update, Phase 1 as set forth in Exhibit A to this staff report.

PROPOSED MOTION:

MOVE to recommend (approval) (approval with modifications) to the Poulsbo City Council Application No. P-08-04-25-02, the 2025 Critical Areas Ordinance Update, Phase 1, as identified in Exhibit A to this staff report.

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1.0 General Information

Applicant:	City of Poulsbo 200 NE Moe Street Poulsbo WA, 98370
Application No.:	P-08-04-25-02
Type of Amendment:	Zoning Code Text Amendments
SEPA Status:	An Optional DNS was issued on August 27, 2025
Enabling Code:	PMC 18.210.010, PMC 19.40.050
Planning Commission Hearing:	October 7, 2025
Staff Contact:	Nikole Coleman, Planning Manager ncoleman@cityofpoulsbo.com

2.0 Background

The Washington State Growth Management Act (GMA, [RCW 36.70A](#)), adopted in 1990, requires all counties and cities planning under the Act to identify, designate, and protect critical areas, which include:

- [Wetlands](#) (click for an info card with more information)
- [Fish and Wildlife Conservation Areas](#)
- [Critical Aquifer Recharge Areas](#)
- [Frequently Flooded Areas](#)
- [Geologically Hazardous Areas](#)

In accordance with [RCW 36.70A.172\(1\)](#), jurisdictions must incorporate Best Available Science (BAS) into the development of regulations intended to protect these areas. The GMA also requires local governments to periodically review and, if necessary, revise their comprehensive plans and development regulations—including the CAO—on a 10-year cycle.

The [Washington State Department of Commerce](#) (Commerce), in coordination with the Departments of Ecology (Ecology) and Fish and Wildlife (WDFW), provides guidance to assist jurisdictions in complying with these mandates. The most recent technical guidance, including a [Critical Areas Checklist](#) (2024) and Best Available Science documents, informs the City's current review.

Poulsbo's CAO is codified in [Chapter 16.20](#) of the Poulsbo Municipal Code. The current ordinance was last comprehensively updated in 2017. The CAO provides the regulatory framework for development review and environmental protection in areas designated as critical under the GMA.

Why the CAO is Being Updated in 2025. Poulsbo is required to complete its next GMA periodic review and adopt any necessary CAO updates by December 31, 2025, in compliance with [RCW 36.70A.130](#). As part of this effort, the city is reviewing its CAO against state requirements, recent changes to scientific guidance, and updated regulatory expectations from Commerce, Ecology, and WDFW. Key drivers of the 2025 update include:

- New Best Available Science guidance
- Changes in state law and administrative rules since 2017
- Commerce's 2024 Critical Areas Checklist identifies required and recommended updates
- Updated mapping and inventory data for streams and wetlands

Phased Approach to Updating the CAO. To manage workload and provide adequate time for thoughtful review, the City is completing the CAO update in two phases:

- Phase I (2025): Required Amendments. This phase focuses on amendments required to bring the CAO into compliance with state law and BAS. These include revised stream buffers, updated definitions, and clarifications to ensure consistency with state-mandated standards.
- Phase II (2026): Discretionary Amendments. Phase II will include discretionary changes aimed at improving implementation, usability, and alignment with local planning priorities. Topics may include buffer averaging procedures, low-impact development integration, streamlining permit processes, and strengthening adaptive management strategies. This phase is anticipated to begin in winter 2026.

3.0 Summary of Amendments

Key revisions involve updating definitions, clarifying applicability, and enhancing protections for wetlands and fish and wildlife habitat conservation areas (FWHCAs). The draft also integrates updated mapping, buffer standards, mitigation sequencing, and development standards to better reflect the scientific understanding of habitat protection and riparian function. These changes are not optional - they are required to maintain legal defensibility and ensure environmental resilience.

General Provisions and Definitions

- Updated applicability section (16.20.115) to:
 - Update CAO map numbers and names per recently adopted Comprehensive Plan.
 - Update to reference D.2, Comprehensive Plan Maps: Definitions and Citations
- Added letter “P” to general exemptions (16.20.120) to:
 - Allow the maintenance, operation, or repair of parks, trails and publicly improved recreation areas as long as any such alteration does not involve the expansion of improvements into previously unimproved areas or new clearing of native vegetation beyond routine pruning and related activities, and the activity has been minimized to the extent feasible.
- Expanded definitions (16.20.155):
 - Added or revised terms like “anadromous fish,” “riparian management zone,” “ecosystem function,” “ecosystem values” and “species of local importance”
 - Aligns “Candidate species (state-listed)” with WDFW Priority Habitat and Species List

Wetlands (Section 200)

- Revised habitat scores (Table 16.20.230.B): Adjusted habitat score ranges for buffer width tables to match 2018 Ecology guidance (e.g., <6 points, 6–7 points, 8–9 points)
- Updated wetland replacement ratios per 2018 Ecology guidance (Table 16.20.240)

Fish and Wildlife Habitat Conservation Areas (FWHCAs) (Section 300)

- Replace “buffer” with “riparian management zone” throughout section.
- Include Channel Migration Zones (CMZs) in buffer areas (WDFW 2020)
- Increase buffers per WDFW Best Available Science guidance.

Table 16.20.315—Fish and Wildlife Habitat Conservation Area Development Standards		
Riparian Management Zone Setback Requirements		
Water Type	RMZ Width <i>Current</i> (feet, each side of stream)	RMZ Width <i>Proposed</i> (feet, each side of stream)
F1 (salmonids)	200	200
F2 (nonsalmonids)	150	150
Np	100	100
Ns 1 (connected to S, F, Np)	75	100
Ns 2 (connected to S, F, Np)	50	100
South Fork Dogfish Creek Stream-Reach-Specific RMZ Requirements		
Tidewater/estuarine*	100	100
Lower forested	75, or top of adjacent slope, whichever is greater	100
Urban/commercial	50 for new development and redevelopment; extent of existing constraints for existing development	100
Canyon	Park boundary or top of slope, whichever is closest to stream, otherwise 100 or top of steep slope, whichever is greater	Park boundary or top of slope, whichever is closest to stream, otherwise 100 or top of steep slope, whichever is greater
Headwater	50	100

- Amended building setback from 25 feet to 15 feet.
- Removed “additional protections required...” as this section is repetitive.

4.0 Review Process to Date

The Critical Areas Ordinance Update commenced with a Planning Commission workshop and open house on December 10, 2024, then paused the project pending resolution of a related Growth Management Hearings Board case; after the Board’s decision in summer 2025, staff restarted the update process.

The Planning Commission, in its role as the City’s primary land use advisory committee held a workshop on the proposal amendments on August 26, 2025, and identified additional modifications. The Planning

Commission modifications are shown in blue underline for proposed new language or additions or blue strikeout for deletions and are reflected in the Planning Commission Recommended Amendments. Initial staff proposed amendments are represented as red underline and red strikeout. In addition, the Washington State Department of Natural Resources recommended amendments are shown in green underline and strikeout and the Washington State Department of Ecology recommended amendments are shown in purple underline and strikeout. These amendments are outlined in Exhibit A.

On August 27, 2025, the Notice of Application (NOA) with Optional DNS and Notice of Planning Commission Public Hearing were published in the Kitsap Sun, emailed to the NOA, SEPA, Public Hearing, Development Regulations, and Critical Areas Ordinance Update e-notice lists, distributed to Washington State Department of Commerce, and posted at the Poulsbo Post Office, City Hall, and the City's website (Exhibit B). One public comment has been received.

5.0 Attorney General's Unconstitutional Takings Memo

Pursuant to Comprehensive Plan Policy PI-2.4, City staff members are familiar with Washington State Attorney General's "warning signals" for unconstitutional takings of private property. Staff has reviewed the Attorney General's Advisory Memorandum: Avoiding Unconstitutional Takings in the context of the proposed amendment and has consulted with the City Attorney regarding the warning signals. Staff and the City Attorney are comfortable that the draft ordinance does not result in any unconstitutional taking.

6.0 Review Criteria and Staff Conclusion and Recommendation

Amendments to the text of this title or zoning amendments to the city's zoning map shall be applied for and processed according to the provisions of Title 19.

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 interests of the citizens and property owners.

Conclusion:

1. Consistency with the Comprehensive Plan.

The proposed CAO text amendments are consistent with the City of Poulsbo Comprehensive Plan, which contains goals and policies requiring protection of wetlands, fish and wildlife habitat, aquifer recharge areas, geologically hazardous areas, and frequently flooded areas in accordance with the Growth Management Act (RCW 36.70A) and best available science. The amendments implement these policies by updating definitions to ensure consistency with best management practices, state law, WAC requirements, and Ecology's technical guidance; incorporating updated references and scientific resources such as Ecology's Wetland Rating System and WDFW's Priority Habitats and Species list; and aligning with state-required periodic review obligations. Collectively, these changes further the Comprehensive Plan's environmental stewardship goals and regulatory consistency objectives.

2. Support and Enhancement of Public Health, Safety, or Welfare.

The proposed amendments support and enhance public health, safety, and welfare by confirming and reinforcing the City's existing protective codes for critical aquifer recharge areas (CARAs), geologically hazardous areas, frequently flooded areas, and wetlands, ensuring these standards remain consistent with state and federal law and best available science. In addition, the amendments update stream buffer requirements in response to current scientific guidance. Maintaining and enhancing these protections safeguards the community's drinking water resources, reduces risks from landslide and flooding hazards, and preserves the ecological functions of wetlands and streams that mitigate stormwater impacts. These measures directly advance the protection of public health and safety by minimizing exposure to natural hazards and maintaining high-quality environmental conditions for the community.

3. Not Contrary to the Best Interests of Citizens and Property Owners.

The amendments are not contrary to the best interests of Poulsbo's citizens and property owners; rather, they reinforce the safety of all residents by strengthening standards that reduce risks associated with development near critical areas. By protecting both private and public assets from hazards such as flooding, landslides, and groundwater contamination, the amendments ensure long-term resilience for the community. In addition, they preserve ecological assets that contribute to property values and community character. By reflecting local, state, and federal requirements, the regulations remain current, defensible, and equitable, thereby supporting the collective well-being of Poulsbo's residents and property owners.

Recommendation: The Planning and Economic Development staff respectfully recommends the Planning Commission offer a recommendation of approval to the City Council for the proposed 2025 Critical Areas Ordinance Update, Phase 1.

7.0 Planning Commission Public Hearing, Tuesday October 7, 2025

The Planning Commission Public Hearing is scheduled for **Tuesday October 7, 2025, at 6:00 pm or soon thereafter**. The Planning Commission will make a recommendation to the City Council. Meeting procedures are available from the PED Department and City Clerk's office and are conducted based on Roberts Rules of Order. Public Hearings are being held as a hybrid virtual/in-person at the web address and call-in number noted below and at City Hall Council Chambers, 200 NE Moe Street. This call-in number: 1 253 215 8782 and meeting id: 813 4761 3119 are provided for virtual attendance, in addition to this webinar link: <https://us06web.zoom.us/j/81347613119>.

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8.0 Exhibits

- A. Proposed Code Amendments (attached and available online [here](#))
- B. Notice of Application with ODNs and Notice of PC Public Hearing (available online [here](#))
- C. Public Participation Plan (available online [here](#))
- D. Public Comment Received (available online [here](#))