



CITY OF
BAINBRIDGE ISLAND

**CITY COUNCIL STUDY SESSION
TUESDAY, AUGUST 16, 2022**

COUNCIL CHAMBERS
280 MADISON AVENUE NORTH
BAINBRIDGE ISLAND, WA

AND

ZOOM WEBINAR
[HTTPS://BAINBRIDGEWA.ZOOM.US/J/92947338351](https://bainbridgewa.zoom.us/j/92947338351)
OR TELEPHONE: US: +1 253 215 8782
WEBINAR ID: 929 4733 8351

AGENDA

1. **CALL TO ORDER / ROLL CALL - 6:00 PM**
2. **APPROVAL OF AGENDA / CONFLICT OF INTEREST DISCLOSURE - 6:05 PM**
3. **REGULAR BUSINESS**
 - 3.A **(6:10 PM) Receive Presentation on the 2024 Comprehensive Plan Periodic Update - Planning, 15 Minutes**
[Comp Plan Intro Presentation.pptx](#)
[Background Information on Comprehensive Planning.docx](#)
 - 3.B **(6:25 PM) Consider Ordinance No. 2022-02 Related to an Increased Density Bonus for Affordable Housing Located on Property Owned by Religious Organizations - Planning, 20 Minutes**
Bonus Density Presentation
Memo re Ordinance No. 2022-02
[Draft Ordinance No. 2022-02 with Options.pdf](#)
[Exhibit A to Ordinance No. 2022-02.docx](#)
[Exhibit B to Ordinance 2022-02 - Table 18.12.020-3.pdf](#)
4. **COMMITTEE REPORTS - 6:45 PM**
5. **ADJOURNMENT - 6:55 PM**

GUIDING PRINCIPLES

Guiding Principle #1 - Preserve the special character of the Island, which includes downtown Winslow's small town atmosphere and function, historic buildings, extensive forested areas, meadows, farms, marine views and access, and scenic and winding roads supporting all forms of transportation.

Guiding Principle #2 - Manage the water resources of the Island to protect, restore and maintain their ecological and hydrological functions and to ensure clean and sufficient groundwater for future generations.

Guiding Principle #3 - Foster diversity with a holistic approach to meeting the needs of the Island and the human needs of its residents consistent with the stewardship of our finite environmental resources.

Guiding Principle #4 - Consider the costs and benefits to Island residents and property owners in making land use decisions.

Guiding Principle #5 - The use of land on the Island should be based on the principle that the Island's environmental resources are finite and must be maintained at a sustainable level.

Guiding Principle #6 - Nurture Bainbridge Island as a sustainable community by meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Guiding Principle #7 - Reduce greenhouse gas emissions and increase the Island's climate resilience.

Guiding Principle #8 - Support the Island's Guiding Principles and Policies through the City's organizational and operating budget decisions.



City Council meetings are wheelchair accessible. Assisted listening devices are available in Council Chambers. If you require additional ADA accommodations, please contact the City Clerk's Office at 206-780-8604 or cityclerk@bainbridgewa.gov by noon on the day preceding the meeting.



CITY OF
BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: August 16, 2022

ESTIMATED TIME: 15 Minutes

AGENDA ITEM: (6:10 PM) Receive Presentation on the 2024 Comprehensive Plan Periodic Update - Planning,

SUMMARY: This presentation will provide an overview of the upcoming 2024 Periodic Update of the Comprehensive Plan which must be completed by December 31, 2024. The 2024 Periodic Update will look out 20 years to 2044 and include updated growth forecasts and allocations. The 2024 Periodic Update must consider and, if necessary, incorporate amendments to ensure consistency with changes since 2016 to the Growth Management Act, multi-county planning policies, and county-wide planning policies. Additional amendments will consider incorporating local planning initiatives, including recent and ongoing plans, as necessary.

Staff will return to the Council to discuss project scoping, public participation, and the workplan and schedule for the project.

AGENDA CATEGORY: Presentation

PROPOSED BY: Planning & Community Development

RECOMMENDED MOTION: Receive presentation.

STRATEGIC PRIORITY:

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	No

BACKGROUND: The City is required to update the Comprehensive Plan per RCW 36.70A to meet a variety of goals related to growth management. The required elements of the Comprehensive Plan encourage progress toward a number of goals including reducing sprawl, encouraging efficient multimodal transportation, retaining open space, and generally aligning and coordinating all planning efforts to best serve the public. The update is due December 31, 2024, and the City will utilize consultants to aid in the public outreach, review, update, and adoption process. Because of other ongoing projects with significant major input, such as the Winslow Subarea Plan and Housing Action Plan, and recent major efforts such as the Sustainable Transportation Plan, the scope of the Comprehensive Plan update is anticipated to be focused on integration of these efforts and the capital facilities that are needed to implement those plans in a cohesive and efficient manner.

ATTACHMENTS:

[Comp Plan Intro Presentation.pptx](#)

[Background Information on Comprehensive Planning.docx](#)

FISCAL DETAILS: This project will be funded by a \$125,000 non-competitive grant from the WA Department of Commerce.

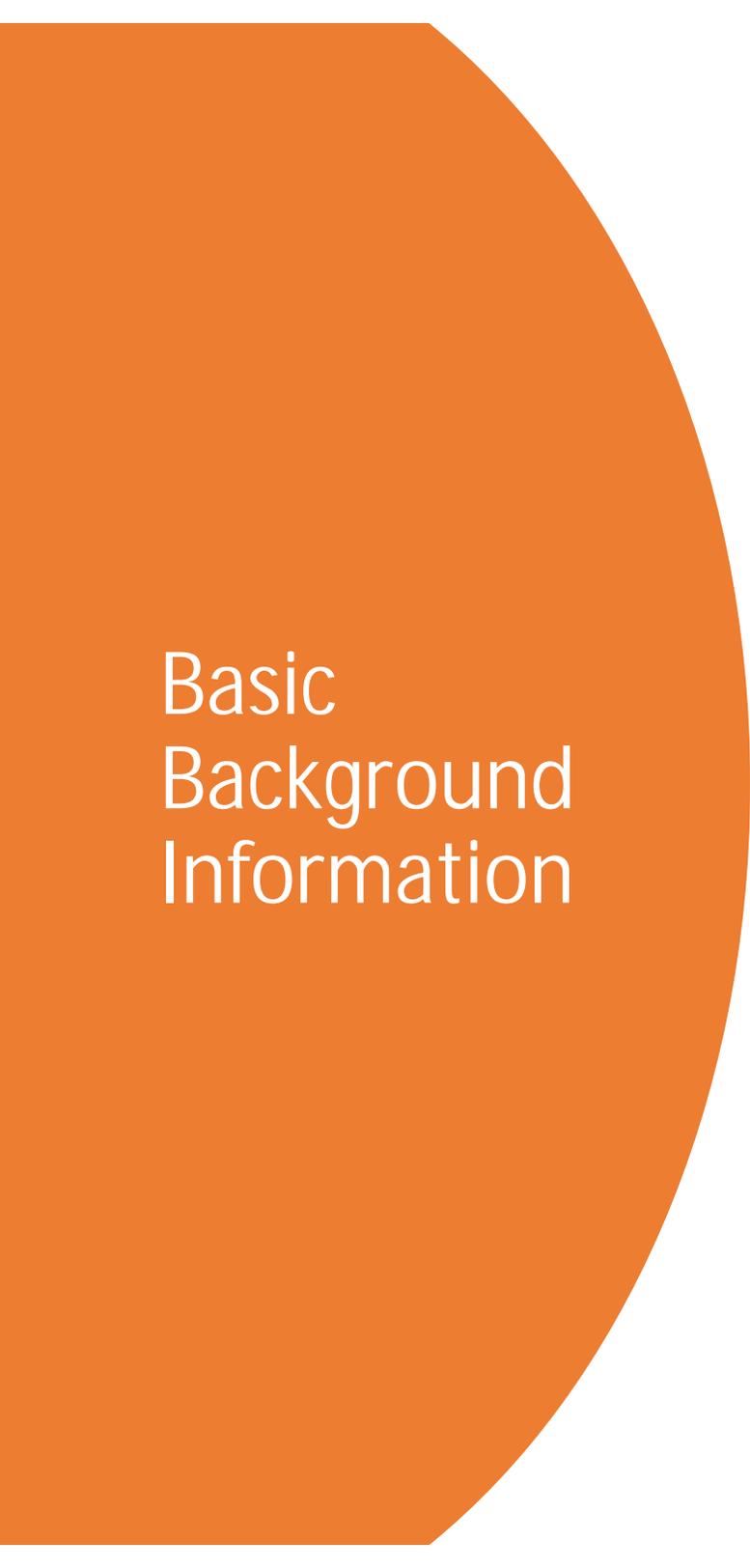
Fund Name(s):

Coding:

2024-2044 Comprehensive Plan Periodic Update

Project Introduction
August 16, 2022





Basic
Background
Information

Required by State Law
(RCW 36.70A.070)

Mandatory Elements and
Optional Elements

Integrates Other Plans

Due in 2024

Commerce Funding;
Consultant Work

Regulatory Framework for Update

- Growth Management Act (including all recent amendments)
- 20-year Planning Horizon (2044)
- New Growth Forecasts, Allocations, and Targets
- “Vision 2050” Regional Growth Plan (PSRC)
 - Multi-County Planning Policies (MPPs)
- Kitsap County-wide Planning Policies (CPPs)

Basis for Review

Mandatory
Compliance
Review
(checklist)

Mandatory Public,
Agency, and Tribal
Engagement – (early,
ongoing)

Mandatory Capacity
Analysis (land, public
facilities/services,
financial)

Significant Project Inputs

Winslow Subarea Plan – in progress

Housing Action Plan – in progress

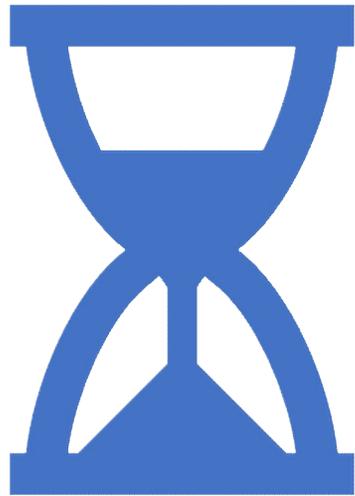
Groundwater Management Plan – in progress

Stormwater Management Plan – in progress

Utility System Planning – status varies

Sustainable Transportation Plan – completed

Climate Action Plan – completed



Constraints

Time and resources

Mandatory versus optional
scope elements

What the Comp Plan Will Achieve



Show how we will absorb growth



Identify capital projects needed to manage growth

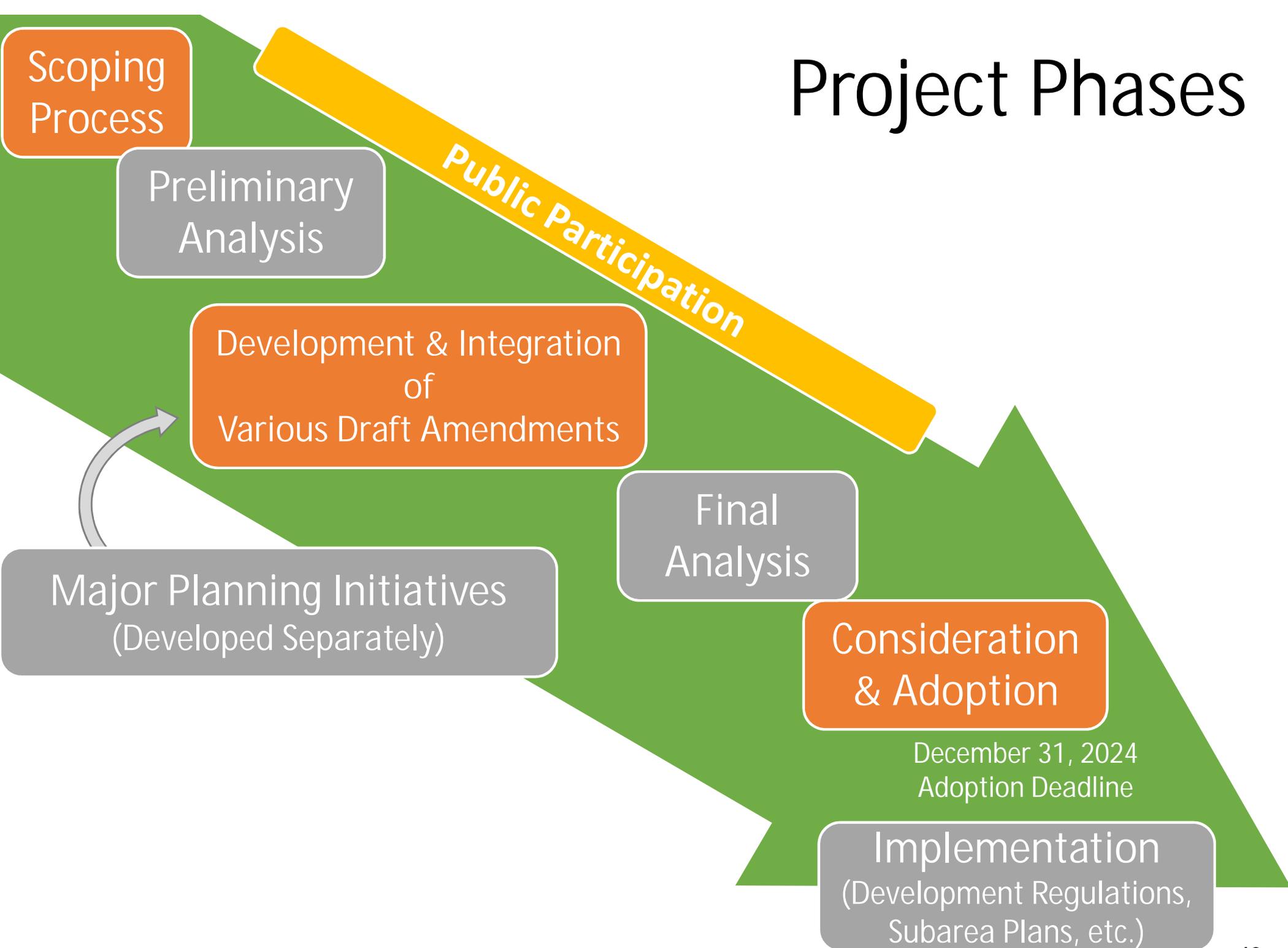


Ensure provision of appropriate levels of services



Plan integration

Project Phases



Next Steps

Grant Application – \$125k guaranteed funding

RFQ for Consultant Support

Create Engage Bainbridge project website

Advanced Notice to Agencies and Tribes

Return to Council to Discuss:

- Scoping Process, Work Plan & Schedule
- Public, Agency, and Tribal Engagement Plan



Department of Planning and Community Development

Memorandum

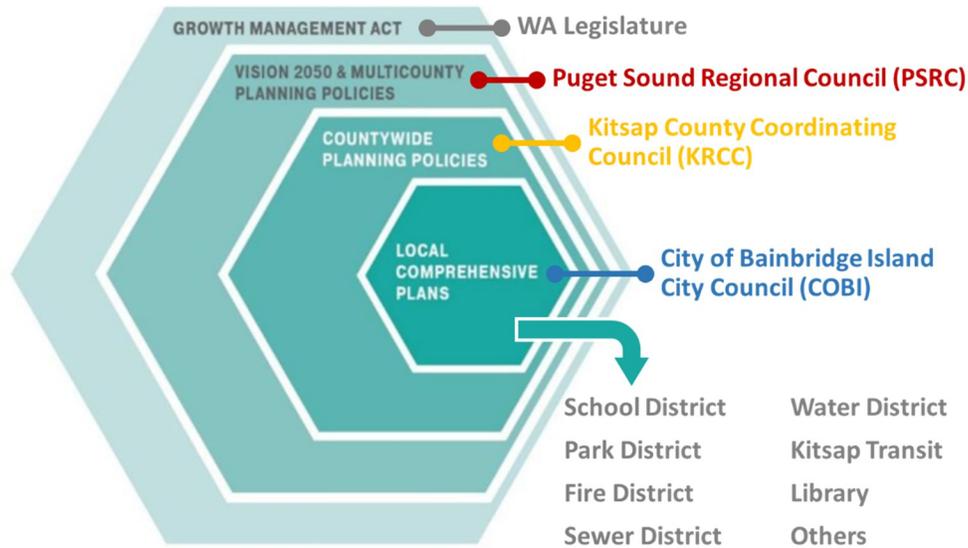
Date: August 19, 2022
To: Planning Manager, PCD
Director, PCD
City Manager
From: Peter Best, Senior Planner
Subject: Background Information for 2024 Comprehensive Plan Periodic Review

The purpose of this memo is to provide general background information and links to additional resources regarding the 2024 Comprehensive Plan periodic review. Included below are the regulatory framework for planning per Washington state law as well as brief explanations of the update cycle and planning period, foundations of analysis, and the planned project phases. Additional information can be found in the links at the bottom.

PLANNING FRAMEWORK

The comprehensive planning framework for the City of Bainbridge Island is:

- Enabled and governed by the WA [Growth Management Act](#) (RCW 36.70A).
- Coordinated across the Central Puget Sound region through the Puget Sound Regional Council (PSRC) and the multi-county planning policies adopted in [Vision 2050](#).
- Coordinated within Kitsap County through the Kitsap Regional Coordinating Council (KRCC) and the [county-wide planning policies](#) adopted by Kitsap County and ratified by the City of Bainbridge Island.
- Coordinated between agencies on Bainbridge Island through the public facilities/services planning process.
- Implemented through City regulations and programs as well as various programs provided by the other agencies and organizations that work on Bainbridge Island.



PERIODIC UPDATE CYCLES AND PLANNING PERIODS

Under the WA Growth Management Act (RCW 36.70A), the City's Comprehensive Plan must undergo a periodic update every 8-years (Note: this will change to 10-year cycles after the 2024 update). The City's last periodic update adopted the 2016 Comprehensive Plan with a 20-year planning period of 2016-2036. The 2024 Periodic Update will adopt a comprehensive plan with a 20-year planning period of 2024-2044.

ACCOMMODATING GROWTH

The 2024 Periodic Update must plan to accommodate a portion of the overall population and employment growth that is forecast for the Central Puget Sound region (i.e. Kitsap, Pierce, King, and Snohomish Counties). Growth allocations are determined through a regional process coordinated through the Puget Sound Regional Council (PSRC) and the Kitsap Regional Coordinating Council (KRCC). The City of Bainbridge Island actively participates in both coordination organizations. Within the context this regional allocation process, local jurisdictions adopt 2044 growth targets that will be used as the basis for their periodic updates.

The Bainbridge Island City Council has adopted preliminary 2044 growth targets for population and employment.

Anticipated Population Growth	
24,825	2020 population, actual
+ 4,525	2020-2044 preliminary population growth target (adopted 3/1/2022)
29,350	2044 population, anticipated

Anticipated Employment Growth	
8,073	2020 employment, estimate (2021 Buildable Lands Report, Exhibit 52)
+ 1,927	2020-2044 preliminary employment growth target (adopted 4/12/2022)
10,000	2044 employment, anticipated

The 2024 Comprehensive Plan must demonstrate the community can accommodate the adopted growth targets with the following analysis:

- Land capacity analysis that ensures the proposed map designations (e.g., zoning) and development regulations (e.g., allowed uses, density, dimensions, environmental protections, etc.) can support adequate development or redevelopment;
- Public facilities/services analysis that ensures public facilities and services (e.g., roads, sewer, water, schools, emergency services, parks, etc.) will provide adequate capacity concurrently with growth; and
- Financial capacity analysis that ensures the community can afford to maintain and upgrade public facilities/services concurrently with growth.

PROJECT PHASES

In general, the 2024 Periodic Update process can be summarized into the following phases:

Phase	Outcome
Scoping	Overall scope and process are defined, including what non-mandatory amendments will be included as well as how the project will engage the public, other agencies, and tribes
Analysis	Mandatory amendments for consistency with changes in state law and other requirements are identified; the three types of analysis described above are completed to inform the planning process and then to verify the adequacy of the plan; and individual and cumulative effects are understood through State Environmental Policy Act (SEPA) review
Development and Integration of Various Amendments	Mandatory and non-mandatory amendments are fully developed (including alternatives, if applicable) and integrated into an internally consistent package of amendments. Some amendments, such as subarea plans and utility system plans, are being developed through independent planning efforts and will be completed prior to and integrated into the Periodic Update.
Consideration and Adoption	Public, agency, and tribal input and policy deliberations at the Planning Commission and City Council lead to well-reasoned decisions consistent with the Growth Management Act, multi-county planning policies, and county-wide planning policies
Regional Certification	The City’s Comprehensive Plan is found to be consistent with multi-county planning policies by the Puget Sound Regional Coordinating Council
Appeal	If applicable, any legal deficiencies are identified and then corrected
Implementation	The City, other agencies, and community organizations align investments, programs, and actions with the Comprehensive Plan
Monitoring & Adaptive Management	The implementation and effectiveness of the Comprehensive Plan is monitored through the Buildable Lands Program and other efforts

RESOURCES

WA [Growth Management Act](#) (RCW 36.70A; WAC 365-196)

WA Department of Commerce - [Growth Management Services](#) (GMS)

- [Periodic Update Information](#)
- [Grant Information](#)

Puget Sound Regional Council (PSRC)

- [Vision 2050](#) – Regional Growth Plan
- [Regional Centers Framework](#)

Kitsap Regional Coordinating Council (KRCC)

- [County-wide Planning Policies](#)
- [Preliminary Growth Allocations](#)
- [Buildable Lands Program](#)

City of Bainbridge Island

- [2016 Comprehensive Plan](#)
- [Bainbridge Island Municipal Code](#)



CITY OF
BAINBRIDGE ISLAND

City Council Study Session Agenda Bill

MEETING DATE: August 16, 2022

ESTIMATED TIME: 20 Minutes

AGENDA ITEM: (6:25 PM) Consider Ordinance No. 2022-02 Related to an Increased Density Bonus for Affordable Housing Located on Property Owned by Religious Organizations - Planning,

SUMMARY: On July 26, 2022, the City Council discussed the staff draft of Ordinance No. 2022-02, and approved a motion to continue discussion at a future meeting. The purpose of this agenda item as part of the Council's August 16, 2022 meeting is for the City Council to discuss the July staff draft of the ordinance, as well as several more options staff have developed with respect to the outstanding policy issues, and to indicate which options might gain majority support for the development of a public hearing draft.

AGENDA CATEGORY: Ordinance

PROPOSED BY: Planning & Community Development

RECOMMENDED MOTION: I move to direct the City Manager to prepare a public hearing draft of Ordinance No. 2022-02.

STRATEGIC PRIORITY:

FISCAL IMPACT:

Amount:	
Ongoing Cost:	
One-Time Cost:	
Included in Current Budget?	

BACKGROUND: In 2019, the Washington State Legislature approved Substitute House Bill (SHB) 1377 to facilitate affordable housing projects on properties owned or controlled by eligible religious organizations. The law, which is codified in RCW 36.70A.545, requires that cities allow a density bonus for affordable housing on such properties, subject to certain conditions. Although the City's current regulations allow a certain amount of affordable housing on properties owned or controlled by religious organizations, including via a density bonus, it is recommended that the City Council enact specific regulations to implement the purpose and intent of RCW 36.70A.545, which requires "an increased density bonus [for the stated affordable housing purpose] consistent with local needs." See attached memo for further information.

ATTACHMENTS:

[Bonus Density Presentation](#)

[Memo re Ordinance No. 2022-02](#)

[Draft Ordinance No. 2022-02 with Options.pdf](#)

[Exhibit A to Ordinance No. 2022-02.docx](#)

[Exhibit B to Ordinance 2022-02 - Table 18.12.020-3.pdf](#)

FISCAL DETAILS:

Fund Name(s):

Coding:

BONUS DENSITY FOR AFFORDABLE HOUSING ON PROPERTIES OWNED OR CONTROLLED BY RELIGIOUS ORGANIZATIONS

City Council Study Session

August 16, 2022

TONIGHT'S PRESENTATION AND DISCUSSION

- Council feedback from last meeting
- Ordinance format (color-coded options)
- New “green” option for bonus density
 - Residential zones
 - Neighborhood and Mixed Use Town center zones
- Pilot vs. island-wide options

HEARD FROM COUNCIL LAST MEETING

- Some support for July staff draft
- Some discomfort with the maximum number alternate
- Questions about the proximity approach
- Continued interest in an island-wide approach
- Desire for Fair Housing/non-discrimination specificity

Also...

- July staff draft bonus may not be higher than what's already allowed in code

WHAT'S ALLOWED TODAY IN CODE-RESIDENTIAL ZONES

Zone	Base Density	Density Already Allowed per BIMC 18.21.030
R-0.4	1 unit/2.5 acres	1 unit/1.25 acres (.8 units/acre)
R-1	1 unit/acre	1.5 units/acre
R-2	2 units/acre	3 units/acre
R-2.9	2.9 units/acre	4.35 units/acre
R-3.5	3.5 units/acre	5.25 units/acre
R-4.3	4.3 units/acre	6.45 units/acre
R-5	5 units/acre	7.5 units/acre
R-6	6 units/acre	9 units/acre
R-8	8 units/acre	12 units/acre
R-14	14 units/acre	21 units/acre

ZONE BASED BONUS DENSITY PROPOSAL – RESIDENTIAL ZONES



Zone	Base Density	Density Already Allowed per BIMC 18.21.030	"Three Steps Up" Designation	Resulting Density
R-0.4	1 unit/2.5 acres	1 unit/1.25 acres (.8 units/acre)	R-2.9	2.9 units/acre
R-1	1 unit/acre	1.5 units/acre	R-3.5	3.5 units/acre
R-2	2 units/acre	3 units/acre	R-4.3	4.3 units/acre
R-2.9	2.9 units/acre	4.35 units/acre	R-5	5 units/acre
R-3.5	3.5 units/acre	5.25 units/acre	R-6	6 units/acre
R-4.3	4.3 units/acre	6.45 units/acre	R-8	8 units/acre
R-5	5 units/acre	7.5 units/acre	R-14	14 units/acre
R-6	6 units/acre	9 units/acre	-	18 units/acre
R-8	8 units/acre	12 units/acre	-	22 units/acre
R-14	14 units/acre	21 units/acre	-	26 units/acre

OTHER ZONES

Neighborhood Centers

- 1 unit/acre increase without sewer
- 2 units/acre increase with sewer

Mixed Use Town Center/High School Road

- Increased percentage

BONUS
DENSITY
OPTIONS IN
SUM

Ordinance tonight has two viable options for giving increased bonus density to projects meeting the requirements of the program

WHAT ABOUT PILOT VS ISLAND WIDE

- The July staff draft option: pilot project AND island-wide (after pilot sunsets)
- Further options in the ordinance
 - Island-wide only (no pilot)
 - Island-wide only (no pilot) with a sunset date

NEXT STEPS

Staff will prepare a public hearing draft based on the preferred options



Schedule public hearing



Department of Planning and Community Development

Memorandum

Date: August 9, 2022

To: City Council
via Blair King, City Manager

From: HB Harper, AICP, Planning Manager

Subject: Ordinance No. 2022-02, relating to Increased Density Bonus for Affordable Housing Development on Property Owned or Controlled by Religious Organizations

I. MEETING PURPOSE:

On July 26, 2022, the City Council discussed the staff draft of Ordinance No. 2022-02, and approved a motion to continue discussion at a future meeting. The purpose of the meeting on August 16, 2022, is for the City Council to discuss the July staff draft of the ordinance, as well as several more options staff have developed with respect to the outstanding policy issues, and to indicate which options might gain majority support for the development of a public hearing draft.

- The July staff draft recommendation of a pilot portion of the project, after which point the provisions apply island-wide, is retained as an option. Staff have also developed “island-wide only” options for Council consideration per input at the last City Council meeting.
- The July staff draft recommendation for a bonus density multiplier linked to center proximity with an alternate numeric maximum is retained as an option; an additional way of increasing density, using a stepped zone-based approach, has been added to best meet the intent of providing for higher densities while still respecting the underlying zones; this new bonus density option described in more detail below and will be the focus of the presentation.

II. BONUS DENSITY:

The July staff draft option (shown in bright blue in the attached ordinance) for achieving bonus density utilizes a multiplier linked to proximity to centers, with a numeric maximum alternative. While this option is still viable, and would facilitate a pilot project at Bethany Lutheran Church, staff have now developed another option that addresses some of the concerns raised by the City Council at the last meeting.

The new option (shown in green in the attached ordinance) looks at existing zones and factors in base density as well as bonus density already provided for in code, to create a stepped system of zone-based density bonuses that differ based on zoning type, with no proximity stipulations, nor any numeric maximum. The following sections depict the logic and rationale for the zone-based density bonus system.

A. RESIDENTIAL ZONES:

All residential zones have a base density (built into the name) and are already permitted up to 50% bonus density (or one and a half times the base density) per BIMC 18.21.030 for affordable housing projects that meet certain criteria. Therefore, to ensure any project in a residential area is afforded an increased bonus density beyond what is already allowed, staff have developed a stepped increase method for assigning bonus density in residential zones such that any zone can have the density equivalent to a zone three “steps” up:

Zone	Base Density	Density Already Allowed per BIMC 18.21.030	“Three Steps Up” Designation	Resulting Density
R-0.4	1 unit/2.5 acres	1 unit/1.25 acres (.8 units/acre)	R-2.9	2.9 units/acre
R-1	1 unit/acre	1.5 units/acre	R-3.5	3.5 units/acre
R-2	2 units/acre	3 units/acre	R-4.3	4.3 units/acre
R-2.9	2.9 units/acre	4.35 units/acre	R-5	5 units/acre
R-3.5	3.5 units/acre	5.25 units/acre	R-6	6 units/acre
R-4.3	4.3 units/acre	6.45 units/acre	R-8	8 units/acre
R-5	5 units/acre	7.5 units/acre	R-14	14 units/acre
R-6	6 units/acre	9 units/acre	-	18 units/acre
R-8	8 units/acre	12 units/acre	-	22 units/acre
R-14	14 units/acre	21 units/acre	-	26 units/acre

Note that this assigns a different bonus amount to each zone, in terms of percentage, but in all cases the bonus density is stepped per the existing zoning categories as well as higher than what is already allowed today per other provisions in code. Three steps up is also the minimum number of steps to ensure that all resulting density provisions are higher than what is already allowed today. (If assigned a density equivalent to one step up, for example, six of the ten residential zones would be able to achieve higher densities utilizing existing code, and there would be no increased bonus density per the new provisions. Two steps up results in three residential zones not receiving an increased bonus.) Higher density zones are stepped up by four units per acre in all cases absent any other category to designate.

Religious facilities exist in many zones across the island and may own property beyond their facilities as well; it would appear from cursory research, however, that there are approximately a dozen churches in residential zones; these properties vary in size but could potentially all benefit from this approach should they choose to pursue affordable housing projects per these provisions.

For the purposes of the pilot project, should the City Council choose to keep the pilot project portion of the ordinance, Bethany Lutheran Church properties would be permitted a density of 2.9 units per acre, which would yield 23 units for the eight acre parcel, assuming all other standards could be met.

B. OTHER ZONES:

Mixed Use Town Center and High School Road zones are afforded density bonuses in code today through a base and maximum floor area ratio per BIMC 18.12.030.E and table 18.12.020-3. The zoning categories in this case are not stepped; the six zones have three levels of density (base or maximum, measured by floor area ratio) and four levels of percentage increases. The new option (shown in Attachment B to the ordinance, Table 18.12.020-3) utilizes the percentage increases as the “steps” such that whatever percentage increase is already afforded is stepped up:

Zone	Base Density	Max Bonus Already Allowed in Code, Expressed as Percentage	Density per Allowed Max	Bonus Density Proposal (Next Percentage Step Up)	Resulting Density
Madison	0.4 FAR	50%	0.6 FAR	100%	0.8 FAR
HSR I/II	0.3 FAR	100%	0.6 FAR	150%	0.75 FAR
Ericksen	0.3 FAR	100%	0.6 FAR	150%	0.75 FAR
Gateway	0.5 FAR	100%	1 FAR	150%	1.25 FAR
Central Core	0.4 FAR	150%	1 FAR	175%	1.1 FAR
Ferry Terminal	0.4 FAR	175%	1.1 FAR	200%	1.2 FAR

The impact of these provisions would ensure that religious facilities in these zones are afforded an increased density bonus beyond what is allowed today in a somewhat stepped and logical manner.

Neighborhood Center zones are already permitted bonus densities per BIMC 18.12.030.D, without any clear striation. Therefore, the increased bonus density proposal assigns one bonus unit to those properties in zones without sewer availability, and two bonus units to properties in zones served by sewer:

NC Zones		Bonus Already Allowed in Code	Density per Allowed Max	Proposed Density Max
Island Center	R-2	1 bonus unit/acre	3 units/acre	4 units/acre
Rolling Bay	R-2	1 bonus unit/acre	3 units/acre	4 units/acre
Lynnwood	R-2	3 bonus units/acre	5 units/acre	7 units/acre
Lynnwood	R-12	12 units/acre	12 units/acre	14 units/acre

Note that any project utilizing residential density bonus in R-12 has to be a part of a specific development concept according to code, hence not adding significant density beyond what's already conceptualized.

C. CONCLUSIONS

The new bonus density option staff have developed provides a more complex though very implementable route to providing an increase that religious facilities can take advantage of when developing affordable housing. The new option is more internally consistent with city code, due to the careful evaluation of existing bonus density provisions, and relies only on existing zoning rather than measuring proximity to other zones. While the approach is perhaps best suited to the residential zones, the new option continues the same rationale and applies it to the other zones such that the full package of increased bonus densities is complete.

III. Other Changes

Staff have added fair housing/antidiscrimination language to the ordinance per Council direction; see section H of the attached ordinance.

IV. Next Steps

Staff will prepare a public hearing draft based on City Council input.

V. Attachments to Memo

1. Ordinance No. 2022-02 and Exhibits A and B

Revised Staff Draft for August 16, 2022 Study Session

ORDINANCE NO. 2022-02
(formerly Ordinance No. 2021-38)

AN ORDINANCE of the City of Bainbridge Island, Washington, amending Table 18.09.020, and 18.12.020-3, Section 18.09.030, and Chapter 18.21 of the Bainbridge Island Municipal Code related to affordable housing on property owned or controlled by religious organizations.

WHEREAS, the City of Bainbridge Island Comprehensive Plan Housing Element Policy HO 3.4 encourages partnering with nonprofit housing organizations, churches, the development community, local lending institutions, elected officials, and the community at large to assist in meeting affordable housing goals and implementing strategies; and

WHEREAS, the City of Bainbridge Island created a short-term Affordable Housing Task Force in 2017 to help achieve the affordable housing goals and policies in the Comprehensive Plan and help the City prioritize a variety of affordable housing actions, recognizing the current housing crisis in the Puget Sound region, Kitsap County, and Island-wide; and

WHEREAS, Comprehensive Plan Guiding Principle #3 directs the City to foster diversity with a holistic approach to meeting the needs of Bainbridge Island and the human needs of its residents consistent with the stewardship of the Island's finite environmental resources; and

WHEREAS, Guiding Policy 3.1 directs the City to ensure a variety of housing choices to meet the needs of present and future residents in all economic segments and promote plans, projects, and proposals to create affordable housing; and

WHEREAS, in 2019, the Washington State Legislature enacted Substitute House Bill ("SHB") 1377 to facilitate the development of affordable housing projects on property owned or controlled by religious organizations; and

WHEREAS, the applicable state law provision implementing SHB 1377 is RCW 36.70A.545 and the law facilitates affordable housing development on property owned or controlled by religious organizations by requiring a density bonus consistent with local needs; and

WHEREAS, the City Council became aware of an ongoing discussion about constructing affordable housing on the Bethany Lutheran Church properties, and on April 20, 2021, the Council endorsed moving forward with implementing RCW 36.70A.545 in advance of completing a Housing Action Plan; and

WHEREAS, on October 26, 2021, the City Council, as part of its legislative and deliberative policy-making process regarding implementation of the requirements of RCW 36.70A.545, considered how to proceed most effectively in accordance with RCW 36.70A.545, consistent with local needs and in the context of the only request that the City has received thus far based on the requirements of RCW 36.70A.545, which request is from Bethany Lutheran, and the Council expressed interest in pursuing regulations that would include a pilot project phase to allow the City to learn from the experience of that phase in implementing the regulations at issue; and

WHEREAS, on October 26, 2021, the City Council approved a motion to direct the Planning Commission to work with staff to prepare an ordinance to develop such implementing regulations consistent with local needs, to focus on the request submitted by Bethany Lutheran, and to consider that request as a part of a pilot project phase in implementing RCW 36.70A.545; and

WHEREAS, the Planning Commission considered as a legislative and policy-making matter draft Ordinance No. 2022-02 (formerly Ordinance No. 2021-38) on November 18, 2021, January 13 and 27, 2022, and February 10 and 24, 2022; and

WHEREAS, the Planning Commission held a public hearing on Ordinance No. 2022-02 on March 10, 2022, and after closing the public hearing, continued discussion of the ordinance; and

WHEREAS, the Planning Commission continued discussion of Ordinance No. 2022-02 on March 24, 2022, and approved a series of motions to amend the ordinance; and

WHEREAS, the Planning Commission continued discussion of amended Ordinance No. 2022-02 on April 14, 2022, and a vote to recommend approval of the ordinance to the City Council resulted in a 3-3 tie vote (with one Planning Commissioner recusal); and

WHEREAS, notice was given on July 13, 2022, to the Office of Community Development at the Washington State Department of Commerce in conformance with RCW 36.70A.106; and

WHEREAS, on June 7, 2022, the City Council received input from the Planning Commission about the policy disagreements that contributed to the April 14, 2022 tie vote on Ordinance No. 2022-02; and

WHEREAS, at the close of its discussion on June 7, 2022, the City Council approved a motion to continue its legislative review and policy-making discussion of Ordinance No. 2022-02 at a future meeting; and

WHEREAS, on July 26, 2022, the City Council continued its legislative review

and policy-making discussion of Ordinance 2022-02, provided feedback to city staff, and approved a motion to continue the discussion at a future meeting; and

WHEREAS, on August 16, 2022, the City Council further continued its legislative and policy-making consideration and discussion related to Ordinance No. 2022-02, including regarding options provided by City staff related to certain provisions of the draft ordinance, and the Council provided direction to staff regarding the options presented for consideration at a future Council meeting; and

WHEREAS, on _____, the City Council
_____.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Table 18.09.020 of the Bainbridge Island Municipal Code is hereby amended as shown in Exhibit A.

Section 2. Section 18.09.030.C. of the Bainbridge Island Municipal Code is hereby amended to read as follows:

3. Religious Facilities.

a. In the WD-I district, religious facilities are a conditional (“C”) use. Conference centers with overnight accommodations are not permitted.

b. In the ferry terminal overlay district, religious facilities are only allowed south of Winslow Way.

c. Lot coverage for religious facilities in residential zones is reduced by 50 percent of the allowable lot coverage in the zone where the religious facility is located. See Table 18.12.020-2 for lot coverage standards in residential zones. This lot coverage reduction does not apply to affordable housing development on properties owned or controlled by religious organizations, as described in BIMC 18.21.050.

JULY STAFF DRAFT OPTION WITH CLARIFYING ADDITIONS

B. Pilot Project Phase. In order to implement the requirements of RCW 36.70A.545 consistent with local needs, the City will utilize a pilot project phase as part of a broader application and implementation of the regulations. Initially, implementation of BIMC 18.21.050 shall be limited to the only request from a religious organization for an increased density bonus for an affordable housing development that the City has received related to RCW 36.70A.545, as of adoption of this ordinance, which relates to the approximately 8 acre property collectively known as “Bethany Lutheran Church,” located at the southwest intersection of NE High School Road and Sportsman Club Road NE and zoned R-0.2. The pilot project phase shall be in effect until December 31, 2027. Beginning January 1, 2028, the pilot project phase of these regulations will no longer be in effect and BIMC 18.21.050 will apply to all requests submitted in accordance with RCW 36.70A.545 and the Bainbridge Island Municipal Code, regardless of the location of the property within the city’s jurisdictional limits.

ISLAND-WIDE ONLY OPTION (NO PILOT)

B. Applicability. In order to implement the requirements of RCW 36.70A.545 consistent with local needs, BIMC 18.21.050 will apply to all requests submitted in accordance with RCW 36.70A.545 and the Bainbridge Island Municipal Code.

ISLAND-WIDE ONLY OPTION WITH A SUNSET

B. Applicability. In order to implement the requirements of RCW 36.70A.545 consistent with local needs, BIMC 18.21.050 will apply to all requests submitted in accordance with RCW 36.70A.545 and the Bainbridge Island Municipal Code. These provisions shall expire on December 31, 2027, or at such time as an updated affordable housing program is adopted by ordinance that includes a provision terminating and replacing the provisions of BIMC 18.21.050, whichever occurs first..

Section 3. Chapter 18.21 of the Bainbridge Island Municipal Code is hereby amended to read as follows:

18.21.050 Affordable Housing Development on Property Owned or Controlled by a Religious Organization.

A. In accordance with RCW 36.70A.545, the City shall allow a density bonus consistent with this section BIMC 18.21.050 for properties owned or controlled by a religious organization. For the purposes of this section, “religious organization” is defined as provided in RCW 36.70A.545. All projects governed by this section shall comply with RCW 36.70A.545 and the requirements set forth in this section.

JULY STAFF DRAFT OPTION

- E. Project density bonus. The density for projects may be increased above the base density as follows, provided that all other applicable provisions of the BIMC are met:
 - 1. For projects within the Winslow Subarea Plan Study Area or within one quarter mile of the Winslow Subarea Plan Study Area: two times the base density or a maximum of 20 units, whichever is higher.
 - 2. For projects within a Neighborhood Center or within one quarter mile of a Neighborhood Center: one and a half times the base density or a maximum of 15 units, whichever is higher.
 - 3. For all other projects: one and a quarter times the base density or a maximum of 10 units, whichever is higher.

ZONE-BASED BONUS DENSITY OPTION

- E. Project density bonus. The density for projects may be increased above the base density as follows, provided that all other applicable provisions of the BIMC are met:
 - 1. For projects within the Mixed Use Town Center/HSR I and II zones (where bonus density for affordable housing is otherwise governed by BIMC 18.12.030.E), bonus density shall be governed by Table 18.12.020-3 and the maximum floor area ratios depicted therein.
 - 2. For projects within the Neighborhood Center zones (where bonus density for affordable housing is otherwise governed by BIMC 18.12.030.D): one additional unit per acre beyond what is already provided as bonus for NC zones not served by public sewer, and two additional units per acre beyond what is already provided as bonus for NC zones served by public sewer.
 - 3. For all other projects in Residential zoning districts (otherwise governed by BIMC 18.21), density may be increased as follows:

Residential Zone	Total Allowed Density under this Chapter
R-0.4	2.9 units/acre
R-1	3.5 units/acre
R-2	4.3 units/acre
R-2.9	5 units/acre
R-3.5	6 units/acre
R-4.3	8 units/acre
R-5	14 units/acre
R-6	18 units/acre
R-8	22 units/acre
R-14	26 units/acre

C. All projects shall comply with existing land use permit review procedures depending on the type of housing development that is proposed. Multifamily housing shall be reviewed in accordance with the Site Plan and Design Review process set forth in BIMC 2.16.040, and subdivisions shall be reviewed in accordance with the short or long subdivision process set forth in BIMC 2.16.070 or BIMC 2.16.125 (respectively), unless specifically modified by this section.

D. All projects shall be subject to applicable residential development standards for Titles 15, 16, 17, and 18 BIMC, unless specifically modified by this section. All projects shall comply with the requirements of the City and the Kitsap Public Health District for providing drinking water and onsite septic, if applicable.

F. Accessory Dwelling Units (“ADU”). ADUs are prohibited for projects governed by this section.

G. Affordable Housing. All dwelling units planned and constructed through this section shall meet the following requirements:

1. All units shall be used exclusively for affordable housing purposes for at least ninety-nine years.

2. Housing units shall be used as the primary residence of a low income household. “Low income households” are defined as set forth in RCW 36.70A.545.

3. Unless otherwise specified, the price of affordable housing units shall be based on the requirements set forth in RCW 36.70A.545.

4. An agreement in a form approved by the City shall be executed by the applicant, or its successor organization, and recorded with the Kitsap County Auditor’s Office, requiring the affordable housing to remain for the life of the project. This agreement shall be a covenant running with the land, binding on assigns, heirs, and successors of the applicant.

5. The City shall require documentation to be signed through the land use and building permitting processes to ensure ongoing compliance with the income requirements.

6. The City may approve a formula, based on a form prepared by the City and submitted by the applicant when a project application is submitted for review, for calculating maximum affordable prices for sales subsequent to the initial sale to allow modest growth in homeowner equity while maintaining long term affordability for future buyers.

H. Parking. The amount of parking shall be determined as part of a transportation study/mobility assessment.

I. The maximum dwelling unit size shall be limited to 1400 square feet.

J. Projects proposed and constructed on the same property(ies) as existing buildings may result in a permitted mixed-use property.

H. Projects proposed and constructed under this section, BIMC 18.12.050, shall comply with the Fair Housing Act which prohibits discrimination in housing because of race, color, national origin, religion, sex (including gender identity and sexual orientation), familiar status, or disability.

Section 4. Table 18.12.020-3 of the Bainbridge Island Municipal Code is hereby amended as shown in Exhibit B.

Section 5. Severability. Should any section, paragraph, sentence, clause, or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 6. This ordinance shall take effect and be in force five (5) days from its passage and publication as required by law.

PASSED by the City Council this ____ day of _____, 2022.

APPROVED by the Mayor this ____ day of _____, 2022.

Joe Deets, Mayor

ATTEST/AUTHENTICATE:

Christine Brown, MMC, City Clerk

FILED WITH THE CITY CLERK:

PASSED BY THE CITY COUNCIL:

PUBLISHED:

EFFECTIVE DATE:

ORDINANCE NUMBER:

2022-02

EXHIBIT:

Exhibit A, Exhibit B

Exhibit A to Ordinance No. 2022-02

EXCERPT Table 18.09.020 Use Table

"P" = Permitted Use	"A" = Accessory Use										Additional use restrictions for Chapters 16.12 and 16.20 BIMC may apply to shoreline or critical area properties									
"C" = Conditional Use	"CA" = Conditional Accessory Use																			
Blank = Prohibited Use	"T" = Temporary Use																			
ZONING DISTRICT	R-0.4	R-1	R-2	R-2.9	R-3.5	R-4.3	R-5	R-6	R-8	R-14	Winslow Mixed Use Town Center					HSR I and II	NC	B/I	WD-I	Use-Specific Standards BIMC 18.09.030
USE CATEGORY/TYPE											CC	MA	EA	Gate	Ferry [1]					
RESIDENTIAL Note: Residential uses may be subject to additional requirements in BIMC 16.12.040.I, Residential Development.																				
Household Living																				
Single-Family Dwelling	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P			B-1
Single-Family Dwelling existing on 4/15/96											P	P	P							B-1
Multifamily Dwellings	C	C	C	C	C	C	P	C	P	P	P	P	P	P	P	P	P			B-2
Commercial/Residential Mixed Use Developments									P	P	P	P	P	P	P	P	P			B-3
Live/Work Units																		P		B-4
<u>Affordable Housing Development on Property Owned or Controlled by a Religious Organization</u>	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C	<u>18.21.050</u>
PUBLIC AND INSTITUTIONAL																				
Community and Educational Facilities																				
Educational Facility	C	C	C	C	C	C	C	C	C	P	P	P	P	C	C	P	C		C	C-1
Vocational/Trade Instruction Facilities	C																	P		
Governmental Facility	C	C	C	C	C	C	C	C	C	P	P	P	P	C	C	P	C		C	C-2
Religious Facility	C	C	C	C	C	C	C	C	C	P	P	P	P	C	C	P	C		C	<u>C-3, 18.21.050</u>

Exhibit B to Ordinance 2022-02

Excerpt from Table BIMC 18.12.020-3

ZONING DISTRICT DIMENSIONAL STANDARD	Winslow Mixed Use Town Center					HSR I and II	NC	B/I	WD-I
	Central Core Overlay	Madison Avenue Overlay	Ericksen Avenue Overlay	Gateway Overlay	Ferry Terminal Overlay [See BIMC 18.12.030.C]				
MAXIMUM FAR (Floor Area Ratio) [1]									
Basic Maximum									
Commercial and Other Nonresidential Uses	0.6	0.4	0.3	0.15	0.1	0.3	No max.; limited by other standards		
Residential	0.4	0.4	0.3	0.5	0.4	0.3	No FAR limit: R-2 standards apply		
Mixed Use [2]	1.0	0.5	0.5	0.5	0.5	0.3	No max.; limited by other standards		
Maximum with Bonus	Bonus densities require compliance with BIMC 18.12.030.E and BIMC 18.21.050 as applicable.								
Residential	1.0	0.6	0.6	1.0	1.1	0.6	Bonus densities require compliance with BIMC 18.12.030.D	N/A	N/A
<u>Affordable Housing Development on Property Owned or Controlled by a Religious Organization</u> [6]	<u>1.1</u>	<u>0.8</u>	<u>0.75</u>	<u>1.25</u>	<u>1.2</u>	<u>0.75</u>	<u>Bonus densities require compliance with BIMC 18.21.050 and BIMC 18.12.030.D.</u>	<u>N/A</u>	<u>N/A</u>

Exhibit B to Ordinance 2022-02

ZONING DISTRICT	Winslow Mixed Use Town Center					HSR I and II	NC	B/I	WD-I
	Central Core Overlay	Madison Avenue Overlay	Ericksen Avenue Overlay	Gateway Overlay	Ferry Terminal Overlay [See BIMC 18.12.030.C]				
Mixed Use [2]	1.5	1.0	0.9	1.0	1.2 (1.4 pursuant to note [3])	0.9	<u>Bonus densities require compliance with BIMC 18.12.030.D</u>	N/A	N/A

[6] The bonus density is available when provisions of BIMC 18.21.050 are met and all bonus FAR is applied to the residential component of the mixed use development.