



CITY OF
BAINBRIDGE ISLAND

**PLANNING COMMISSION SPECIAL MEETING
THURSDAY, JANUARY 13, 2022**

THE PLANNING COMMISSION WILL HOLD THIS MEETING USING A VIRTUAL ZOOM WEBINAR PLATFORM. MEMBERS OF THE PUBLIC WHO DO NOT WISH TO VIEW THE MEETING VIA THE CITY'S WEBSITE STREAMING WILL BE ABLE TO CALL IN TO THE ZOOM MEETING.

PLEASE CLICK THE LINK BELOW TO JOIN THE ZOOM WEBINAR:

[HTTPS://BAINBRIDGEWA.ZOOM.US/J/93018453883](https://bainbridgewa.zoom.us/j/93018453883)

OR ONE TAP MOBILE :

US: +12532158782,,93018453883# OR +16699009128,,93018453883#

OR TELEPHONE:

DIAL(FOR HIGHER QUALITY, DIAL A NUMBER BASED ON YOUR CURRENT LOCATION):

US: +1 253 215 8782 OR +1 669 900 9128 OR +1 346 248 7799 OR +1 646 558 8656 OR +1 301 715 8592

OR +1 312 626 6799

WEBINAR ID: 930 1845 3883

INTERNATIONAL NUMBERS AVAILABLE: [HTTPS://BAINBRIDGEWA.ZOOM.US/U/AC1LEGH2E4](https://bainbridgewa.zoom.us/j/93018453883)

AGENDA

**1. CALL TO ORDER/LAND ACKNOWLEDGMENT/AGENDA REVIEW/CONFLICT
DISCLOSURE - 6:00 PM**

We would like to begin by acknowledging that the land on which we gather is within the ancestral territory of the Suquamish, "People of Clear Salt Water." Expert fishermen, canoe builders and basket weavers, the Suquamish live in harmony with the lands and waterways along Washington's Central Salish Sea as they have for thousands of years. Here, the Suquamish live and protect the land and waters of their ancestors for future generations as promised by the Point Elliot Treaty of 1855.

2. ELECT CHAIR AND VICE CHAIR OF THE PLANNING COMMISSION - 6:05 PM

2.a (6:05 PM) Planning Commission Roster

3. PUBLIC PARTICIPATION MEETING - 6:15 PM

3.a (6:15 PM) - Puget Sound Energy (PSE) Proposal for Future Comprehensive Plan Amendments and Rezone Applications (file number PLN 52101) 45 Minutes
[PSE Comprehensive Plan Amendment Preapplication Narrative.pdf](#)

4. PLANNING COMMISSION MEETING MINUTES - 7:00 PM

Review and approve meeting minutes.

- 4.a **(7:00 PM) Review and Approve Minutes for November 18, 2021** 5 Minutes
[Planning Commission Minutes DRAFT 111821.pdf](#)

5. **PUBLIC COMMENT - 7:10 PM**

6. **UNFINISHED BUSINESS - 7:15 PM**

- 6.a **(7:15 PM) - Review Ordinance No. 2022-02 (formerly 2021-38) to Implement Increased Density Bonus for Affordable Housing Development on Property Owned by Religious Organizations** 45 Minutes
[Staff Memo.docx](#)
[RCW 36.70A.545 Increased density bonus for affordable housing located on property owned by a religious organization.pdf](#)
[Ordinance No. 2022-02 \(formerly 2021-38\) Relating to Affordable Housing on Religious Properties.docx](#)
[Exhibit A Use Table 18.09.020.pdf](#)

7. **NEW BUSINESS - 8:00 PM**

8. **PLANNING DIRECTOR'S REPORT - 8:10 PM**

- 8.a **(8:10 PM) Director's Report** 10 Minutes
[Director's Report_01132022.pptx](#)

9. **FOR THE GOOD OF THE ORDER - 8:20 PM**

10. **ADJOURNMENT - 8:30 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.



Planning Commission meetings are wheelchair accessible. Assisted listening devices are available in Council Chambers. If you require additional ADA accommodations, please contact the Planning & Community Development Department at (206) 780-3750 or pcd@bainbridgewa.gov by noon on the day preceding the meeting.

Public comment may be limited to allow time for the Commissioners to deliberate. To provide additional public comment, email your comment to pcd@bainbridgewa.gov or mail it to Planning and Community Development, 280 Madison Avenue North, Bainbridge Island, WA 98110.



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 13, 2022

ESTIMATED TIME:

AGENDA ITEM: (6:05 PM) Planning Commission Roster

SUMMARY:

AGENDA CATEGORY: Presentation

PROPOSED BY: Planning Commission

RECOMMENDED MOTION: No Action. For Review Only

STRATEGIC PRIORITY:

FISCAL IMPACT:

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

BACKGROUND:

ATTACHMENTS:

FISCAL DETAILS:

Fund Name(s):

Coding:



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 13, 2022

ESTIMATED TIME: 45 Minutes

AGENDA ITEM: (6:15 PM) - Puget Sound Energy (PSE) Proposal for Future Comprehensive Plan Amendments and Rezone Applications (file number PLN 52101)

AGENDA CATEGORY: Presentation

PROPOSED BY: Jennifer Sutton

**PREVIOUS PLANNING COMMISSION
REVIEW DATE(S):**

PREVIOUS COUCIL REVIEW DATE(S):

RECOMMENDED MOTION:

No Action. Presentation by PSE and Question/Answer Session.

SUMMARY:

The City of Bainbridge Island accepts requests to amend the Comprehensive Plan every three years. Applications to amend the Comprehensive Plan will be accepted between January and February 2022. The amendment process is established by Bainbridge Island Municipal Code (BIMC) Chapter 2.16.190.

PSE is proposing a Comprehensive Plan Amendment & Rezone to change the zoning of the 3 PSE existing substation properties on Bainbridge Island from Residential to Business/Industrial (Project Number is: PLN 52101).

- Port Madison Substation: (intersection of SR-305 and NE Day Road West, Parcel #032502-3-013-2001).
- Murden Cove Substation: (9582 Sportsman Club Road NE, Parcel #222502-1-024-2009).
- Winslow Substation: (intersection of Fletcher Bay Road NE and Bucklin Hill Road NE, Parcel #4178-000-028-0204).

PSE has requested this public participation meeting in order to provide an early opportunity for substation neighbors and the community as a whole to learn about the proposal. PSE had a preapplication conference with City staff on November 9, 2021 about the potential comprehensive plan amendment and rezone applications.

BACKGROUND: https://www.bainbridgewa.gov/433/Proposed-Land-Use_Actions

PLN52101

ATTACHMENTS:



PSE Substation Rezone Pre-application Narrative

Puget Sound Energy (PSE) is proposing to rezone our 3 existing substation properties on Bainbridge Island. The properties include:

- Port Madison Substation: located at the intersection of SR-305 and NE Day Road West (Parcel #032502-3-013-2001). Current zoning = R-0.4 (Attachment 2a and 2b)
- Murden Cove Substation: located at 9582 Sportsman Club Road NE (Parcel #222502-1-024-2009). Current zoning = R-2 (Attachment 3a and 3b)
- Winslow Substation: located at 740 Bucklin Hill Road NE east of the intersection of Fletcher Bay Road NE and Bucklin Hill Road NE (Parcel #4178-000-028-0204). Current zoning=R-0.4 (Attachment 4a and 4b)

The three substations on Bainbridge Island distribute electricity to homes and businesses within the community. Two transmission lines, the Port Madison Tap and Foss Corner-Port Madison 115 kV lines, bring power to Island from the Kitsap Peninsula over Agate Pass to Port Madison Substation. From Port Madison Substation, the Murden Cove Tap 115 kV transmission line connects to Murden Cove Substation located on Sportsman Club Road NE and the Winslow Tap 115 kV transmission line connects to Winslow Substation located on Bucklin Hill Road NE (Attachment 1).

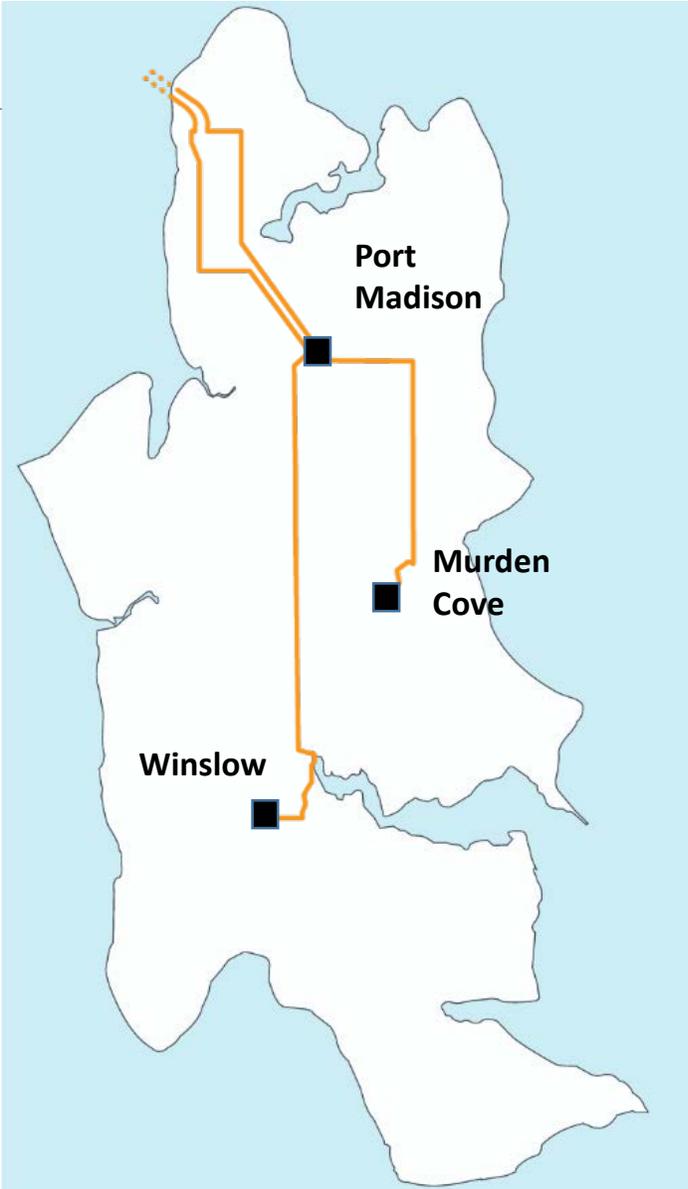
The first substation constructed on Bainbridge Island was Port Madison Substation in the early 1950s. At that time, a previous configuration of the Port Madison Tap transmission line brought power to the Island via a transmission line crossing on the west side of Agate Pass bridge. Then the Winslow Substation was constructed in the early 1960s and was connected to Port Madison Substation with the installation of the Winslow Tap transmission line. Also records indicated that in the 1969/1970 timeframe, the original steel lattice transmission towers on either side of the Agate Pass crossing on the east side of the Agate Pass bridge were constructed, providing the support for two transmission supply lines to the Island. The existing crossing on the west side of the bridge was converted to a distribution line crossing. Murden Cove Substation was constructed in 1979 and was connected to the Port Madison Substation via the Murden Cove Tap transmission line.

As growth occurred on Bainbridge Island, PSE's facilities were replaced and upgraded to meet capacity and improved reliability needs. In 2014 the two aging steel lattice towers at Agate Pass were replaced with four steel monopoles. In 2015 the Port Madison Tap line was rebuilt with new poles and higher capacity conductor. Then in 2016 the Foss-Corner – Port Madison 115-kV line was also rebuilt with new poles and higher capacity conductor.

Prior to the 1991 annexation of the area of Bainbridge Island outside of the Town of Winslow, all of PSE's substations were located within rural unincorporated Kitsap County. As growth occurred on

Bainbridge Island, community development extended into the areas surrounding the substation sites and PSE's substation facilities were expanded and upgraded to accommodate the added electrical load resulting from this growth. When PSE initially purchased the substation properties, it was expected that the facilities would expand and grow as additional infrastructure would be needed to support increased electrical demand.

Each substation property is located adjacent to at least one property zoned Business Industrial (B/I) and we are proposing to change the zoning of the substation properties to B/I zoning. PSE understands that rezoning the properties to something other than low density residential will also trigger the need to amend the Comprehensive Plan future land use map. Based on BIMC 2.16.190.F, it appears the next Comprehensive Plan amendment cycle will be open for applications in January of 2022. PSE would like to ensure that the City Council makes the application opportunity available as part of their 2022 work plan.



— Transmission line

■ Substation

Port Madison Substation

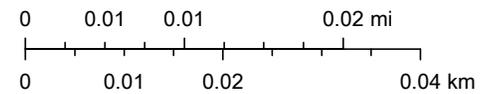


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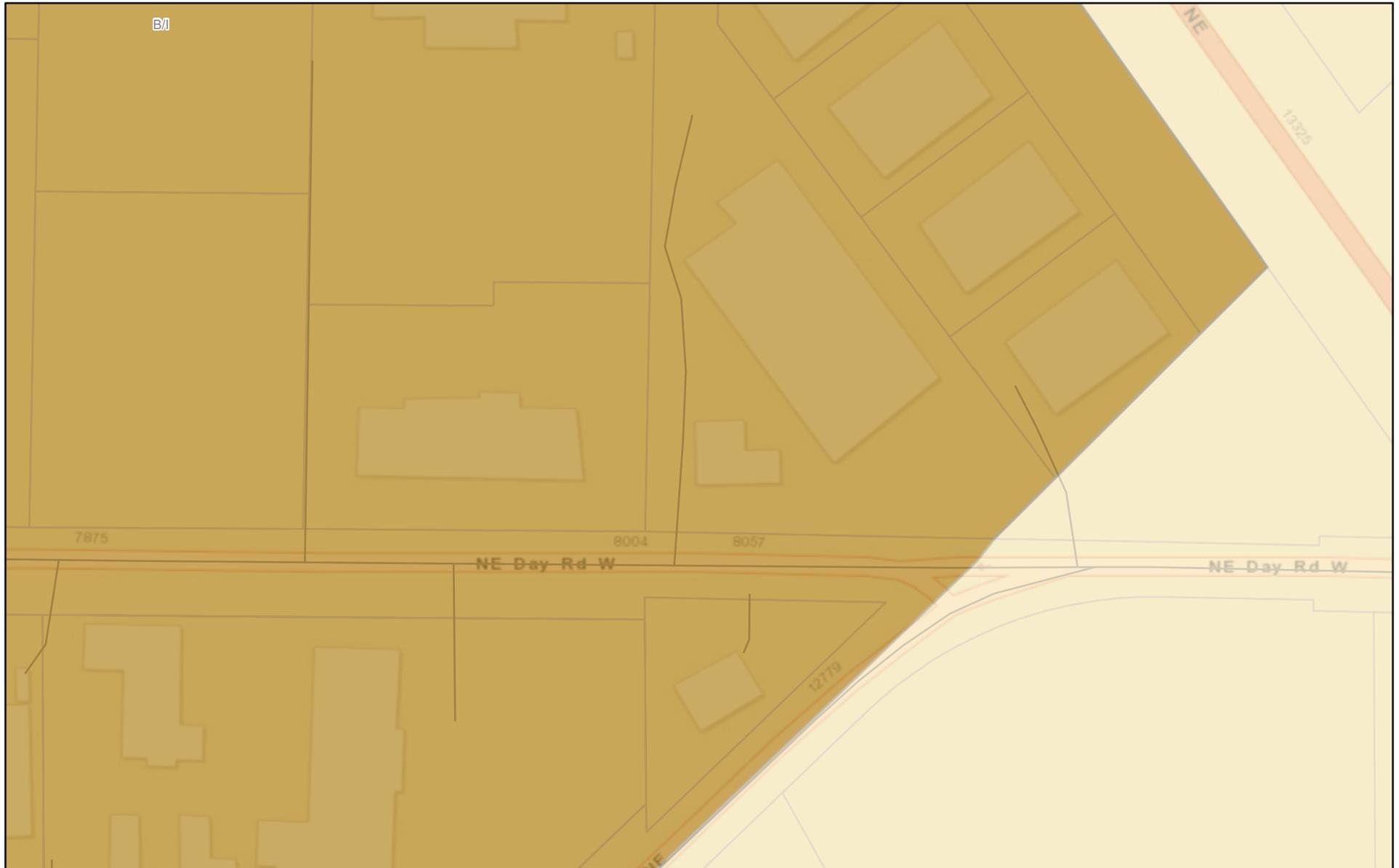
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- Green: Band_2

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Washington State GIS and Washington State DNR, Maxar, Microsoft, County

Port Madison Substation



10/11/2021, 5:48:48 PM

Zoning Land Use Designations Feb.2017

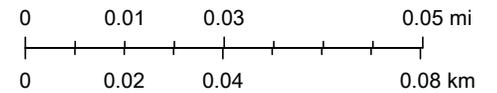
R-0.4

B/I

Streets

Kitsap County Parcel Data

1:2,257



County of Kitsap, Bureau of Land Management, Esri, HERE, Garmin,

Murden Cove Substation



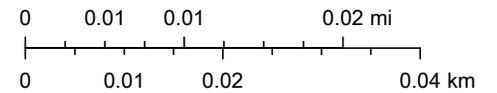
222502-1-024-2009
9582 Sportsman Club Road NE

10/11/2021, 4:25:21 PM

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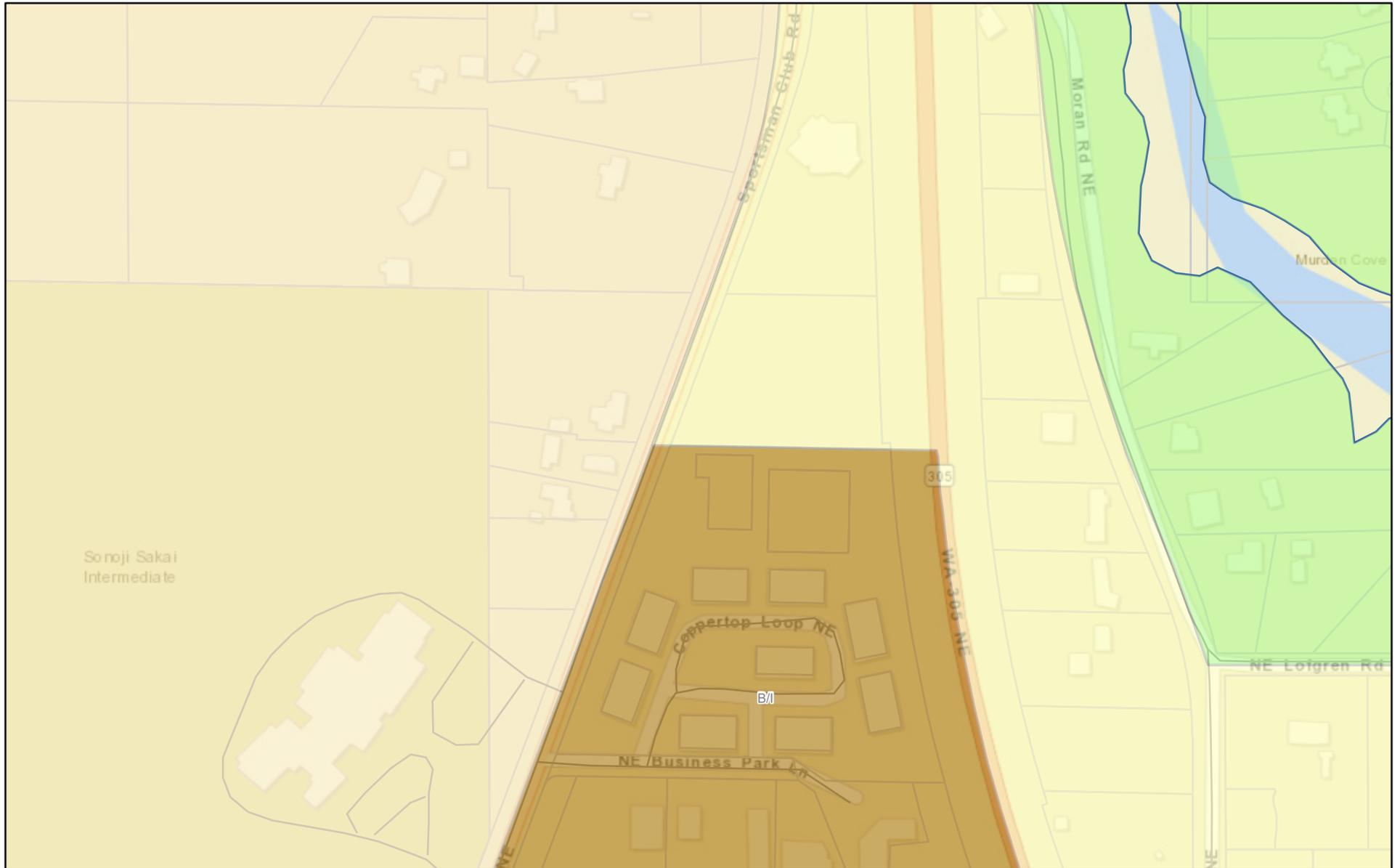
- Red: Band_1
- Green: Band_2

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Washington State GIS and Washington State DNR, Maxar, Microsoft, County

Murden Cove Substation

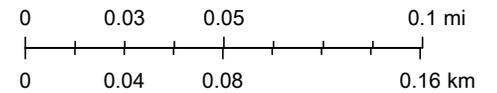


10/11/2021, 5:42:53 PM

Zoning Land Use Designations Feb.2017



1:4,514



County of King, County of Kitsap, Bureau of Land Management, Esri, HERE,

Winslow Substation

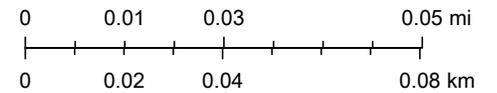


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2018_HXIP_Bainbridge_NAD_1983_2011_StatePlane_Washington_North_FIPS_4601_Ft_US_MG4.sid

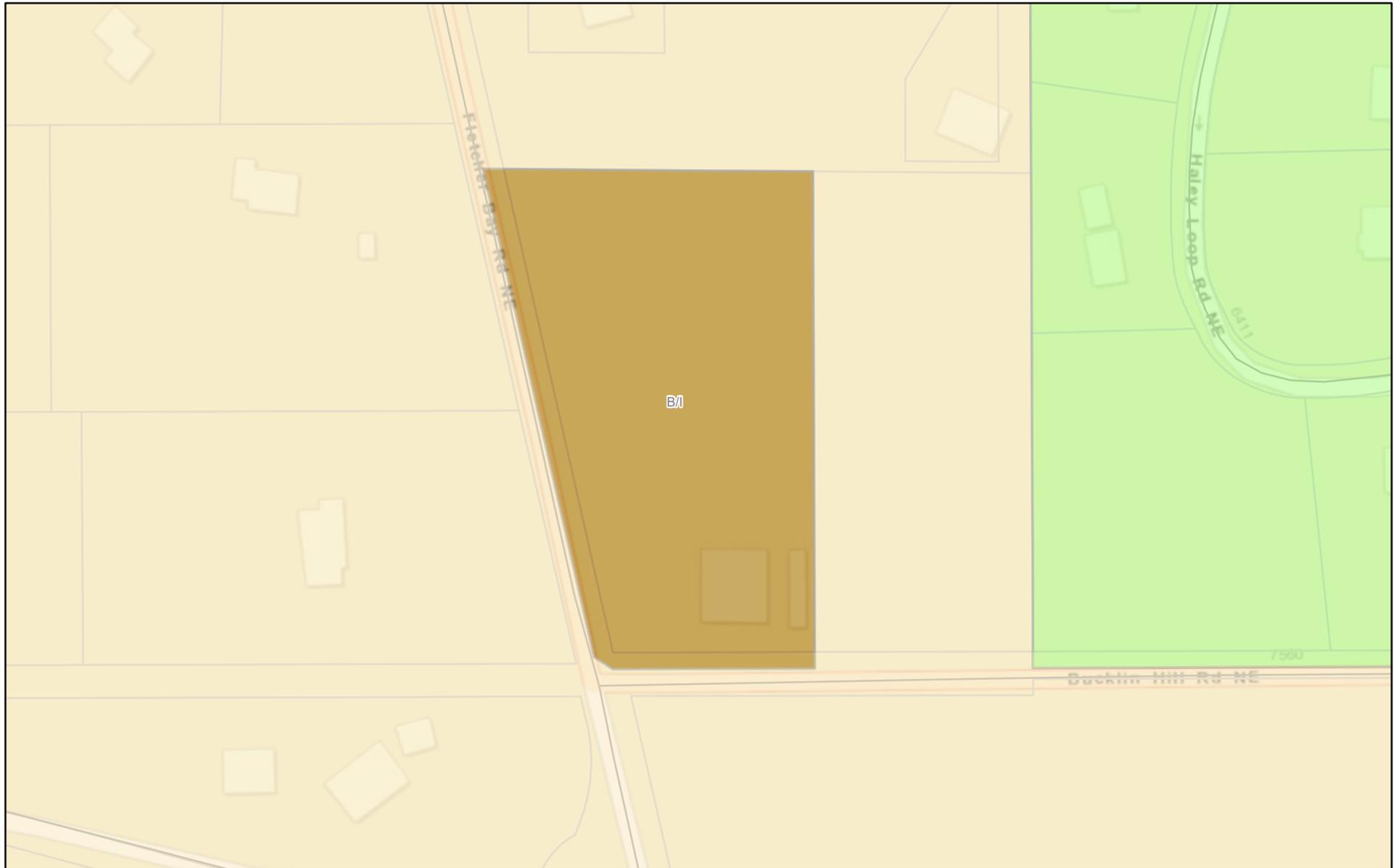
- Red: Band_1
- Green: Band_2

1:2,257



Washington State GIS and Washington State DNR, County of Kitsap, Bureau

Winslow Substation



10/11/2021, 5:50:35 PM

Zoning Land Use Designations Feb.2017

R-0.4

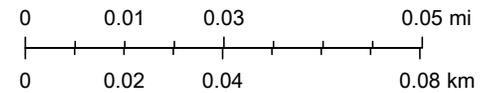
R-1

B/I

Streets

Kitsap County Parcel Data

1:2,257



County of Kitsap, Bureau of Land Management, Esri, HERE, Garmin,



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 13, 2022

ESTIMATED TIME: 5 Minutes

AGENDA ITEM: (7:00 PM) Review and Approve Minutes for November 18, 2021

AGENDA CATEGORY: Minutes

PROPOSED BY: Jane Rasely

**PREVIOUS PLANNING COMMISSION
REVIEW DATE(S):**

PREVIOUS COUCIL REVIEW DATE(S):

RECOMMENDED MOTION:

Motion: I move to approve the minutes as distributed.

SUMMARY:

BACKGROUND:

ATTACHMENTS:



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting November 18, 2021

Meeting Minutes

1) **CALL TO ORDER/LAND ACKNOWLEDGMENT/AGENDA REVIEW/CONFLICT DISCLOSURE**

Chair Kimberly McCormick Osmond started the meeting at 6:02 PM. Commissioners in attendance were William Chester, Lisa Macchio, Sarah Blossom, Ashley Mathews, and Yesh Subramanian. Vice-chair Joe Paar was absent and excused. City Staff present were Interim Planning & Community Development Director Mark Hofman, Senior Planner Jennifer Sutton and Administrative Specialists Jane Rasely and Maria Dozeman who monitored recording and prepared minutes.

The Land Acknowledgement was read, and the agenda reviewed. There were not any conflicts disclosed.

2) **PLANNING COMMISSION MEETING MINUTES**

2.a Review and approve meeting minutes from October 28, 2021

[Cover Page](#)

[Planning Commission Minutes DRAFT 102821.pdf](#)

**Motion: I'd like to put a motion forward to move to accept the minutes dated October 28, 2021, as written and presented.
Chester/Subramanian: Passed Unanimously**

3) **PUBLIC COMMENT**

None.

6) **PLANNING DIRECTOR'S REPORT**

Planning Director's report was provided early to keep the public hearing on track. Interim Director Mark Hofman introduced himself and provided an update on topics of interest.

4) **PUBLIC HEARING**

4.a [Public Hearing on Ordinance No. 2021-35, Extension of the Housing Design Demonstration Projects \(HDDP\) program, BIMC 2.16.020.S,](#)

[Cover Page](#)

[HDDP Program Summary Presentation.pptx](#)

[Ordinance No. 2021-35 Extending HDDP Program.docx](#)

[BIMC 2.16.020.S Housing Design Demonstration Projects.pdf](#)

[Comprehensive Plan Goals and Polices that support HDDP.pdf](#)

Senior Planner Jennifer Sutton provided a review of Ordinance 2021-35 before the public hearing was held.

The public hearing was opened at 6:26 PM.

Phedra Elliott - Spoke in favor of the HDDP ordinance extension.
Jonathan Davis - Spoke in favor of the HDDP ordinance extension.
Charlie Wenzlau - Spoke in favor of the HDDP ordinance extension.
Lisa Neal - Spoke against the HDDP ordinance extension.

The public hearing was closed at 6:34 PM.

Motion: I move we keep the percentages 50% but make it mandatory that 100% of the 50%, as stated by Commissioner Blossom, apply to low income and below strata as well as the table on p 24 be struck and replaced with a checklist as suggested by Commissioner Osmond.

Subramanian/Blossom: Passed Unanimously

5) NEW BUSINESS

5.a [Review Ordinance 2021-38 to Implement Increased Density Bonus for Affordable Housing Development on Property Owned by Religious Organizations](#)

[Cover Page](#)

[Staff Memo.docx](#)

[RCW 36.70A.545 Increased density bonus for affordable housing located on property owned by a religious organization.pdf](#)

[Ordinance No. 2021-38 Relating to Affordable Housing on Religious Properties.docx](#)

[Exhibit A Use Table 18.09.020.pdf](#)

Senior Planner Jennifer Sutton provided an overview of the draft ordinance.

Public Comment

David Swartling - Spoke in favor of the ordinance.

Pastor Paul Stumme-Diers - Spoke in favor of the ordinance.

Phedra Elliott - Spoke in favor of the ordinance.

Jonathan Davis - Spoke in favor of the ordinance.

Lisa Neal - Spoke against the ordinance.

7) FOR THE GOOD OF THE ORDER

8) ADJOURNMENT

Meeting adjourned at 8:13 PM.

Chair, To be determined

Jane Rasely, Administrative Specialist



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 13, 2022

ESTIMATED TIME: 45 Minutes

AGENDA ITEM: (7:15 PM) - Review Ordinance No. 2022-02 (formerly 2021-38) to Implement Increased Density Bonus for Affordable Housing Development on Property Owned by Religious Organizations

AGENDA CATEGORY: Ordinance

PROPOSED BY: Jennifer Sutton

PREVIOUS PLANNING COMMISSION

REVIEW DATE(S): November 18, 2021

PREVIOUS COUCIL REVIEW DATE(S): October 26, 2021

RECOMMENDED MOTION:

I move to schedule additional discussion on Ordinance No. 2022-02 for a Planning Commission meeting in January 27, 2022.

OR

I move to schedule a public hearing on Ordinance No. 2022-02 for the Planning Commission meeting on February 8, 2022.

SUMMARY:

The purpose of this agenda item is for the Planning Commission to:

- Review the requirements of RCW 36.70A.545 (attached) related to an increased density bonus for affordable housing located on property owned or controlled by religious organizations.
- Continue review of Draft Ordinance No. 2022-02 (attached), which amends several sections of the City's zoning regulations consistent with local needs, as directed in the October 26, 2021 motion. This Draft ordinance implements what is intended by RCW 36.70A.545 (attached) and as directed by the City Council, specifically to focus on the Bethany Lutheran property as a pilot project.

BACKGROUND: As described in more detail in the staff memorandum attached with this agenda item, in 2019, the Washington State Legislature approved Substitute House Bill (SHB) 1377 which would facilitate affordable housing projects on properties owned or controlled by eligible religious organizations. The law facilitates affordable housing development by requiring a density bonus, subject to certain conditions. Although current City affordable housing

regulations allow a certain amount of affordable housing on properties owned or controlled by religious organizations, including via a density bonus (see staff memo), it is recommended that the City enact regulations to implement the purpose and intent of the 2019 legislation. The applicable state law provision is RCW 36.70A.545 (see attached). Such development is supported by the City's Comprehensive Plan, specifically Housing Element Policy HO 3.4.

Policy HO 3.4 Partner with non-profit 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.

On October 26, 2021, the City Council discussed this topic and passed the following motion (6-1) to refer this topic to the Planning Commission:

I move to refer this topic to the Planning Commission to work with City staff to prepare an ordinance to effectuate what is intended by RCW 36.70A.545, including to develop implementing regulations consistent with local needs, specifically to focus on the Bethany Lutheran property and to consider that as a pilot project.

Included in the staff memo as background information: existing City affordable housing regulations, and links to programs that other jurisdictions have developed to implement RCW 36.70A.545.

ATTACHMENTS:



Department of Planning and Community Development

Memorandum

Date: January 13, 2022

To: Planning Commission

From: Jennifer Sutton, AICP, Senior Planner

Subject: Discuss Ordinance No. 2022-02 (formerly 2021-38) Increased Density Bonus for Affordable Housing Development on Property Owned or Controlled by Religious Organizations

I. MEETING PURPOSE

The purpose of tonight's Planning Commission discussion is to:

- Review the requirements of [RCW 36.70A.545](#) (attached) related to an increased density bonus for affordable housing located on property owned or controlled by religious organizations.
- Continue discussion of Draft Ordinance No. 2021-38 (attached), which amends several sections of the City's zoning regulations, as directed in the October 26, 2021 motion:

I move to refer this topic to the Planning Commission to work with City staff to prepare an ordinance to effectuate what is intended by RCW 36.70A.545, including to develop implementing regulations consistent with local needs, specifically to focus on the Bethany Lutheran property and to consider that as a pilot project.

Draft Ordinance No. 2021-38 implements what is intended by [RCW 36.70A.545](#) and as directed by the City Council, specifically to focus on the Bethany Lutheran property as a pilot project. Based on feedback on the ordinance at the November 18 Planning Commission discussion, staff proposed to change the name of this new use to Bethany Lutheran Affordable Housing Pilot Project (from Affordable Housing on Religious-owned Property). This change has been made to Draft Ordinance No. 2021-38 and Exhibit A to the ordinance.

II. Background

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. As above referenced, the applicable state law provision is [RCW 36.70A.545](#). The law facilitates affordable housing development by requiring a density bonus, subject to certain conditions. Such development is supported by the City's Comprehensive Plan, specifically [Housing Element Policy HO 3.4](#).

Policy HO 3.4 Partner with non-profit 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.

The City Council considered this topic at this time because at least one religious organization (Bethany Lutheran) has expressed interest to the City in potentially pursuing an affordable housing project under this relatively new law. On October 26, 2021 the Council approved the following motion:

I move to refer this topic to the Planning Commission to work with City staff to prepare an ordinance to effectuate what is intended by RCW 36.70A.545, including to develop implementing regulations consistent with local needs, specifically to focus on the Bethany Lutheran property and to consider that as a pilot project.

Although current City affordable housing regulations allow a certain amount of affordable housing on properties owned or controlled by religious organizations, including via a density bonus, [RCW 36.70A.545](#) states, in part, that applicable cities and counties “must allow an increased density bonus consistent with local needs for any affordable housing development of any single-family or multifamily residence located on real property owned or controlled by a religious organization provided that ...” certain requirements are met.

The law requires an increased density bonus as described, but it does not specify the amount of such an increase, nor in which zoning areas in the City that such an increase must occur. Based on research and analysis conducted by the City Attorney, it is recommended that the City adopt regulations via an ordinance to implement the purpose and intent of [RCW 36.70A.545](#), including to provide clarity on how such development will be “consistent with local needs” as provided for in [RCW 36.70A.545](#).

III. Other Cities Respond to SHB 1377

The City asked the [Municipal Research Service Center](#) to research if any other jurisdictions have taken action to adopt regulations in response to SHB 1377. The following is a summary of information that City staff has gathered to date:

Bellevue: The City of Bellevue is currently considering regulations to respond to SHB 1377. The draft regulations propose a 50% density bonus for eligible properties. Bellevue has an existing 15% density bonus for affordable housing. Base density in Bellevue ranges between 1.2 to 45 units per acre. The City of Bellevue Planning Commission held a public hearing on this proposal on [September 22, 2021](#). Based on feedback from the nonprofit development community, the Planning Commission recommended that the proposed amount of bonus density did not go far enough. The Bellevue City Council began discussion of this topic in November.

Seattle: In June 2021, the City Council approved Council Bill 120081 with amendments, implementing proposed legislation to provide a development bonus for affordable housing on religious organization property. The legislation became effective in August 2021. (See, <https://www.seattle.gov/opcd/ongoing-initiatives/affordable-housing-on-religious-organization-property>).

Kenmore: Kenmore’s program ([KMC 18.110.020.C.3](#)) applies in zones with base density ranging between 4-48 units per acre. In considering a request for an increased density bonus for affordable housing located on property owned or controlled by a religious organization per RCW [36.70A.545](#), a density bonus for a project providing moderate-income affordable housing units shall not exceed the maximum density allowed by the zoning district of the subject property. To achieve a greater density bonus, the project shall provide a significant

proportion of low-or very-low income affordable housing units. Kenmore grants between 1-2 bonus density units for every unit of affordable housing.

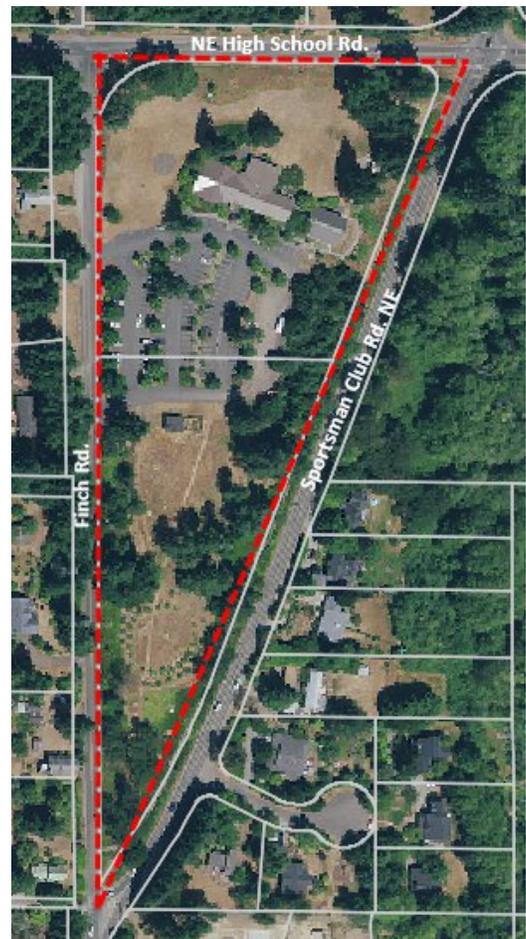
Wenatchee: Wenatchee’s program [[WMC 10.46.110\(3\)\(b\)](#)] is open-ended and appears to apply city-wide. Additional density may be granted for affordable housing pursuant to the new state law requirements when local needs can be demonstrated to be compliant with the comprehensive plan. Base density in residential zones in Wenatchee range between 4-40 units per acre. Base density in mixed use zones ranges between 2.1-9.0 Floor Area Ratio.

IV. Draft Ordinance 2022-02

Ordinance 2022-02 adds a new type of land use, Bethany Lutheran Affordable Housing Pilot Project , to the permitted Use Table, BIMC Table 18.09.020 and new and updated Use Specific Standards in sections BIMC 18.09.030.B and C. Consistent with the October 26, 2021 City Council direction to draft regulations for a pilot project for Bethany Lutheran Church, the new use is added only to the R-0.4 zone, which is the zoning designation for the 2 properties that make up the Bethany Lutheran Church. That the regulations are clear that projects which are processed pursuant to [RCW 36.70A.545](#) must meet all applicable land use and environmental procedures and regulations, see Ordinance No. 2022-02, new BIMC Section 18.09.030.B.6. The proposed exception is that prescriptive density provisions are eliminated for such a use, to implement [RCW 36.70A.545](#). See Ordinance No. 2022-02 new BIMC Section 18.09.030.B.6.c excerpted below.

18.09.030.B.6.c. The residential density standards of Table 18.12.020-2 do not apply to an affordable housing project permitted under this section 18.09.030.B.6. Such projects do not have any prescriptive maximum density. Instead, the affordable housing proposal, may propose and build as many residential units as can be served by required utilities (e.g. drinking water, sewer or on-site septic, stormwater) as approved by the City and/or the Kitsap Public Health District.

Bethany Lutheran Properties Bethany Lutheran Church owns 2 properties totaling 8.43 acres located at the southwest intersection of NE High School Road and Sportsman Club Road NE. The properties are zoned R-0.4, which yields a base density of 4 dwelling units. It is located across Sportsman Club Road NE from the R-2 Zone and Winslow Sewer Service Area. Bethany Lutheran Church currently hosts a Kitsap Transit Park and Ride lot, and there is a separated multiuse path along the eastern portion of the property (Sportsman Club Road NE). Bike lanes and sidewalks are on NE High School Road, east of the Sportsman Club Road NE intersection.



V. Existing City Affordable Housing Programs

Current City affordable housing regulations include the use of density bonuses. In addition to the Housing Design Demonstration Project program ([BIMC 2.16.020.S](#)), since 2005, the City has had a voluntary inclusionary zoning program which grants bonus density in exchange for providing affordable housing units. This voluntary inclusionary zoning program has not been used to date to produce any affordable housing units in the Mixed Use Town Center/High School Road or Neighborhood Center zones. In the less dense residential zones, there have been two single-family lots created through the bonus density provisions of [BIMC 18.21.0.30](#). Homes have not yet been constructed on the lots.

Currently, the Wintergreen subdivision housing project in the High School Road 1 zone is under review and is planned to utilize the affordable housing bonus density provisions of [BIMC 18.12.030.E.1](#).

The voluntary inclusionary zoning program regulations are described below.

Residential Zones

In the less-dense residential zones, the affordable housing provisions are set forth in [Chapter 18.21 BIMC](#), as excerpted below:

[18.21.030 Optional residential density bonus for affordable housing.](#)

A. Applicability. This section applies to all land use applications, except the following: (1) the construction of one single-family dwelling on one lot that can accommodate only one dwelling based upon the underlying zoning designation, (2) the Mixed Use Town Center and the High School Road districts (provisions for these zones are contained in BIMC [18.12.030.E](#)), (3) neighborhood centers (NCs) (provisions for this zone are contained in BIMC [18.12.030.D](#)), and (4) the critical areas overlay districts identified in the comprehensive plan, which are not eligible for density bonuses.

B. Rental Affordable Housing. Density for land subject to the provisions of this section may be increased by up to 50 percent above the underlying base density when each of the additional units is provided for households whose incomes are at or below low income.

C. For-Purchase Affordable Housing. Density for land subject to the provisions of this section may be increased above the base density by the following amounts:

1. Up to a maximum of 50 percent above the underlying base density when each of the additional units or residential building lots is provided for households whose incomes are at or below low income.
2. Up to a maximum of 40 percent above the underlying base density when each of the additional units or residential building lots is provided for households whose incomes are at or below moderate income.
3. Up to a maximum of 20 percent above the underlying base density when the first 10 percent of the housing units are affordable to households with incomes at or below moderate income. The remaining 10 percent may be affordable to households whose incomes are at or below middle income.

D. Summary Table. The provisions of subsections B and C of this section are summarized in Table 18.21.

Table 18.21: Affordable Housing Density Bonus Provision Summary

Affordable Housing – Optional For Purchase	For Rent
Up to 50% density bonus if each of the bonus units are affordable to households whose incomes are at or below low income.	Up to 50% density bonus when each of the bonus units is affordable to households with incomes at or below low income.
Up to a 40% density bonus if each of the bonus units are affordable to households whose incomes are at or below moderate income.	
Up to a maximum of 20% above the underlying base density when the first 10% of the housing units are affordable to households with incomes at or below moderate income. The remaining 10% may be affordable to households whose incomes are at or below middle income.	

Winslow Mixed Use Zones

In the Mixed Use Town Center (“MUTC”) and High School Road districts, where floor area ratio (“FAR”) is used instead of units per acre for development potential, the affordable housing incentive provisions are set forth in [BIMC 18.12.030.E.1](#), as excerpted below.

[E. Bonus Density in Winslow Mixed Use and High School Road Districts.](#) Eligible properties may achieve a maximum level of development above the base FAR, as provided for in Table 18.12.020-3, by using one, or a combination of, the following FAR bonus provisions. The FAR bonus provisions may be combined to achieve the maximum level of development established for each district. In no case shall the total commercial, residential, or mixed use FAR exceed the maximum FAR as provided for in Table 18.12.020-3.

1. Optional Affordable Housing.

a. FAR Bonus. Up to 100 percent of the maximum residential FAR bonus may come from providing affordable housing as defined in Chapter [18.36](#) BIMC; provided, that the difference between the base residential FAR and the maximum residential FAR shall be dedicated to affordable housing. A portion of the total floor area that is of common use and benefit to the entire residential development (for example, interior halls, stairwells, laundry rooms, exercise rooms) may be included in the calculation of the affordable housing component. This portion shall be the same percentage as the affordable housing provided. For example, if 20 percent of the living unit floor area is for affordable housing, then 20 percent of the common floor area may be included in the total affordable housing calculation. Development of the optional affordable housing shall be in accordance with Chapter [18.21](#) BIMC and Table 18.12.030.

Table 18.12.030: Optional Affordable Housing Bonus Summary Table

Size of Development	Residential development less than 10,000 sq. ft.	Residential development of 10,000 sq. ft. but less than 60,000 sq. ft.	Residential development more than 60,000 sq. ft.
Affordable Housing FAR Bonus	Must provide 100 percent of bonus square footage for extremely low, very low, or moderate income groups.	<p>Must comply with following ratios:</p> <p>(a) 100 percent of bonus for all moderate; OR</p> <p>(b) 0.2 of bonus for extremely low, very low, or low income groups;</p> <p>0.5 of bonus for moderate income group; and</p> <p>0.3 of bonus for middle income group.</p>	<p>Must comply with following ratios:</p> <p>0.1 of bonus for extremely low, very low or low income groups;</p> <p>0.6 of bonus for moderate income group; and</p> <p>0.3 of bonus for middle income group.</p>

Neighborhood Centers

In the Neighborhood Center (“NC”) zone, the affordable housing provisions are set forth in [BIMC 18.12.030.D.2 & 5](#), as excerpted below.

[D. Bonus Density in NC District](#). Bonus density shall be available in the NC district as follows:

- 2. Three units per acre with the provision of affordable housing, in accordance with the provisions of Chapter [18.21](#) BIMC; or ... (APPLIES TO ISLAND CENTER & ROLLING BAY NC AREAS)
- 5. Five units per acre with public water and sewer and the provision of affordable housing in accordance with Chapter [18.21](#) BIMC; or ... (APPLIES TO LYNWOOD CENTER NC AREA)

V. NEXT STEPS:

The Planning Commission is tasked with reviewing Ordinance No. 2022-02, holding a public hearing on the ordinance, and eventually, providing a recommendation to the City Council on the ordinance. The City Council will then take up the ordinance for its own review and decision

The Planning Commission can schedule additional discussion on Ordinance No. 2022-02 at a future meeting, such as January 27, 2022. The Planning Commission could instead schedule a public hearing on Ordinance No. 2022-02 for the Planning Commission meeting on February 10, 2022.

RCW 36.70A.545

Increased density bonus for affordable housing located on property owned by a religious organization.

(1) Any city or county fully planning under this chapter must allow an increased density bonus consistent with local needs for any affordable housing development of any single-family or multifamily residence located on real property owned or controlled by a religious organization provided that:

(a) The affordable housing development is set aside for or occupied exclusively by low-income households;

(b) The affordable housing development is part of a lease or other binding obligation that requires the development to be used exclusively for affordable housing purposes for at least fifty years, even if the religious organization no longer owns the property; and

(c) The affordable housing development does not discriminate against any person who qualifies as a member of a low-income household based on race, creed, color, national origin, sex, veteran or military status, sexual orientation, or mental or physical disability; or otherwise act in violation of the federal fair housing amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

(2) A city or county may develop policies to implement this section if it receives a request from a religious organization for an increased density bonus for an affordable housing development.

(3) An affordable housing development created by a religious institution within a city or county fully planning under RCW 36.70A.040 must be located within an urban growth area as defined in RCW 36.70A.110.

(4) The religious organization developing the affordable housing development must pay all fees, mitigation costs, and other charges required through the development of the affordable housing development.

(5) If applicable, the religious organization developing the affordable housing development should work with the local transit agency to ensure appropriate transit services are provided to the affordable housing development.

(6) This section applies to any religious organization rehabilitating an existing affordable housing development.

(7) For purposes of this section:

(a) "Affordable housing development" means a proposed or existing structure in which one hundred percent of all single-family or multifamily residential dwelling units within the development are set aside for or are occupied by low-income households at a sales price or rent amount that may not exceed thirty percent of the income limit for the low-income housing unit;

(b) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for household size, for the county where the affordable housing development is located; and

(c) "Religious organization" has the same meaning as in RCW 36.01.290.

[2019 c 218 § 3.]

ORDINANCE NO. 2022-02

(formerly Ordinance No. 2021-38)

AN ORDINANCE of the City of Bainbridge Island, Washington, amending BIMC Table 18.09.020 and section 18.09.030, related to affordable housing on property owned by religious organizations.

WHEREAS, in February 2017, the City Council approved the periodic update to the City’s Comprehensive Plan, adding Housing Element *Policy HO 3.4 Partner with non-profit 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, 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; 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 City Council endorsed moving forward with implementing SHB 1377 in advance of completing a Housing Action Plan; 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 implementing regulations consistent with local needs, specifically to focus on the Bethany Lutheran property and to consider that as a pilot project to implement RCW 36.70A.545; and

WHEREAS, the Planning Commission considered draft Ordinance No. 2022-02 (formerly 2021-38) on November 18, 2021 and January 13, 2022; and

WHEREAS, the Planning Commission held a public hearing on Ordinance No. 2022-02 (formerly 2021-38), on XXXX, and after closing the public hearing, made a recommendation of XXX of Ordinance No. 2022-02 (formerly 2021-38) to the City Council; and

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

WHEREAS, on XXXX, the City Council reviewed Ordinance No. 2022-02; and

WHEREAS, on XXXX, the City Council approved Ordinance No. 2022-02.

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.B. of the Bainbridge Island Municipal Code is hereby amended to read as follows:

B.6. Bethany Lutheran Affordable Housing Pilot Project: In order to implement RCW 36.70A.545, the City will allow affordable housing to be planned and constructed on properties collectively known as “Bethany Lutheran Church” located at the southwest intersection of NE High School Road and Sportsman Club Road NE (see Figure 18.09.030-1 below) as a pilot project.

- a. The affordable housing proposal shall follow existing land use permit review procedures depending on what type of housing development is proposed. Multifamily housing would be reviewed through the Site Plan and Design Review process of Section 2.16.040 BIMC and subdivision would be reviewed through the short or long subdivision process of Sections 2.16.070 or 2.16.125 BIMC (respectively).
- b. The affordable housing proposal shall be subject to applicable residential development standards for Titles BIMC 15, 16, 17 and 18. The number of parking spaces required by Section 18.15.020 BIMC may be reduced from two to one space per dwelling unit if a site specific parking analysis is submitted and approved by the Planning Director, in recognition of the existing transit and non-motorized facilities that serve Bethany Lutheran Church.
- c. The residential density standards of Table 18.12.020-2 do not apply to an affordable housing project permitted under this section 18.09.030.B.6. Such projects do not have any prescriptive maximum density. Instead the affordable housing proposal, may propose and build as many residential units as can be served by required utilities (e.g., drinking water, on-site septic, stormwater) as approved by the City and/or the Kitsap Public Health District.
- d. The affordable housing project must meet all requirements of the City and/or Kitsap Public Health District for providing drinking water or on-site septic to Bethany Lutheran Church and future housing units.
- e. This affordable housing project may be proposed and constructed on the same property as the existing church, resulting in a mixed use property.

- e. The affordable housing is required to be sold or rented to households at or below low-income, 80% Area Median Income (AMI, see BIMC 18.21.020.A) as required by RCW 36.70A.545. The City shall require documentation be signed and recorded through the land use and building permitting process to ensure ongoing compliance with the income requirements.

Figure 18.09.030-1



Section 3. 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 the *Bethany Lutheran*

Affordable housing Pilot Project, as described in Section 18.09.030.B.6
BIMC.

Section 4. 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 5. 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 XXX.

APPROVED by the Mayor this XXX.

ATTEST/AUTHENTICATE:

Christine Brown, CMC, City Clerk

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NUMBER:

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
NEW: Bethany Lutheran Affordable Housing Pilot Project	<u>P</u>																			<u>B-6</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	C-3, B-6



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 13, 2022

ESTIMATED TIME: 10 Minutes

AGENDA ITEM: (8:10 PM) Director's Report

SUMMARY: Department Update

AGENDA CATEGORY: Presentation

PROPOSED BY: Planning & Community Development

RECOMMENDED MOTION: For Review

STRATEGIC PRIORITY:

FISCAL IMPACT:

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

BACKGROUND:

ATTACHMENTS:

[Director's Report 01132022.pptx](#)

FISCAL DETAILS:

Fund Name(s):

Coding:



CITY OF
BAINBRIDGE ISLAND

Planning & Community Development Department Director's Report to Planning Commission

January 13, 2022

Hearing Examiner – Dec. 23, 2021

- **Wintergreen Decision- Approval w/ Conditions**
A Notice of Decision was issued and the required 21-day appeal period expires on Tuesday, January 18, 2022.
- **Hearing Examiner Contact Reminder**
Protocols for commissions, committees, subcommittees, boards, etc



City Council – looking forward

January 25, 2022

- Appoint Council Liaisons to Regional, Local, and City Committees
- Housing Action Plan Contract for Consultant Services
- Set a public hearing on Grow Community Phase III (for Feb. 22)

February 8, 2022

- Public Hearing on Housing Design Demonstration Program Project (Ordinance No. 2022-01)
- Building and Development Fee Study Resolution
- Receive University of Washington Presentation on UW Livable Cities Program for the Winslow Master Plan



Planning Commission – January 27, 2022

- City Council Liaison to the Planning Commission
- 2022 Planning Commission Work Plan Introduction
- Puget Sound Energy Noise Variance Request for SR 305 Utility Poles (3)

Planning Commission – February 10, 2022

- 2022 Planning Commission Work Plan Discussion
- Receive University of Washington Presentation on UW Livable Cities Program for the Winslow Master Plan

Thank you for your continued service to the Community and we look forward to a productive and challenging 2022 together!

