



CITY OF
BAINBRIDGE ISLAND

**CITY COUNCIL STUDY SESSION
TUESDAY, JUNE 07, 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 Report from Planning Commission Chair on April 14, 2022 3-3 Tie Vote Regarding Recommendation on Ordinance No. 2022-02 Related to Affordable Housing on Property Owned by Religious Organizations - Planning, 60 Minutes**
 - Ord. 2022-02 Presentation
 - Staff Memo re Ordinance No. 2022-02.pdf
 - April 14 Approved Planning Commission Minutes and Recorded Motion.pdf
 - Ordinance No. 2022-02 (formerly 2021-38) Relating to Affordable Housing on Religious Properties.pdf
 - Ordinance No. 2022-02 Exhibit A.pdf
4. **COMMITTEE REPORTS - 7:10 PM**
5. **ADJOURNMENT - 7:20 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: June 7, 2022

ESTIMATED TIME: 60 Minutes

AGENDA ITEM: (6:10 PM) Receive Report from Planning Commission Chair on April 14, 2022 3-3 Tie Vote Regarding Recommendation on Ordinance No. 2022-02 Related to Affordable Housing on Property Owned by Religious Organizations - Planning,

SUMMARY: On April 14, 2022, the Planning Commission had their 8th meeting to discuss Ordinance No. 2022-02. The Commission took a vote on recommending the ordinance to the City Council, and the result was a 3-3 tie. One Commissioner recused himself. See attached meeting minutes, Ordinance No. 2022-02 and Exhibit A.

The Planning Commission Chair will report to the Council about the policy disagreements that led to the tie vote. The Council can consider next steps for Ordinance No. 2022-02 at this meeting or a future meeting. The policy issues upon which the Planning Commission did not reach a conclusion are summarized below in Background section (see also attached April 14, 2022 Planning Commission meeting minutes and Recorded Motion).

AGENDA CATEGORY: Ordinance

PROPOSED BY: Planning & Community Development

RECOMMENDED MOTION: I move to schedule Ordinance No. 2022-02 for City Council review and discussion on a future Council agenda.

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 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, 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. Such development is supported by the City's Comprehensive Plan broadly, and specifically Housing Element Policy HO 3.4, which states:

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."

Ordinance No. 2022-02 (attached) would amend several sections of the City's zoning regulations, as directed in the October 26, 2021 City Council motion. The Planning Commission discussed and modified the ordinance over 8 meetings between November 2021 and April 14, 2022. On March 10, 2022, the Planning Commission held a public hearing on Ordinance No. 2022-02. The Planning Commission continued to discuss Ordinance No. 2022-02 on March 24, 2022, further modifying the ordinance. On April 14, 2022, the Planning Commission continued discussion on the ordinance, and three motions to amend the ordinance failed on 3-3 tie votes, therefore the ordinance was not amended. This included a motion to connect the amount of bonus density to increasing levels of green building certification. Then the Planning Commission took a vote on whether to recommend approval of Ordinance No. 2022-02 to the City Council, and there was a 3-3 tie vote on whether to recommend approval of the ordinance. The Planning Commission Chair will report to the City Council about the following policy issues that led to the tie vote:

- Should the ordinance apply Island-wide or as a pilot project only to the Bethany Lutheran Church properties?
 - An ordinance can be site-specific to one or more particular properties/locations or it can apply throughout the City.
- How much bonus density should be allowed, and should this depend on whether the ordinance applies Island-wide or as a pilot project?
 - There may be variable formula to calculate bonus densities based on locational or other factors, or the density bonus can be more uniform.
- Is this ordinance setting a precedent for what other religious organizations should expect regarding density bonuses available for developing affordable housing?

ATTACHMENTS:

[Ord. 2022-02 Presentation](#)

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

[April 14 Approved Planning Commission Minutes and Recorded Motion.pdf](#)

[Ordinance No. 2022-02 \(formerly 2021-38\) Relating to Affordable Housing on Religious Properties.pdf](#)

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

FISCAL DETAILS:

Fund Name(s):

Coding:

Ordinance 2022-02: Density Bonus for Affordable Housing Development at Bethany Lutheran Church Properties

Report from Planning Commission on
April 14, 2022
3-3 Tie Vote

City Council
June 7, 2022



Summary of Draft Ordinance No. 2022-02

Creates New Use & Use Zoning Standards: Affordable Housing Development on Property Owned or Controlled by Religious organizations, Bethany Lutheran Pilot Project

All Dwelling Units Designated Affordable for Households at or below Low-Income (80% AMI)

Utilizes Existing Land Use Review Process (e.g. Site Plan Review)

All Applicable Zoning & Environmental Standards Must be Met

Could apply Citywide in the future, but at this time Ordinance applies only to Bethany Lutheran Church property as Pilot Project (see 18.21.050.A)

Bonus Density Based Upon Proximity to Winslow or Neighborhood Centers; Yields up to 21 Dwelling Units for Bethany Lutheran Church property (see 18.21.050.E)

Maximum Dwelling Unit Size: 1,400 sq ft & Meet Green Building Certification Standards



1. Motion to amend Ordinance No. 2022-02 to connect the amount of bonus density to increasing levels of green building certification. The motion failed (3-3 tie) and the ordinance was not amended.

2. Motion to recommend approval of Ordinance No. 2022-02 (April 14 Draft) to the City Council resulted in a 3-3 tie.

April 14, 2022
Planning Commission
Meeting

3. Motion approved unanimously to report 4/14 outcome to City Council. If Council refers ordinance back to Commission, request policy direction on:

- Island wide vs. pilot program
- Amount of density bonus.
- Is this ordinance setting a precedence?

April 14, 2022
Planning Commission
Meeting

City Council Next Steps on Ordinance No. 2022-02:

The City Council schedule review of the policy points at a Regular Business Meeting.





DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

MEMORANDUM

Date: June 3, 2022

To: City Council
via Blair King, City Manager

From: Jennifer Sutton, AICP, Senior Planner

Subject: Receive Report from Planning Commission Chair related to April 14, 2022 Commission 3-3 Tie Vote on Recommendation regarding 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 April 14, 2022, the Planning Commission (“Commission”) had their 8th meeting to discuss Ordinance No. 2022-02. During that meeting, the Commission considered a motion to amend the ordinance so that the amount of bonus density was linked to levels of green building certification. The motion failed, and the ordinance was not amended. At the close of the April 14 meeting discussion, the Commission voted on recommending the ordinance to the City Council, and the result was a 3-3 tie vote. One Commissioner recused himself and did not participate in the agenda item, including the vote. See attached meeting minutes (including recorded motion), Ordinance No. 2022-02 and Exhibit A. The Commission Chair will report to the City Council about the following policy issues that led to the tie vote:

- Should Ordinance No. 2022-02 apply Island-wide or as a pilot project only to the Bethany Lutheran Church properties?
- How much bonus density should be allowed, and should this depend on whether the ordinance applies Island-wide or as a pilot project?
- Is this ordinance setting a precedent for what other religious organizations should expect regarding developing affordable housing?

The City Council can consider next steps for Ordinance No. 2022-02 at this meeting or a future meeting. At a future meeting, the Council could continue to consider this topic, including possible adoption of Ordinance No. 2022-02. Alternatively, the Council could refer the ordinance back to the Commission for continued review. If the Council takes that action, Planning Commissioners have requested further direction on the three policy questions above (see attached April 14, 2022 Planning Commission meeting minutes and Recorded Motion).

II. BACKGROUND

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. The applicable state law provision is [RCW 36.70A.545](#). On October 26, 2021, the City Council discussed this topic in response to receiving a request from Bethany Lutheran Church to build an affordable housing project utilizing the provisions of [RCW 36.70A.545](#). The City Council approved the following motion at the close of their discussion on October 26, 2021:

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.

Bethany Lutheran Properties

Bethany Lutheran Church owns two properties totaling 8.43 acres located at a triangular site that is bounded by NE High School Road, Sportsman Club Road NE, and Finch Road (see aerial photo at right). The properties are zoned R-0.4, which yields a base density of 4 dwelling units. The site is located across Sportsman Club Road NE from the R-2 zone and the 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). Paved shoulders and sidewalks are on NE High School Road, east of the Sportsman Club Road NE intersection.

III. PLANNING COMMISSION REVIEW

Ordinance No. 2022-02 would add a new type of land use, *Affordable Housing Development on Properties Owned or Controlled by a Religious Organization, including the Bethany Lutheran Affordable Housing Pilot Project*, to the Permitted Use Table, BIMC Table 18.09.020 (see Exhibit A), and new regulations for this use would be added to BIMC 18.21.050. This new use would be added only to the R-0.4 zone, which is the zoning designation for the two properties that make up the Bethany Lutheran Church site (see above, and Exhibit A). Ordinance No. 2022-02 provides that projects which are processed pursuant to [RCW 36.70A.545](#) must meet any applicable land use and environmental procedures and regulations set forth in BIMC Titles 15, 16, 17, and 18, unless modified by the new regulations.

The Commission reviewed, discussed, and modified Ordinance No. 2022-02 during the following 8 meetings: November 18, 2021, January 13 and 27, February 10 and 24, March 10 (public hearing) and 24, and April 14, 2022.



- The November 18, 2021 version of the ordinance only applied to the Bethany Lutheran properties, and a maximum density bonus was not specified, leaving it flexible to plan as many housing units as would be permitted to be constructed, while meeting all required regulations and land use permit requirements.
- During the January 13, 2022 meeting, the Commission revised the ordinance to cap the maximum number of dwelling units at 24, among other changes.
- During the February 24, 2022 meeting, the Commission modified the ordinance to 1) apply Island-wide (i.e., throughout the entire City) in the future, although applying only to the Bethany Lutheran Church site at this time; and 2) modify the bonus density provision to be based on a formula depending on proximity to the Winslow Subarea Plan Study Area or Neighborhood Centers. The formula would have allowed a total of 21 dwelling units at the Bethany Lutheran Church properties.

The Commission further amended the ordinance during the March 24, 2022 meeting (see attached Ordinance No. 2022-02 and Exhibit A). During the April 14th Commission meeting, there was a motion to amend the ordinance to link the amount of bonus density to increasing levels of green building certification. The motion failed. Two other motions to amend the ordinance were made and also failed, and the ordinance was not amended. At the close of the April 14 meeting discussion, the Commission voted to recommend the ordinance to the City Council, and the result was a 3-3 tie. The Commission then took a second vote that passed unanimously. See below and attached April 14 meeting minutes and recorded motion. The motion was as follows:

I move to refer this back to Council with notes of what happened and where we stand. If City Council sends this back to Planning Commission, direction is needed on the following:

- *Island wide vs. pilot.*
- *Is this precedence setting and if not, do we seek legal counsel?*
- *Provide direction on level of density.*

All Commission meeting agendas, meeting materials, approved minutes, and videos of meetings can be viewed on the City's website [here](#). Written public comment submitted during the Commission's review of Ordinance No. 2022-02 can be viewed on the City's website [here](#).

See April 14, 2022 meeting minutes (attached) for the final motions that were made during the April 14, 2022 Planning Commission meeting. A video of the Planning Commission meeting can be viewed [here](#).

IV. ATTACHMENTS TO MEMO

1. April 14, 2022 Planning Commission Meeting Minutes & Recorded Motion
2. Ordinance No. 2022-02
3. Exhibit A to Ordinance No. 2022-02



CITY OF
BAINBRIDGE ISLAND

**Planning Commission Special Meeting
April 14, 2022
Meeting Minutes**

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

Chair Sarah Blossom called the meeting to order and read the Land Acknowledgement at 6:01 PM. Commissioners in attendance were Yesh Subramanian, William Chester, Ashley Mathews, Ben Dienes, Lisa Macchio and Ariel Birtley.

City Council Liaison Jon Quitslund was in attendance as well as the following City Staff: Interim Planning and Community Development Director Mark Hofman, Senior Planner Jennifer Sutton and Climate Adaptation Officer Autumn Salamack. Administrative Specialist Maria Dozeman monitored the recording and prepared minutes.

The agenda was reviewed and Commissioner Dienes disclosed that his parents are members of Bethany Lutheran Church. He recused himself from Agenda Item #6.

2) PLANNING COMMISSION MEETING MINUTES

2.a March 24, 2022 Planning Commission Special Meeting Draft Minutes

[Cover Page](#)

[MARCH24DRAFTMINUTES.pdf](#)

Motion: I move to approve the minutes from March 24, 2022.

Mathews/Chester

The motion carried 6-0

3) PUBLIC COMMENT

3.a Public Comment

[Cover Page](#)

[Instructions_for_Providing_Public_Comment_at_Remote_Meetings__PlanningCommission.pdf](#)

Mr. Jim Halbrook gave public comment regarding the Climate Action Plan.

4) PRESENTATION -

4.a Climate Action Plan Update, presented by Autumn Salamack

[Cover Page](#)

CAP Implementation Update - Planning Commission 04.14.22.pdf

5) NEW BUSINESS - Presentation given by Jennifer Sutton

5.a Overview of Ordinance No. 2022-01 (formerly Ordinance No. 2021-35) relating to revising the Housing Design Demonstration Project Program - Planning,

Cover Page

Staff Memo.docx

Draft Ordinance No. 2022-01 formerly No. 2021-35_ Revising HDDP Program.docx

Exhibit A to BIMC 2.16.020.S. HDDP.docx

Feb 8 2022 Council Mtg Minutes.pdf

6) UNFINISHED BUSINESS

6.a Discuss Ordinance No. 2022-02 (formerly 2021-38) to Implement Increased Density Bonus for Affordable Housing Development on Property Owned by Religious Organizations

Cover Page

Staff Memo.docx

Ordinance No. 2022-02 (formerly 2021-38) Relating to Affordable Housing on Religious Properties.docx

Ordinance No. 2022-02 Exhibit A.pdf

Commissioner Macchio Motions to amend Whereas Section for 4-14-22.pdf

Commissioner Birtley Housing Ordinance Presentation Religious Organization Affordable Housing 4.8.22.pdf

CommissionerSubramanianNote on Alt Proposal Analysis Apr 11 2022 - Revised.pdf

Commissioner Macchio Density Bonus Motions for 4-14-2022.pdf

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

Commissioner Deines left the meeting.

Public Comment:

Maggie Rich spoke in favor of approving a draft ordinance.

Susan Bisnet, does not support this project.

Joseph McMillan, supports the comprehensive plan but does not support this project.

Talis Abolins, does not support the draft ordinance.

Tom Croker, supports the passing of the draft ordinance and would like to see it moved on to City Council

Marla Steinhoff, Supports affordable housing, but not this current proposal.

Jonathan Davis presented a conceptual project site plan.

Motion:

I move to revise 18.21.050.E in the public hearing draft of ordinance 2022-02 to read as follows:
Bonus density. Density may be increased up to 100 percent above the underlying base density for affordable housing on religious owned or controlled properties.

The density bonus provided shall be considered an upper bound. As such, the Planning Commission, city staff and Planning Director shall only allow/provide a project the maximum density bonus if the following conditions are met:

1. Project site is within ½ mile of a major grocery store; and
2. Project site is within ½ mile of the ferry terminal; and

3. Non-motorized facilities and a non-motorized system are within 1/8 mile of the project site. If the proposed project site does not meet all of the above conditions, the maximum allowed density bonus shall be reduced by 50%.

In addition, an ecological assessment which evaluates and appraises the likely impacts both beneficial and adverse to wildlife (flora and fauna) of the proposed project by a suitable qualified professional ecologist shall be required. The findings of such an assessment shall be the basis for additional reductions to the maximum density bonus and such reductions shall be commensurate with the likely adverse impacts.

A proposal can earn additional bonus density above the underlying base density, as provided below:

a. An additional density bonus is available for projects that meet green building goals as outlined in the below table. Four levels of density incentives promote increasing levels of green building performance and higher energy efficiencies. The green building rating systems shall be indicated on the plat and confirmed with the individual building permit application.

ADDITIONAL BONUS DENSITY - INCENTIVIZING for GREEN OVER ABOVE

Levels Green Building/Energy Efficiency Density Bonus over Base Bonus FAR

- 1 WA State Evergreen Sustainable Development 10% 2.5%
- 2 Leed Silver/Built Green 4 Star (20% improvt) 20% 5.0%
- 3 Leed Gold/Built Green 5 Star (30% improvt) 40% 10.0%
- 4 Leed Platinum/Emerald (net 0) 70% 17.5%
- 5 Living Building Challenge 100% 25.0%

b. An additional density bonus is available for projects that develop on predeveloped land. Previously developed land is defined as the development footprint of any buildings and land alterations (parking lots, driveways) associated with the footprint. Land that is not previously developed and altered landscapes resulting from current or historical clearing or filling, agricultural or forestry use, yard, garden or preserved natural area use are considered undeveloped land.

ADDITIONAL BONUS DENSITY BONUS FOR BUILDING ON PREVIOUSLY DEVELOPED LAND

Building on Previously Developed Land Density Bonus

Levels	% of Land Used	Bonus Given over base units	Bonus FAR
1	10%	10%	2.5%
2	25%	20%	5.0%
3	50%	40%	10.0%
4	75%	70%	17.5%
5	100%	100%	25.0%

Macchio/Subramanian

AYES: Birtley, Subramanian and Macchio

NOES: Blossom, Mathews and Chester

Motion Failed

Motion

I move to amend 18.21.050 so that the first paragraph reads as follows: “Affordable Housing Pilot Project. To implement RCW 36.70A.545, the City shall allow a density bonus consistent with Section 18.21.050.E for affordable housing on the properties collectively known as “Bethany Lutheran Church” located at the southwest intersection of NE High School Road and Sportsman Club Road NE (see Figure 18.21.050-1) as a pilot project. The pilot project must meet the provisions of RCW 36.70A.545 and the requirements listed below.

Blossom/Chester

AYES: Blossom, Chester and Mathews

NOES: Birtley, Subramanian and Macchio

Motion Failed

Motion:

The following home types are encouraged in affordable housing developments as they naturally fit into the feel and character of the existing residential neighborhoods on Bainbridge Island. When combined with a common space area, these housing types lend themselves to a human-scaled and pedestrian-friendly community design. These houses are smaller in size, fit together in different configurations both attached and detached, and thus naturally achieve a higher site density and allow for a range of options that meet differing income needs and family sizes and configurations. Finally, attached units allow for lower construction costs and lend themselves to achieving green building elements.

1. Cottage Housing– A planned community of detached, single-family dwelling units containing 1,600 square feet or less of gross floor area. A cottage community must have a minimum of 4 homes.

Reference already written cottage housing in Affordable Housing Task Force Report, Appendix E.

Affordable-Housing-Task-Force-Final-Report-and-Appendices-072018 (bainbridgewa.gov) Site Plan Example:

2. Duplexes, Triplexes, and Fourplexes– Duplexes, Triplexes, and Fourplexes are multi-family homes that have two, three, or four units, respectively, in one building. Units can be side-by-side or stacked on top of each other. Each unit has a separate entrance and complete living spaces. These multi-unit buildings must have the scale, size, feeling and detailing of a single residential home.

3. Townhouse/Rowhouse - Attached single-family homes that generally include a backyard and one-to-three stories of living space. Typically, a minimum of three units are attached sharing a roof and foundation.

4. Courtyard Apartments - Several attached dwelling units are arranged on two or three sides of a central courtyard or lawn area. This type of housing is usually one to three stories in height. Each unit should have access to the courtyard area. These multi-unit buildings must have the scale, size, feeling and detailing of a single residential home.

5. Multifamily Building- In the most dense areas a multifamily building may be proposed which aligns with all other code and development requirements.

Birtley/Macchio

AYES: Birtley, Macchio and Subramanian

NOES: Blossom, Subramanian and Macchio

Motion Failed

See Recorded Motion document attached for additional motions

7) **PLANNING DIRECTOR’S REPORT – None given**

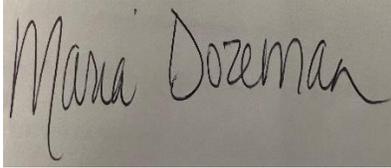
8) FOR THE GOOD OF THE ORDER

Chair Blossom recommended a PBS television program, Independent Lens is the series and the episode is Owned, A Tale of Two Americas.

9) ADJOURNMENT. The meeting was adjourned at 9:26 PM



Sarah Blossom
Sarah Blossom, Chair



Maria Dozeman

Maria Dozeman, Administrative Specialist



PLANNING COMMISSION RECORDED MOTION

Planning Commission Meeting Date:	April 14, 2022
Project Proposal Name and Number:	Ordinance 2022-02
Decision Maker:	City Council
NOTE: Commissioner Deines has recused himself from review of this ordinance.	

Planning Commission Role and Responsibility: Pursuant to [BIMC 2.16.180](#), Planning commission review and recommendation is required for amendments to BIMC Chapter 2.16, and BIMC Titles [16](#), [17](#), and [18](#), area-wide rezones initiated by the city, or area-wide rezones associated with a privately initiated amendment to the comprehensive plan.

Planning Commission Action:

1. In making a recommendation, the planning commission shall consider applicable decision criteria of this chapter, all applicable law, the comprehensive plan, public comment, and any necessary documents and approvals.
2. The planning commission shall issue a written recommendation that contains (a) a statement recommending that the proposed amendment be approved, approved as amended, or denied, and (b) a statement of facts upon which the recommendation is based and the conclusions derived from those facts.
3. The planning commission’s written recommendation and other documents upon which its decision is based shall be immediately transmitted to the city council and department director.

Findings of Fact and Reasons for Action

The Planning Commission is at a 3-3 tie on how to calculate the density bonus for the affordable housing projects described in Ordinance 2022-02 (see Ordinance 2022-02 page 3 proposed section BIMC 18.21.050.E.

Recommendation:

I move to recommend approval of amended Ordinance 2022-02 to the City Council.

Mathews/Chester

	3-3 Tie vote on the 4/14/2022 Draft of Ordinance 2022-02
	Approve the ordinance.
	Approve the ordinance as amended.
	Deny the ordinance.

Planning Commission Record of Vote:

Commissioner	Support	Oppose	Absent	Abstain
Blossom	X			
Chester	X			
Macchio		X		
Mathews	X			
Subramanian		X		
Birtley		X		
Total	3	3		



PLANNING COMMISSION RECORDED MOTION

Additional Motion: re Chair Blossom reporting to the Council what the outcome of the April 14-Meeting. Representative from Commissioners that put forward the alternate proposal (Birtley, Subramanian, Macchio) , Commissioner Macchio proposed a motion to amend was approved unanimously.

Recorded motion on April 14, 2022:

I move to refer this back to Council with notes of what happened and where we stand. If City Council sends this back to Planning Commission, direction is needed on the following:

- Island wide vs. pilot.
- Is this precedence setting and if not, do we seek legal counsel?
- Provide direction on level of density.

Mathews/Chester

Amendment to original motion: Allow Commissioners Subramanian, Birtley or Macchio to join Chair Blossom when this is formally referred back to City Council

Macchio/Subramanian

Planning Commission Record of Vote:*

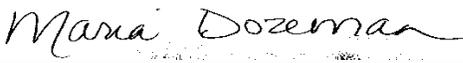
Commissioner	Support	Oppose	Absent	Abstain
Blossom	X			
Chester	X			
Macchio	X			
Mathews	X			
Subramanian	X			
Birtley	X			
Total	6			

*both votes (original and amended) were voted on and supported unanimously.

CITY OF BAINBRIDGE ISLAND PLANNING COMMISSION


Sarah Blossom, Chair

Date: 4/21/2022


Maria Dozeman

Date: 4/21/2022

Administrative Specialist,
Planning and Community Development

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

AN ORDINANCE of the City of Bainbridge Island, Washington, amending BIMC Table 18.09.020, Section 18.09.030 and Chapter 18.21, related to affordable housing on property owned by religious organizations.

WHEREAS, the City of Bainbridge Island Comprehensive Plan Housing Element Policy HO 3.4 encourages partnering 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, the City of Bainbridge Island created a short-term Affordable Housing Task Force (AHTF) 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, the Comprehensive Plan Guiding Principle #3 directs us to 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; and

WHEREAS, Guiding Policy 3.1 reads *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; 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, January 13 and 27, February 10 and 24, 2022; and

WHEREAS, the Planning Commission held a public hearing on Ordinance No. 2022-02 (formerly 2021-38), on March 10, 2022, and after closing the public hearing, continued discussion of Ordinance No. 2022-02 (formerly 2021-38); and

WHEREAS, the Planning Commission continued discussion of Ordinance No. 2022-02 (formerly 2021-38), 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 (formerly 2021-38), on April 14, 2022, and, 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.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 Section 18.21.050 BIMC.

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 Properties Owned or Controlled by a Religious Organization, including the Bethany Lutheran Affordable Housing Pilot Project: In order to implement RCW 36.70A.545, the City shall allow a density bonus consistent with Section 18.21.050.E on properties owned or controlled by religious organizations, when requested by such organizations. For the purposes of this section “Religious organization” means the federally protected practice of a recognized religious assemble, school, or institution that owns or controls real property. The projects must meet the provisions of RCW 36.70A.545 and the requirements listed below.

A. Pilot Project. Projects built under BIMC 18.21.050 shall initially be limited solely to the property collectively known as “Bethany Lutheran Church”, as a pilot project, located at the southwest intersection of NE High School Road and Sportsman Club Road NE (see Figure 18.21.050-1 below).

B. 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), unless specifically modified by this section.

C. All projects developed under this code section, in addition to what is provided under Section 2.16.040 BIMC, shall be subject to the process for Conditional Use Permits (Section 2.16.10.050 or 2.16.110 BIMC) and must be reviewed by the Planning Commission and adhere to the procedures for project review by the Planning Commission.

D. All project proposals shall be subject to applicable residential development standards for Titles BIMC 15, 16, 17 and 18, unless specifically modified by this section. The affordable housing project must meet all requirements of the City and/or Kitsap Public Health District for providing drinking water and on-site septic, if applicable.

E. Project bonus density. The density for projects may be increased above the base density by the following amounts, provided that all other provisions of the code are met:

1. Two units per acre for projects located within the Winslow Subarea Plan Study Area or within one-quarter mile of the Winslow Subarea Plan Study Area;
2. Two units per acre for projects located within one-quarter mile of a Neighborhood Center; and
3. One and one-half units per acre for all other projects.

F. Accessory Dwelling Units (ADU). ADUs are prohibited.

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

1. All units must be used exclusively for affordable housing purposes for at least ninety-nine years.
2. Housing units shall be used as the primary residence of an affordable housing qualified household.
3. Unless otherwise specified, the price of affordable housing units is based on that amount a household can afford to pay for housing, when household income is less than 80 percent of the median annual income, adjusted for household size, as determined by the US Department of Housing and Urban Development for the Bremerton-Silverdale Metropolitan Statistical Area, and when the household pays no more than 30 percent of household income for housing expenses.
4. Households with income less than 80 percent of the median annual income, adjusted for household size, may purchase or rent these affordable units.
5. An agreement in a form approved by the City will be executed by the applicant and recorded with the Kitsap County Auditor's Office, or its successor organization, 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.
6. The City shall require documentation to be signed and recorded through the land use and building permitting process to ensure ongoing compliance with the income requirements.
7. The City will establish by rule a formula 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 will be determined as part of a transportation study/ mobility assessment.

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

J. Green building. The dwelling units must meet either a green building certification standard of International Living Future Institute Core Certification, BuiltGreen 4 Star, BuiltGreen 5 Star Certification, BuiltGreen Emerald Star Certification or Evergreen Sustainable Development. The certification program must utilize third-party verification.

K. Community space. All projects must provide Natural Areas and Community Space consistent with the standards in BIMC 17.12.050, except that, at a minimum, all projects shall provide five percent of the total lot area as Community Space, even when the maximum natural area is provided. Community space should adjoin the largest practicable number of residences within the development. Nonadjoining residences shall be provided with safe and convenient pedestrian access to community space. The community space must be outside of required roadside buffers. The community space must include a neighborhood garden area, and could include other community amenities such as seating, playground or other recreation features.

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

M. This ordinance shall not apply to property owned or controlled by religious organizations that are expanded or acquired after the effective date of this ordinance, unless the primary purpose of said expansion or acquisition is to provide a new or expanded facility for religious worship.

N. An applicant for an affordable housing project pursuant to this section must take the University of Washington Professional Development Center workshop *Applying an Equity Lens to Project Management: An Implementation Roadmap*.

O. Consistency Analysis. The applicant shall prepare a Consistency Analysis to be considered by the Planning Commission as part of their review and recommendation. The Consistency Analysis shall describe how the proposed project is consistent with, supported by or addresses the following:

1. Housing Needs Assessment;
2. Housing Action Plan (if the project is proposed after completion of the Housing Action Plan);
3. Bainbridge Island Climate Action Plan and B.I. Community-based strategies to reduce green house gas emissions;
4. How the project is designed to fit with the neighborhood character (as defined by *Design for Bainbridge*) and mitigate impacts.

P. Pilot Project Evaluation. An evaluation of the Pilot Project shall be developed one year and four year post certificate of occupancy and provided to the Planning Commission, City Council and the community. The evaluation must, at a minimum, address the following elements/questions, and may include other elements if needed:

1. How did the project address local need and if not, why?
2. In what ways did the project address and fit with the upcoming Housing Action Plan/Assessment and if not, why?

3. How was the project consistent with elements of the Bainbridge Island Climate Action Plan and B.I. Community-based strategies to reduce Green House Gas Emissions and if not, why?
4. Did the project fit with the existing neighborhood/community? If yes, how and if not, why?
5. Did the project satisfy any of the goals set forth in the *Planning for Equity*? If yes, how? If not, why?
6. What were any unintended consequences?
7. How might the ordinance be modified to address unforeseen issues and concerns?

Figure 18.21.050-1



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
<u>NEW: Affordable Housing Development on Properties Owned or Controlled by Religious Organization, including the Bethany Lutheran Affordable Housing Pilot Project</u>	<u>C</u>																			<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	C-3, <u>18.21.050</u>