



## Kitsap County Department of Community Development

### **Staff Report for the Hearing Examiner**

Report Date: September 1, 2021  
Hearing Date: September 9, 2021

Application Submittal Date: November 25, 2020  
Application Complete Date: December 14, 2020

**Permit Number:** 20-05577

**Project Name:** Royal Valley Farm Rezone

**Type of Application:** Type-III Rezone

*This staff report was prepared by Colin Poff, Planner, based on information available up until the time the report was prepared. New information relevant to review of this application may become available prior to the hearing or at the hearing. Staff may wish to change their analysis based upon that new information, and reserves the right to do so.*

#### **Proposal Summary:**

The project proposal is to rezone 14 parcels from Urban Cluster Residential (UCR) to Urban Restricted (UR). The new UR zoning designation would allow for a lower residential density (1-5 dwelling units per acre) than the current UCR designation (5-9 dwelling units per acre). No change is proposed to the Urban Low Density Residential Comprehensive Plan designation. These lots represent 37.2 acres of the total 154-acre Royal Valley Farm owned by the Ross family for over 50 years. The proposed rezone is not included in the separate preliminary plat application (#20-05572). Per Kitsap County Code, the proposed rezone requires a recommendation from the Hearing Examiner, followed by approval from the County Board of Commissioners.

#### **Project Request:**

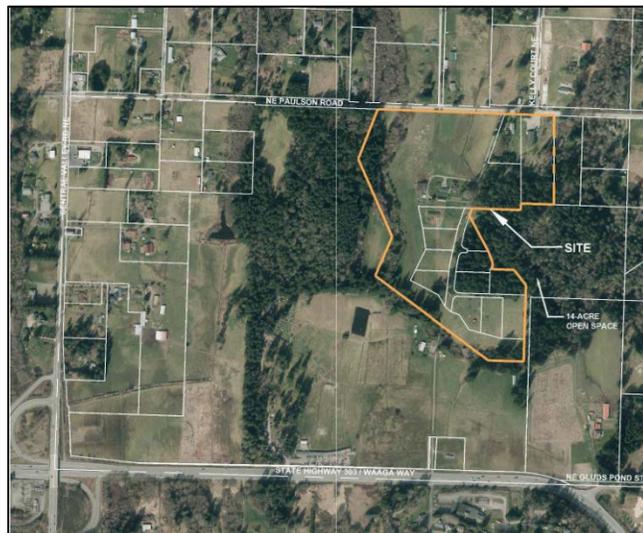
The applicant is requesting a recommendation for approval by the Hearing Examiner for a rezone from Urban Cluster Residential to Urban Restricted.

#### **Project Location:**

10373 Royal Valley Rd. NE  
Poulsbo, WA

#### **Assessor's Account #'s:**

142501-3-031-2007  
142501-4-040-2004  
142501-4-041-2003  
142501-4-042-2002  
142501-4-043-2001  
142501-3-032-2006  
142501-3-033-2005  
142501-4-044-2000  
142501-4-045-2009  
142501-4-046-2008  
142501-4-047-2007  
142501-4-048-2006  
142501-4-049-2005  
142501-4-005-2007



*Figure 1 Vicinity Map*

**Applicant/Owner of Record:**

Lillian Ross  
10373 Royal Valley Rd. NE  
Poulsbo, WA 98370

**SEPA (State Environmental Policy Act):**

The State Environmental Policy Act (SEPA), found in Chapter 43.21C RCW (Revised Code of Washington), is a state law that requires the County to conduct an environmental impact review of any action that might have a significant, adverse impact on the environment. The review includes the completion of an Environmental Checklist by the applicant and a review of that checklist by the County. If it is determined that there will be environmental impacts, conditions are imposed upon the applicant to mitigate those impacts below the threshold of “major” environmental impacts. If the impacts cannot be mitigated, an environmental impact statement (EIS) must be prepared. The decision following environmental review, which may result in a Determination of Nonsignificance (DNS), Mitigated DNS, or the necessity for an EIS is called a threshold determination. A separate notice of the threshold determination is given by the County. If it is not appealed, it becomes part of the hearing record as it was issued, since it cannot be changed by the Hearing Examiner.

Pursuant to WAC 197-11-800(6)(c) and KCC 18.04 below, the proposal has been determined to be SEPA exempt.

**Comments:**

The Responsible official had the following comments on the request for a rezone:

(c) Where an exempt project requires a rezone, the rezone is exempt only if:

- (i) The project is in an urban growth area in a city or county planning under RCW 36.70A.040;
- (ii) The proposed rezone is consistent with and does not require an amendment to the comprehensive plan; and
- (iii) The applicable comprehensive plan was previously subjected to environmental review and analysis through an EIS under the requirements of this chapter prior to adoption; and the EIS adequately addressed the environmental impacts of the rezone.

**Physical Characteristics:**

The subject site is made up of 14 parcels that total an area of 37.2 acres. On the largest 21.87-acre parcel, current uses include a farmhouse built in 1912, barn and outbuildings. Other parcels are mostly vacant, but other existing development includes a farm hand residence, barn, and haybarn.

A Boundary Line Adjustment was recently performed inclusive of lots on the following lots on December 27, 2019 (AFN 201912270138 and 201912270137): 142501-3-014-2008, 142501-3-018-2004, 142501-3-002-2002, 142501-3-001-2003, 142501-3-015-2007, 142501-4-012-2008, 142501-4-011-2009, 142501-4-010-2000, 142501-4-001-2001, 142501-4-025-2003, 142501-4-004-2008, 142501-4-003-2009, 142501-4-002-2000, and 142501-4-009-2003. The lots were reconfigured to remove them outside of streams, wetlands and associated buffers. The Boundary Line Adjustment effectively created the present configuration, which includes the 21.87 farmhouse parcel, intended to preserve the rural character and aesthetic along NE Paulson Road. This also reconfigured eleven, one-acre parcels to be located behind (south of) the Ross Farm and outside of protected areas.

Kitsap County resource maps indicates many critical areas are present on the development site.

The proposed rezone area is surrounded by three fish-bearing streams. Crouch Creek and its associated wetland system is located along the western and southern boundary and Nadean Creek and its associated wetlands border the eastern boundary. Offsite to the west is Royal Valley Creek. Mature vegetation and some slopes are present directly adjacent to streams, but the property is otherwise flat with grasses and farmland. Because of critical areas, net developable area is reduced for the overall Ross Farm area.



*Figure 2 Aerial Imagery of Ross Farm and area of proposed rezone*

**Comprehensive Plan Designation and Zoning:**

The existing Comprehensive Plan designation for the site is Urban Low Density Residential and the zoning designation is Urban Cluster Residential. The Urban Restricted zone is also within the Comprehensive Plan designation of Urban Low Density Residential. The following are description of the existing and proposed zoning for the property:

**Urban Cluster Residential (UCR) zone:** The Urban Cluster Residential zone is intended to apply to areas that are characterized by large contiguous ownership parcels capable of development as a single, unified project. Clustering of appropriate residential densities in areas most suitable for such development, while simultaneously providing a high level of protection for wetlands, streams, critical aquifer recharge areas and wildlife habitat areas, is encouraged. Flexibility related to site planning and affordable housing through innovative design is also encouraged, as the exact locations of uses should be based on the location of critical areas, transportation corridors, community needs and market conditions.

At the same time, the UCR zone should foster a development pattern that results in the design

and construction of an interconnected system of pedestrian and bicycle trails and facilities linking residential neighborhoods with open spaces, recreational areas, transportation corridors and retail and employment opportunities, both within and outside the zone.

Density	5-9 Dwelling Units per Acre
Minimum Lot Area	2,400 square feet
Minimum Lot Width	40 feet
Minimum Lot Depth	60 feet
Maximum Height	35 feet
Maximum Impervious	N/A
Maximum Lot Coverage	N/A
Front Setback	10 feet minimum
Side Setback	5 feet
Rear Setback	10 feet

Urban Restricted Zone (UR) zone: The urban restricted zone is applied to areas within urban growth areas that have been identified with a significant concentration of critical areas regulated pursuant to Title 19, or are planned as greenbelts, and are therefore appropriate for lower-density development. These areas may include significant salmon spawning streams, wetlands and/or steep slopes. Actual densities allowed will be determined at the time of land use approval, following a site-specific analysis and review of potential impacts to the on-site or adjacent critical areas.

Density	1-5 Dwelling Units per Acre
Minimum Lot Area	5,800 square feet
Minimum Lot Width	60 feet
Minimum Lot Depth	60 feet
Maximum Height	35 feet
Maximum Impervious	50 %
Maximum Lot Coverage	50%
Front Setback	20 feet minimum
Side Setback	5 feet
Rear Setback	10 feet



being reviewed concurrently in this area which will consist of single-family lots at the UCR density of 5-9 dwelling units per acre.

South: The south of the proposal area is bordered by a stream and wetlands (Crouch Creek).

On the other side of the critical areas is open field until NE Waaga Way. South of Waaga Way is residential development at various urban density.

East: Directly to the east is a wooded area, as well as various rural residential. development.

**Public Utilities and Services:**

Water: Silverdale Water District Power: Puget Sound Energy Sewer: Kitsap County  
Sewer Police: Kitsap County Sheriff  
Fire: Central Kitsap Fire and Rescue District Schools: Central Kitsap School District

**Access:**

The existing driveway access to the site is from the north via NE Paulson Road. There is currently no vehicular access from the South due to a stream ravine crossing, although a pedestrian bridge does connect to Royal Valley Road to the South.

**Policies and Regulations Applicable to the Subject Proposal:**

The Growth Management Act of the State of Washington, RCW 36.70A, requires that the County adopt a Comprehensive Plan, and then implement that plan by adopting development regulations. The development regulations must be consistent with the Comprehensive Plan. The Comprehensive Plan process includes public involvement as required by law, so that those who are impacted by development regulations have an opportunity to help shape the Comprehensive Plan which is then used to prepare development regulations.

Kitsap County Comprehensive Plan, adopted June 30, 2016 and amended April 27, 2020.

The following Comprehensive Plan goals and policies are most relevant to this application:

**Land Use Goal 1.** *Focus current and future planning on infill and redevelopment of existing Urban Growth Areas.*

**Land Use Goal 9.** *Promote food security, food systems, local food production, and public health by encouraging locally based food production, distribution, and choice through urban agriculture, community gardens, farmers markets, and food access initiatives.*

**Land Use Goal 13.** *Protect Kitsap County's unique rural character.*

**Land Use Goal 14.** *Foster rural businesses and business opportunities on designated commercial and industrial lands in the rural area, while balancing protection of rural character.*

**Land Use Goal 17.** *Develop and maintain adequate rural and urban facilities and services that support local agriculture.*

**Land Use Policy 29.** *Through application of Growth Management Act goals, increase density in urban areas and limit sprawl in rural lands.*

**Economic Development Goal 5.** *Support the local food economy.*

**Environmental Goal 10.** *Formally treat natural environments, including forest lands, shorelines, freshwater systems, intact ecosystems, and other critical areas, as an essential asset that is planned for, managed, and invested in to meet the needs of current and future generations.*

**Parks Goal 1.** *Provide regional parks, and open space to meet active and passive regional recreational needs, as well as the needs of wildlife.*

The County’s development regulations are contained within the Kitsap County Code. The following development regulations are most relevant to this application:

Kitsap County Code (KCC)

**Title 11 Kitsap County Road Standards**

Title 12 Storm Water Drainage Title 13 Water and Sewers

Title 14 Buildings and Construction Title 17 Zoning

Title 19 Critical Areas

Chapter 18.04 State Environmental Policy Act (SEPA)

Chapter 20.04 Transportation Facilities Concurrency Ordinance Chapter 21.04 Land Use and Development Procedures

**Documents Consulted in the Analysis:**

A complete index of exhibits is located in the project file. To date, the index to the record consists of Exhibits 1 - 22.

**Public Comments:**

Exhibit #	Document	Dated	Date Received / Accepted
1	Royal Valley Rezone Permit Questionnaire		12/14/2020
2	Authorization Form – Ross Buchanan		12/14/2020
3	Authorization Form – RVLLC		12/14/2020
4	Project Narrative		12/14/2020
5	SEPA Checklist		12/14/2020
6	Notice of Application	1/29/2021	
7	Letter to Central Valley Neighbors		08/05/2020
8	Rezone Parcels		
9	Adjacent Parcel Size Map		
10	Memo Re: Future Use of Rezone Area		8/23/2021
11	Public Comments Received (Combined)		Dec 2020 – Aug 2021
12	Notice of Public Hearing	08/25/2021	
13	Certification of Public Notice	09/02/2021	
14	Staff Report	09/02/2021	
15	Staff Presentation		
16	Hearing Sign In		

Pursuant to KCC Title 21, Land Use, and Development Procedures, the Department gave proper public notice for the request for the property rezone. The Notice of Application was combined with the proposed Royal Valley Preliminary Plat proposed by Rush Development

Company Inc. located on separate parcels directly to the west of the proposed rezone, under the same ownership. The Notice of Application was mailed to surrounding property owners within an 800-foot radius, as well as agencies and was posted in the newspaper. Because noticing for this rezone request was combined with the application for a Preliminary Plat directly to the west (#20-05572), multiple comments were received referencing both applications, however, only two comments were directly related to this proposal and are included in the record as Exhibit 11, including staff responses.

### **Background**

The property was first considered to be included in the Urban Growth Area (UGA) during the 2006 Comprehensive Plan update, where a draft Environmental Impact Statement (EIS) considered the property for the Urban Restricted and Urban Reserve zoning designation. It was not added at that time, but did get added to the Urban Growth Area during the 2012 Comprehensive Plan remand. The property was included in the 2012 Comprehensive Plan along with associated public outreach, notice and associated non-project environmental analysis.

When first added to the UGA, the property was given the zoning designation of “senior living homestead.” This zone also allowed 5-9 dwelling units per acre and encouraged a mix of residential types, open space, trails as well as small scale commercial intended to serve the neighborhood. This was unique in nature as it focused on serving communities 55 and older. In 2016, the zoning was changed to the current zoning designation of Urban Cluster Residential (UCR) during the Comprehensive Plan Update. During that time, this property was included in consideration of land use alternatives and included non-project environmental analysis review and associated public outreach, and public notice and comment opportunities at that time.

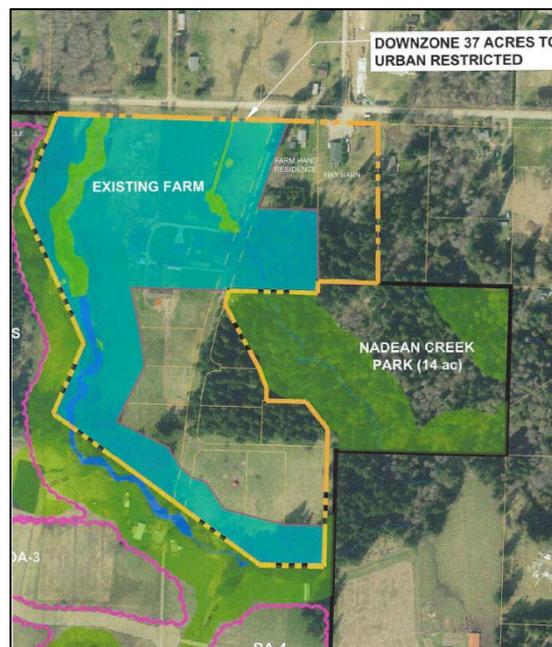


Figure 5 Map showing existing conditions

The largest property within the proposed rezone area continues to be used as a working farm.

### **Land Use and Zoning Analysis Findings:**

#### **21.04.230 Land Use and Development Procedures - Rezones.**

**B. Decision Criteria.** An application for rezone may be recommended for approval by the hearing examiner and may be approved by the board if they find that:

1. The proposed rezone is consistent with the purpose and intent of the Comprehensive Plan, respective community or sub-area plan or other applicable regulations;

*Staff Response:* The Kitsap County Comprehensive Plan designates the subject property as Urban Low Residential. Both the Urban Cluster Residential (UCR) and Urban Restricted (UR) zones are within this Comprehensive Plan land use designation. The applicant can request a rezone under this designation per KCC 21.04.230 and remain consistent with the

*Comprehensive Plan designation.*

*As listed earlier in this report, the proposed rezone is related and consistent with various Land Use, Economic, and Critical Area goals and policies in the Comprehensive Plan.*

*In the 2006 Comprehensive Plan update, this property was already considered and studied to potentially be in the UR zone in a draft EIS. In 2012, the area was added to the Urban Growth Area, and was zoned as "senior living homestead". When the senior living homestead designation became obsolete it was changed in the 2016 Comprehensive Plan update to the Urban Cluster Residential designation. Rezoning the properties to the Urban Restricted (UR) zoning is consistent with the intent of the Comprehensive Plan and zoning purpose of the zone.*

*Per KCC 17.180.010 "The urban restricted zone is applied to areas within urban growth areas that have been identified with a significant concentration of critical areas regulated pursuant to Title 19, or are planned as greenbelts, and are therefore appropriate for lower-density development." Due to the high concentration of critical areas in the vicinity, these parcels are appropriate within the UR zoning.*

2. The proposed rezone will not adversely affect the surrounding community;

*Staff Response:* *One anticipated result of the rezone is to preserve the agricultural while taking into account the natural environmental features and character along NE Paulson Road, which transitions to the north to rural zoned parcels. The downzone will remove some existing development pressure in the area, as the existing UCR zoning would require a minimum of 5 dwelling units per acre to develop. Another intended result of the downzone is to further protect multiple critical areas adjacent to the project area.*

3. The rezone bears a substantial relationship to the public health, safety, or welfare of the community; and

*Staff Response:* *This rezone is done concurrently with a large preliminary plat that is proposed on properties directly to the west under the same ownership. The plat is not within the project boundaries of this rezone. Early outreach indicated that the neighboring community preferred that the parcels in this rezone request maintain the existing character along NE Paulson road, most notably the large farm on parcel 3-031. The rezone also has a relationship to public health, safety and welfare as the UR zone is the most protective of critical areas of all urban zoning classifications.*

4. The proposed rezone:
  - a. Responds to a substantial change in conditions applicable to the area within which the subject property lies;

*Staff Response:* *The criteria are not applicable to the rezone request.*

- b. Better implements applicable Comprehensive Plan policies than the current map designation; or

*Staff Response:* *The proposal is to rezone from Urban Cluster Residential to Urban Restricted. The UR zone better suits the land, as it is heavily impacted by topography and critical areas. The lower density is also more compatible with the land use designated rural to the north and east of the properties. Specific relevant Comprehensive Plan Policies are listed earlier in this report.*

- c. Corrects an obvious mapping error.

Staff Response: The criteria are not applicable to the rezone request.

**Conclusion:**

The proposal is consistent with the Kitsap County Comprehensive Plan, Countywide Planning Policies and the Washington State Growth Management Act.

**Agency Recommendation:**

Based upon the information above, the Department of Community Development recommends that the Rezone Type-3 request to be approved, subject to the following condition:

The approval of the rezone application does not vest the property to current development regulations. Future land use applications will vest to applicable development regulations at the time the County issues a notice of complete application for such application.

**Attachments:**

None

**Report Prepared By:**



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Colin Poff / Project Lead

September 1, 2021  
Date

**Report Approved By:**



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Scott Diener, DSE Manager

September 1, 2021  
Date

CC: Lillian Nadean Ross (applicant/owner)  
Gary Lindsey (authorized agent), [gary@glindsey.com](mailto:gary@glindsey.com)  
Berni Kenworthy, Axis Land Consulting, [berni.kenworthy@axislandconsulting.com](mailto:berni.kenworthy@axislandconsulting.com)  
Interested Parties  
Kitsap County Health District, MS-30  
Kitsap County Public Works Dept., MS-26 DCD Staff Planner: Colin Poff  
DCD File 20-05577