

Staff Report and Recommendation Annual Comprehensive Plan Amendment Process for 2018 Affordable Housing

Report Date	6/25/18; Revised 10/1/2018
Hearing Date	7/17/2018, 7/31/2018, and 10/29/2018
Amendment Type	County-sponsored Amendment
Description	 This amendment includes the following proposed changes to Chapter 4 (Housing and Human Services): Add a new strategy (Affordable Housing Inventory and Transportation Analysis) and update hyperlinks to documents referenced in the chapter.
Geographic Area Affected	Unincorporated Kitsap County
SEPA	Determination of Non-Significance
Department Recommendation to Planning Commission	Adopt as proposed
Planning Commission Recommendation	Adopt as proposed
Department Recommendation to Board of County Commissioners	Adopt as proposed

This report and recommendation are based on information available at the time of publication. If new relevant and material facts are discovered, this staff report will be revised and the department recommendation may change.

Revision History

<u>No.</u>	<u>Date</u>	Description
1	10/1/2018	Incorporates the Planning Commission record and recommendation.

1. Background

The Kitsap County Comprehensive Plan describes the 20-year vision for unincorporated Kitsap County and how that vision will be achieved. The plan covers land use, economic development, environment, housing and human services, transportation, capital facilities and utilities as well as parks, recreation, and open space. The Comprehensive Plan is mandated by the Washington State Growth Management Act (GMA, RCW 36.70A).

A. <u>Authority</u>

The GMA mandates that Kitsap County's Comprehensive Plan and development regulations be reviewed and, if needed, revised at least every 8-years [RCW 90.70A.130(5)]. The most recent Kitsap County 8-year update concluded with the adoption of the 2016 Kitsap County Comprehensive Plan on June 27, 2016 by Ordinance 534-2016. The GMA also mandates that Kitsap County's Comprehensive Plan and development regulations be subject to continuing review and evaluation, allowing for annual amendments to the Comprehensive Plan and development regulations [RCW 36.70A.130(1)].

Kitsap County Code sets forth a process and criteria for making amendments to the Comprehensive Plan [KCC 21.08]. In making amendments, the County must consider:

- Whether the proposed amendments are consistent with and supports other plan elements and or development regulations, and if not, what additional amendments to the plan and/or development regulations will be required to maintain consistency;
- Whether the proposed amendment to the plan and/or regulation will more closely reflect the goals and policies of the Comprehensive Plan;
- Whether the proposed amendment is consistent with the Kitsap County-wide Planning Policies; and
- Whether the proposed amendment complies with the requirements of the GMA.

The final docket adopted by the Board of County Commissioners on April 4, 2018 (Resolution No. 064-2018) allows for consideration of this amendment during Kitsap County's annual Comprehensive Plan amendment process for 2018.

B. Proposed Amendment

The proposed amendment is provided in Attachment A and includes the following changes to Chapter 4 (Housing and Human Services):

 Add a new strategy (Affordable Housing Inventory and Transportation Analysis) and update hyperlinks to documents referenced in the chapter.

This amendment was prepared at the request of the Kitsap County Board of Commissioners to "review and revise, as needed, policies regarding affordable housing in Kitsap County." Staff from the Department of Human Services reviewed the existing goals and polices in the Comprehensive Plan related to affordable housing and determined they are comprehensive and do not require further revision at this time. However, reviewers did identify that a new strategy to complete an Affordable Housing Inventory and Transportation Analysis is needed to better implement existing affordable housing policies and strategies. The challenges presented by the shortage of housing that is affordable to people with low-incomes has worsened over the last several years, contributing to displacement and homelessness. The analysis in this report will assist decision makers, staff, and community stakeholders in determining the scope of the need for low-income affordable housing and will identify potential tools to address the need. A similar report produced for the Skagit Council of Governments in August 2017 by EcoNorthwest provides one potential model for this report.

C. <u>Geographic Description</u>

Generally, text amendments to the Kitsap County Comprehensive Plan only affect unincorporated Kitsap County. However, the new Strategy #1 (Affordable Housing Inventory and Transportation Analysis) proposed in this amendment will consider both incorporated and unincorporated Kitsap County as required under the Kitsap Countywide Planning Policies.

2. Department Recommendation

Having analyzed the proposed amendment and other alternatives, if applicable, public comment received to date, and the Planning Commission's recommendation, the Department recommends:

 \boxtimes Adoption of the amendment:

⊠ as proposed above

□ as described in Alternative ____ below

- \Box with revisions described below
- \Box with conditions described below
- Deferral of the amendment to a future docket
- □ Denial of the amendment

A. <u>Revisions</u>

None.

B. <u>Conditions</u>

None.

C. <u>Rational</u>

Housing affordability is decreasing and demand for housing that is affordable for households with lower incomes is increasing in Kitsap County. Existing goals and policies in the Comprehensive Plan related to affordable housing are comprehensive and do not require further revision at this time. However, a new strategy to complete an Affordable Housing Inventory and Transportation Analysis is needed to:

- Better determine the current landscape of affordable housing and scope of the need for additional housing units;
- Identify policies and strategies that will support the development of additional units of housing that is affordable for low-income households; and
- Increase understanding of how the existing transportation system aligns with current housing stock.

3. Other Alternatives Considered

None. Staff reviewed the existing goals and polices in the Comprehensive Plan related to affordable housing and determined they are comprehensive and do not require further revision at this time.

4. Analysis

Amendments to the Comprehensive Plan must be consistent with the criteria outlined in Kitsap County Code (KCC) Chapter 21.08. Applicable criteria are analyzed below. A summary of the State Environmental Policy Act (SEPA) review of this amendment is located at the end of this section.

A. General Decision Criteria (KCC 21.08.070.A)

For each proposed amendment to the Comprehensive Plan, the Planning Commission in reaching its recommendation, and the Board of Commissioners in making its decision, shall develop findings and conclusions, which demonstrate:

1. How circumstances related to the proposed amendment and/or the area in which the property affected by the proposed amendment is located have substantially changed since the adoption of the Comprehensive Plan or applicable development regulations;

<u>Staff Analysis</u>: Housing affordability is decreasing and demand for housing that is affordable for households with lower incomes is increasing in Kitsap County.

2. How the assumptions upon which the Comprehensive Plan is based are no longer valid, or there is new information available which was not considered during the

adoption of, or during the last annual amendment to, the Comprehensive Plan or development regulations; and

<u>Staff Analysis</u>: The Comprehensive Plan assumptions are still valid, however, a comprehensive understanding of the current and anticipated affordable housing landscape is needed to better implement the existing affordable housing policies and strategies in the Comprehensive Plan.

3. How the requested redesignation is in the public interest and the proposal is consistent with the Kitsap County Comprehensive Plan.

B. <u>Staff Analysis: Not applicable – this is not a redesignation request. Additional Decision</u> <u>Criteria (KCC 21.08.070.B)</u>

In addition to the findings and conclusions above, for each proposed text amendment, the Planning Commission in reaching its recommendation, and the Board of Commissioners in making its decision, shall develop findings and conclusions which consider:

1. Whether the proposed amendment is consistent with and supports other plan elements and/or development regulations and, if not, what additional amendments to the plan and/or development regulations will be required to maintain consistency;

<u>Staff Analysis</u>: The proposed amendment to Chapter 4 (Housing and Human Services) is consistent with and supports other plan elements. The proposed new strategy (Affordable Housing Inventory and Transportation Analysis) will be used to better implement existing policies and strategies, including development regulation changes that will encourage affordable housing development and alternative housing types.

2. Whether the proposed amendment to the plan and/or regulation(s) will more closely reflect the goals, objectives and policies of the Comprehensive Plan and reflect the local circumstances of the county;

Staff Analysis: The proposed amendment to Chapter 4 (Housing and Human Services) will ensure that implementation of existing policies and strategies more closely align with the local circumstances of the county. The proposed new strategy (Affordable Housing Inventory and Transportation Analysis) will be used to better implement existing policies and strategies, including development regulation changes specific to Kitsap County circumstances that will encourage affordable housing development and alternative housing types.

3. Whether the proposed amendment is consistent with the Kitsap County-wide Planning Policy; **<u>Staff Analysis</u>**: The proposed amendment to Chapter 4 (Housing and Human Services) is consistent with the <u>Kitsap County-wide Planning Policies</u> (CPPs; adopted on 5/11/2015 by Kitsap County Ordinance 522-2015). The proposed new strategy (Affordable Housing Inventory and Transportation Analysis) implements Policy I.1.a and will be conducted consistent with Element I of the CPPs, including:

- Using the household income categories defined in the CPPs;
- Coordinated under the Kitsap Regional Coordinating Council;
- Coordinated with the County, Cities, and housing agencies;
- Coordinated with the Puget Sound Regional Council; and
- Synchronized with the next countywide Buildable Lands Analysis and 8-year updates of County and City Comprehensive Plans.
- 4. Whether the proposed amendment complies with the requirements of GMA, state and local laws and other applicable inter-jurisdictional policies or agreements; and

<u>Staff Analysis</u>: The proposed amendment to Chapter 4 (Housing and Human Services) will ensure better implementation of existing policies and strategies and is consistent with the requirements of GMA, state and local laws and other applicable inter-jurisdictional policies and agreements, which require the Comprehensive Plan to address affordable housing, including the consideration of linkages between land use and transportation.

5. An explanation of why language should be added to the Comprehensive Plan or why existing language should be modified or deleted.

<u>Staff Analysis</u>: Housing affordability is decreasing and demand for housing that is affordable for households with lower incomes is increasing in Kitsap County. A new strategy to complete an Affordable Housing Inventory and Transportation Analysis is needed to better implement existing affordable housing policies and strategies.

C. State Environmental Policy Act (SEPA)

The Kitsap County SEPA official issued a SEPA threshold determination of nonsignificance (DNS; Attachment B1) for this amendment after having reviewed the SEPA environmental checklists prepared for this amendment (Attachment B2) and all of the other proposed Comprehensive Plan amendments. The SEPA official's review found that this amendment is not related to or dependent on any of the other amendments and therefore an independent SEPA threshold determination was made regarding this amendment.

Notice of this SEPA threshold determination was:

- Filed with the Washington State Department of Ecology <u>SEPA Register</u>;
- Published in the Kitsap Sun newspaper (6/29/2018); and

• Integrated with other public announcements described in Section 5 below.

The SEPA threshold determination and environmental checklist was also distributed to agencies with jurisdiction, the Department of Ecology, affected tribes, and each local agency or political subdivision whose public services would be changed as a result of implementation of the proposal.

D. <u>Public Comment</u>

One public comment questioning the value of the amendment was received. Public comments and staff responses are provided in Attachment C1.

<u>Staff Analysis</u>: The amendment is still needed to strategically address affordable housing issues.

E. Planning Commission Recommendation

The Planning Commission concurred with the staff recommendation to adopt the amendment as proposed.

Staff Analysis: None.

5. Public Involvement and Outreach

Kitsap County's public involvement and outreach in support of this amendment has exceeded the requirements of the Growth Management Act (RCW 36.70A) and Kitsap County Code (KCC 21.08).

Public involvement and outreach in support of this amendment has included the following:

- An <u>Online Open House</u> with information about previous, current, and upcoming phases of the 2018 amendment process.
- A public comment period (11/27/2017 12/15/2017) and a public hearing by the Kitsap County Board of Commissioners (12/11/2017) while setting the initial docket of amendments. Based on public comments, the Board of Commissioners added a review of affordable housing policies (i.e. the subject of this amendment) to the docket of amendments. Notifications and announcements regarding this comment period and public hearing included the following:
 - Legal notice published in the Kitsap Sun newspaper (11/27/2017);
 - Broadcast announcements via email, text message, Facebook.com, Twitter.com, and Nextdoor.com; and
 - Formal letters to Tribes with usual and accustom area in Kitsap County.

- Legal notice announcing the docket of amendments was published in the Kitsap Sun newspaper (1/8/2018).
- A public comment period (6/28/2018 8/7/2018) and public hearings by the Kitsap County Planning Commission (7/17/2018 and 7/31/2018) regarding the proposed amendment, staff report, and SEPA determination. Notifications and announcements regarding this comment period and public hearing included the following:
 - Legal notice published in the Kitsap Sun newspaper;
 - Broadcast announcements via email, text message, Facebook.com, Twitter.com, and Nextdoor.com;
 - Notice signs posted on site-specific amendment properties;
 - Notices mailed to property owners near site-specific amendments and other geographically specific amendments; and
 - Formal letters to Tribes with usual and accustomed area in Kitsap County.
- Open house meetings were held on 7/10/2018 in Kingston, 7/11/2018 in Port Orchard, and 7/12/2018 in Silverdale.
- Presentations to various Kitsap County advisory groups and community groups.

Comment Period and Public Hearing

A new comment period regarding the amendment and this staff report will run through Wednesday, October 31, 2018.

- During this public comment period, the public may learn more about this and other amendments by:
 - Visiting an Online Open House (http://tinyurl.com/kitsap2018cpa);
 - Attending applicable Board of County Commissioner meetings; or
 - Contacting the staff listed in Section 6 below.
- To be included in the official record, written comments must be submitted to the Department of Community Development by 11:59 PM on Wednesday, October 31, 2018 using one of the following methods:
 - Entered online via computer or mobile device;
 - Emailed to <u>CompPlan@co.kitsap.wa.us;</u>
 - Mailed to 614 Division St MS36, Port Orchard, WA 98366;
 - Dropped off at the Permit Center at 619 Division St, Port Orchard; or
 - Dropped off at one of the open houses listed above.
- Oral and written testimony may also be made to the Board of County Commissioners during a public hearing on October 29, 2018 in the Commissioner's Chambers on the 3rd Floor of the Kitsap County Administration Building (619 Division St, Port Orchard).
- Notifications and announcements regarding this comment period and public hearing include the following:
 - Legal notice published in the Kitsap Sun newspaper;
 - Broadcast announcements via email, text message, Facebook.com, Twitter.com, and Nextdoor.com;

- Notice signs posted on site-specific amendment properties;
- Notices mailed to property owners near site-specific amendments and other geographically specific amendments; and
- Formal letters to Tribes with usual and accustomed area in Kitsap County.

6. Staff Contact

Report prepared by:

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7. Attachments

A. Proposed Amendment

- B. <u>State Environmental Policy Act (SEPA)</u>
 - 1. SEPA Determination
 - 2. SEPA Checklist

C. Supplemental Materials

1. Public Comment and Staff Response

Report approved by:

Dave Ward, Manager Planning and Environmental Programs Department of Community Development