



**PLANNING COMMISSION SPECIAL MEETING
THURSDAY, JANUARY 30, 2025**

BAINBRIDGE ISLAND CITY HALL
COUNCIL CHAMBERS
280 MADISON AVENUE N.
BAINBRIDGE ISLAND, WASHINGTON

AND

ZOOM WEBINAR
[HTTPS://BAINBRIDGEWA.ZOOM.US/J/84965335819](https://bainbridgewa.zoom.us/j/84965335819)

OR ONE TAP MOBILE :

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US: +1 253 215 8782

WEBINAR ID: 849 6533 5819

AGENDA

1. CALL TO ORDER/LAND ACKNOWLEDGMENT - 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. APPROVAL OF AGENDA / CONFLICT OF INTEREST DISCLOSURE - 6:05 PM

3. PLANNING COMMISSION MEETING MINUTES - 6:10 PM

Review and approve meeting minutes.

Minutes

[PC Minutes 20250123 - Draft.pdf](#)

4. PUBLIC COMMENT INSTRUCTIONS - 6:15 PM

Members of the public are encouraged to submit written public comment to the Planning Commission at any time by emailing pcd@bainbridgewa.gov. Members of the public who wish to provide public comment in-person at a Planning Commission meeting should sign up to speak on the sign-in sheet by the Chamber doors. The Planning Commission Chair will call the people signed up on the sign-in sheet, and speakers will have up to three minutes to speak from the podium. Please speak directly into the microphone, which is adjustable. A timer on the screen will indicate when 3 minutes (or such other time set by the Chair) has elapsed. Orderly behavior and civility in remarks is expected with no clapping or booing, and no yielding of

one person's time to another person.

Guidelines for public comment are provided. Remote public comment is allowed with advance notice to the City Clerk by noon on the date of the meeting at cityclerk@bainbridgewa.gov, provided that all remote commenters shall be required to display their true name and to keep their camera turned on to show their true uncovered face while delivering their comments.

Public comment is not accepted during the balance of the Planning Commission meeting, unless a public hearing or public participation meeting is on the agenda.

Public Comment

[Instructions_for_Providing_Public_Comment_for all PC agendas 20250103.pdf](#)

6. NEW BUSINESS - 6:25 PM

Strategic Economics Presentation on Winslow Subarea Plan Housing Affordability Model
[Winslow Affordable Housing Model Projections.pdf](#)
[Housing Levy Findings.pdf](#)

5. UNFINISHED BUSINESS - 6:40 PM

Continue discussion on Winslow Subarea Plan
[Commissioner Deines Winslow Zoning and Transit Map.pdf](#)
[Winslow Geographies 1 30 PC Slides.pdf](#)

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

8. FOR THE GOOD OF THE ORDER - 8:15 PM

9. ADJOURNMENT - 8:20 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.



Planning Commission meetings are wheelchair accessible. Assist 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 preceeding 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, 208 Madison Avenue North, Bainbridge Island, WA 98110.



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 30, 2025

ESTIMATED TIME: 5 Minutes

AGENDA ITEM: Minutes

AGENDA CATEGORY: Minutes

PROPOSED BY: Planning &
Community Development

PREVIOUS PLANNING COMMISSION REVIEW DATE(S):

PREVIOUS COUNCIL REVIEW DATE(S):

RECOMMENDED MOTION:

I move to approve the January 23, 2025, minutes as presented.

ATTACHMENTS:

[PC Minutes 20250123 - Draft.pdf](#)



Planning Commission Regular Meeting January 23, 2025

Meeting Minutes

1) CALL TO ORDER/LAND ACKNOWLEDGMENT

Chair Ariel Birtley called the meeting to order at 6:03 PM and read the Land Acknowledgement. Present were Commissioners Ariel Birtley, Sarah Blossom, Ben Deines, Peter Schaab, Criss Garcia and Alex Preudhomme. Excused was Commissioner Sean Sullivan. City staff present were PCD Director Patty Charnas, Planning Manager HB Harper, and Senior Planner Jennifer Sutton. City Council Liaison Ashley Mathews was also present in chambers as were Council members Jon Quitslund and Kirsten Hytopoulos.

2) APPROVAL OF AGENDA / CONFLICT OF INTEREST DISCLOSURE

MOTION: I move to approve the agenda.

Blossom / Garcia: The motion passed unanimously.

No conflicts of interest disclosed.

3) PLANNING COMMISSION MEETING MINUTES -

Review and approve meeting minutes.

Minutes

[PC Minutes 20250109 - Draft.pdf](#)

MOTION:

I move to approve the Planning Commission meeting minutes from January 09, 2025, as presented.

Garcia / Schaab: The motion passed unanimously.

4) CITY MANAGER REMARKS -

Blair King, City Manager, provided comments to the Planning Commission.

5) PUBLIC COMMENT -

Cover Page

[Instructions_for_Providing_Public_Comment_for all PC agendas 20250103.pdf](#)

1. Mr. Rob Crichton - provided comments on the DEIS, population, neighborhood centers
2. Dr. Deana Scipio - spoke about affordable housing difficulties on BI for students
3. Ms. Rachael Reese - spoke about unaffordable housing on BI & need for higher density & affordable housing
4. Ms. Ferne Hayes - spoke in favor of alternative #2 in the DEIS, affordable housing

5. Mr. Ron Peltier - provided comments on the TDR program mentioned at the last meeting
6. Ms. Mary Clare Kersten - spoke about affordable & market rate housing, zoning, & Comp Plan
7. Ms. Ann Lovejoy - supports increase density housing in the Winslow Subarea
8. Ms. Olivia Hall - in favor of increased density housing in the Winslow Subarea
9. Mr. John Flodin - requested consideration to rezoning to allow affordable housing in Winslow
10. Ms. Melanie Keenan - offered comments on environmental & water resource management
11. Mr. Malcolm Gander - expressed concerns regarding SEPA guidelines and the DEIS & GWMP
12. Ms. Adrienne Moore - supports density that allows for affordable housing
13. Ms. Phedra Elliott - supports efforts to create affordable housing for BI

6) NEW BUSINESS -

Review and Recommendation for Washington State Ferries Eagle Harbor Welding Shop Major Site Plan Review

[Staff Report WSF Eagle Harbor Welding Shop PLN 52714 SPR_SSDP_final.pdf](#)

[2. Site Plan Copy_2.pdf](#)

[Excerpt from Architectural Plan Set \(60%\)_1.pdf](#)

[Project Narrative.pdf](#)

[PLN52714 SPR.pdf](#)

MOTION: I move to recommend approval of Washington State Ferries Eagle Harbor Welding Shop PLN52714.

Preudhomme / Schaab: The motion passed unanimously.

7) UNFINISHED BUSINESS -

Continue discussion on Winslow Subarea Plan providing follow up to requests made at the January 9, 2024, Planning Commission meeting and covering other related topics.

[Jan 23 Planning Commission Presentation.pptx](#)

[December 3 Council Motions re Comp Plan and Winslow Subarea Plan.pdf](#)

[Groundwater Management Plan Update Memo_011325.pdf](#)

[City Owned Properties Map.pdf](#)

Director Charnas opened the discussion and presented elements that were asked for at the previous Planning Commission meeting, focusing on the Groundwater Management Plan and Transfer of Development Rights (TDRs). Senior Planner Jennifer Sutton also provided additional details regarding Affordable Housing. Planning Manager HB Harper continued the discussion, talking about Floor Area Ratio (FAR), answering questions posed at the last meeting.

Discussion Only.

8) PLANNING DIRECTOR'S REPORT -

No Director's Report tonight.

9) FOR THE GOOD OF THE ORDER -

Nothing offered.

10) ADJOURNMENT - 9:02 PM

Ariel Birtley, Chair

Renee Argetsinger, Clerk to the Planning Commission



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 30, 2025

ESTIMATED TIME: 10 Minutes

AGENDA ITEM: Public Comment

AGENDA CATEGORY: Discussion

PROPOSED BY: Planning &
Community Development

PREVIOUS PLANNING COMMISSION REVIEW DATE(S):

PREVIOUS COUNCIL REVIEW DATE(S):

RECOMMENDED MOTION:

Instructions for Providing Public Comment

ATTACHMENTS:

[Instructions_for_Providing_Public_Comment_for all PC agendas 20250103.pdf](#)



PLANNING & COMMUNITY DEVELOPMENT DEPARTMENT

Members of the public are encouraged to submit written public comment to the Planning Commission at any time by emailing pcd@bainbridgewa.gov. For members of the public who wish to provide public comment in-person, at a Planning Commission meeting:

1. Sign up to speak on the sign-in sheet by the Chamber doors. The Planning Commission Chair will call the people signed up on the sign-in sheet
2. Speakers will have up to three minutes to speak from the podium. Please speak directly into the microphone, which is adjustable. A timer on the screen will indicate when 3 minutes (or such other time set by the Chair) has elapsed, and there is no yielding of one person's time to another person.
3. Orderly behavior and civility in remarks is expected with no clapping or booing, Guidelines for public comment are provided.
4. Remote public comment is allowed with advance notice to the Planning & Community Development Department by noon on the date of the meeting at pcd@bainbridgewa.gov, provided that all remote commenters shall be required to display their true name on Zoom.
5. Public comment is not accepted during the balance of the Planning Commission meeting, unless a public hearing or public participation meeting is on the agenda.

Instructions for Providing Public Comment Remotely

1. Contact the Planning & Community Development Department at pcd@bainbridgewa.gov no later than Noon on the day of the meeting. State which meeting you would like to make a public comment and provide your true name.
IMPORTANT: No remote public comment will be accepted without first registering at the email address above.
2. Join the Zoom webinar by following the link posted on the agenda and on the City's website calendar. Sign into Zoom. You will need to enter and display your true name on Zoom.
3. The Chair will indicate when it is time for you to make a public comment.

Excerpts from the Governance Manual regarding public comment (although “City Council” is mentioned below, this information applies equally to Planning Commission):

5.6 Respect and Decorum

It is the duty of the Presiding Officer and Councilmembers to maintain dignity and respect for their offices, City staff, and the public. While the Council is in session, the Councilmembers shall preserve civility, order and decorum. No member of the public shall, by conversation or otherwise, delay, disrupt, or interrupt the proceedings of the Council, nor engage in any of the prohibited behavior described below. Councilmembers and the public shall obey the proper orders of the Presiding Officer of the meeting.

5.6.1 Orderly Behavior and Civility in Remarks

Any person disrupting the business of the Council, either while addressing the Council or attending the proceedings, shall be asked to leave, or be removed from the meeting. Continued disruptions may result in a point of order by the Presiding Officer or a Councilmember pursuant to the Council’s parliamentary rules, or a recess, forced removal, or adjournment as described elsewhere in this manual. Disruptive behavior includes, but is not limited to, the following:

- (a) Speaking without being recognized by the Presiding Officer.
- (b) Continuing to speak after the allotted time has expired.
- (c) Speaking on an item at a time not designated for discussion by the public of that item, such as speaking on a quasi-judicial item at a time other than during a public hearing or closed record proceeding on the matter.
- (d) Throwing objects.
- (e) Speaking on an issue that is not a public topic, in violation of Section 9.12.2.
- (f) Speaking in favor of or in opposition to a ballot proposition or a candidate for public office, provided, that public comment is allowed when the City Council is considering taking a collective position in favor of or in opposition to a ballot proposition as authorized in RCW 42.17A.555.
- (g) Impersonating a City Councilmember or a member of the City staff.
- (h) Shouting or otherwise engaging in loud or boisterous behavior.
- (i) Continuing to make repetitive remarks after being requested not to do so by the Presiding Officer or a majority of the City Council.
- (j) Attempting to engage the audience rather than the Council, e.g., asking audience members to stand, clap, boo or otherwise express collective support or opposition to any matter.

- (k) Booing, hissing, or otherwise disrupting the comments of another speaker.
- (l) Using racial slurs or other slurs directed at the color, creed, religion, ancestry, gender, sexual orientation, gender expression or identity, national origin, citizenship or immigration status, or mental, physical, or sensory disability of any individual or group, under circumstances where such words constitute “fighting words” under constitutional law.
- (m) Refusing to modify conduct after being advised by the Presiding Officer that the conduct is disrupting the meeting or disobeying any other lawful order of the Presiding Officer or a majority of the City Council.

5.6.2 Permission Required to Address the Council

Persons other than Councilmembers and Administration shall be permitted to address the Council only upon recognition and introduction by the Presiding Officer of the meeting.

.....

9.12.2 Subjects – Whether or Not on the Current Agenda

Public comments received during the public comment period may be on any public topic, whether or not on the agenda, but a comment on the subject that is covered by a public hearing at that meeting must be made during the period of the public hearing. All public comment shall be made consistent with Section 5.6.

9.12.3 Use of Microphones

Comments shall be made directly into the microphone, as it is necessary for the public record and for the audience to hear all proceedings. No comments shall be made from any other location.



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 30, 2025

ESTIMATED TIME: 15 Minutes

AGENDA ITEM: Strategic Economics Presentation on Winslow Subarea Plan Housing Affordability Model

AGENDA CATEGORY: Discussion

PROPOSED BY: Planning &
Community Development

PREVIOUS PLANNING COMMISSION REVIEW DATE(S):

PREVIOUS COUNCIL REVIEW DATE(S):

RECOMMENDED MOTION:

Information only

SUMMARY:

Staff from Strategic Economics will present a slideshow on housing affordability analysis performed as part of the Winslow Subarea Plan development work informing the Draft Environmental Impact Statement.

BACKGROUND: Strategic Economics, a subconsultant on the Winslow Subarea Plan team, produced two presentations on housing affordability--an explanation of the modeling showing possible affordable units that could be produced by the market, and a housing levy analysis.

ATTACHMENTS:

[Winslow Affordable Housing Model Projections.pdf](#)

[Housing Levy Findings.pdf](#)

Winslow Subarea Plan *City of Bainbridge Island* *Housing Affordability Model*

February, 22nd, 2024 – with updates to August 21st, 2024

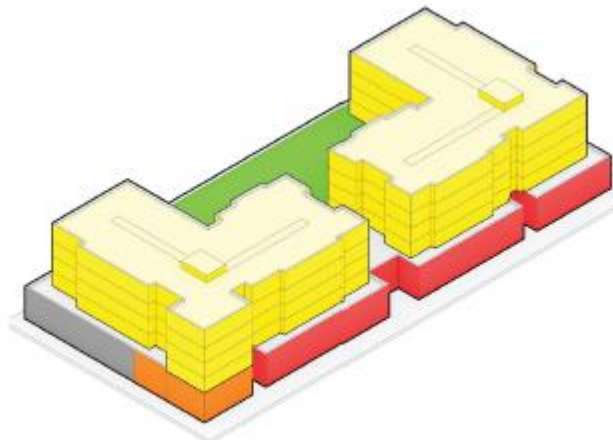
Housing Affordability Analysis Overview

- Purpose: determine what income groups could afford to live in Winslow, given expected market prices and housing types
- Steps:
 - Define housing prototypes
 - Determine market prices
 - Calculate total housing costs
 - Compare to Area Median Income levels
 - Model housing production by prototype
 - Compare to affordable targets

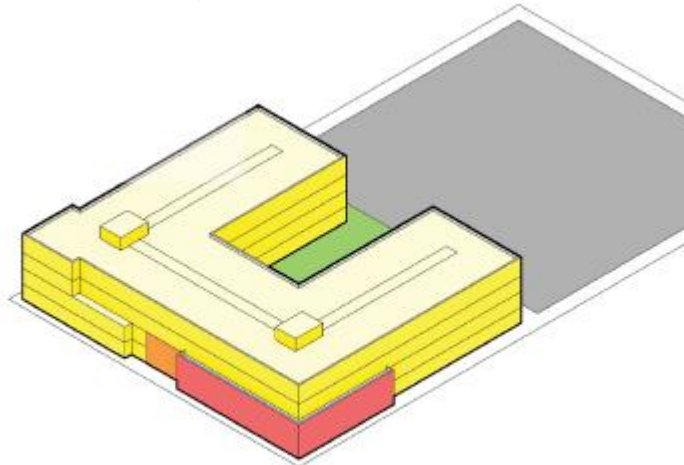
Methodology Details

- Market Rate Prices:
 - Identified rent and sales prices per square foot by bedroom count
 - Using recent sales and rental data from CoStar and Redfin
- Bainbridge Island Area Median Income
 - Table from City, by household size. Assumption: HH size = bedroom count + 1
- Affordability Calculations
 - Condos consider utilities, insurance, taxes, HOA, and mortgage interest rates
 - Rentals consider utilities

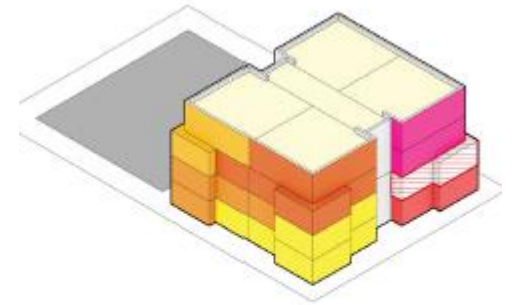
Housing Prototypes



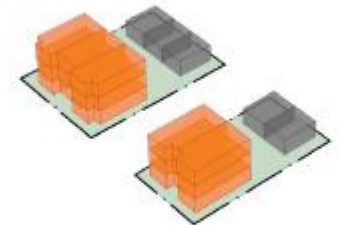
5-Story Mixed-Use



4-Story Garden Apartments



4-Story Stacked Flats



3-Story Duplex/Triplex

Unit Sizes and Distributions, by Housing Type

	Mixed-Use	Garden Apartments	Stacked Flats	Duplex/Triplex
Tenure	Rental	Rental	Rental	Ownership
Distribution				
Studio	20%	15%	10%	
1-BD	45%	40%	40%	
2-BD	35%	45%	40%	55%
<u>3-BD</u>			<u>10%</u>	<u>45%</u>
Total	100%	100%	100%	100%
Unit Size (sf)				
Studio	525	625	625	
1 Bedroom	715	800	800	800
2 Bedroom	1,050	1,075	1,075	1,450
<u>3 Bedroom</u>			<u>1,500</u>	<u>1,975</u>
Average Size	794	898	963	1,686

Sources: CoStar, 2024; Redfin, 2024; Strategic Economics, 2024.

Source: CoStar, 2023

Required Incomes to Afford Market Rate Housing

Household Size		Mixed-Use	Garden Apartments	Stacked Flats	Duplex/Triplex
Income Needed to Afford Units					
Studio	1	\$91,790	\$90,090	\$88,840	
1 Bedroom	2	\$95,080	\$94,080	\$92,480	
2 Bedroom	3	\$126,460	\$118,460	\$116,310	\$193,019
3 Bedroom	4			\$147,640	\$251,836
Market-Rate Affordability					
Studio	1	Middle Income	Middle Income	Middle Income	
1 Bedroom	2	Middle Income	Middle Income	Middle Income	
2 Bedroom	3	Above Middle	Middle Income	Middle Income	Above Middle
3 Bedroom	4			Above Middle	Above Middle

Sources: CoStar, 2024; Redfin, 2024; Strategic Economics, 2024

Legend:

Middle Income (100%-120% AMI)

Above Middle Income (>120% AMI)

Unit Projections and Distribution of Units by Projected Affordability

	100% Affordable	ADUs	Mixed-Use	Garden Apartments	Stacked Flats	Duplex/Triplex	Total
Unit Projections							
Alternative 02	103	83	1,975	490	155	62	2,868
Alternative 03	355	97	1,303	109	361	159	2,384
Distribution by Affordability							
Extremely Low Income	100%		0%	0%	0%	0%	
Very Low Income			0%	0%	0%	0%	
Low Income			0%	0%	0%	0%	
Moderate Income			0%	0%	0%	0%	
Middle Income		100%	65%	100%	90%	0%	
Above Middle			35%	0%	10%	100%	

Sources: LMN, 2024; Strategic Economics, 2024

Note: Assumes ADUs would be marketed as rental projects, with prices similar to a 1-BD apartment.

Distribution of Units by Affordability

Without Inclusionary Policy

	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Middle Income	Above Middle
<u>Bainbridge Island HB 1220 Allocation</u>	<u>543</u>	<u>324</u>	<u>272</u>	<u>140</u>	<u>138</u>	<u>560</u>
Alternative 02	52	39	13	-	1,997	769
Alternative 03	178	133	44	-	1,378	651

Note: Assumes 100% affordable units are distributed as 50% extremely low, 37.5% very low, and 12.5% low-income.

With Inclusionary Policy

	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Middle Income	Above Middle
<u>Bainbridge Island HB 1220 Allocation</u>	<u>543</u>	<u>324</u>	<u>272</u>	<u>140</u>	<u>138</u>	<u>560</u>
Alternative 02	52	39	147	134	1,805	692
Alternative 03	178	133	141	97	1,250	586

Note: Assumes 100% affordable units are distributed as 50% extremely low, 37.5% very low, and 12.5% low-income.

Assumes a 10% total inclusionary requirement for market-rate projects, applied as 5% low-income and 5% moderate-income

Share of Unit Targets by Affordability, with and without Inclusionary Policy

	100% Affordable		Inclusionary Units		Market Rate and ADUs		Total Below- Middle Units
	Extremely Low Income	Very Low Income	Low Income	Moderate Income	Middle Income	Above Middle	
<u>Bainbridge Island HB 1220 Allocation</u>	<u>543</u>	<u>324</u>	<u>272</u>	<u>140</u>	<u>138</u>	<u>560</u>	<u>1279</u>
Alternative 02							
Without Inclusionary Policy	9%	12%	5%	0%	1447%	137%	8%
With Inclusionary Policy	9%	12%	54%	96%	1308%	124%	29%
Alternative 03							
Without Inclusionary Policy	33%	41%	16%	0%	998%	116%	28%
With Inclusionary Policy	33%	41%	52%	69%	906%	105%	43%

Note: Assumes a 10% total inclusionary requirement for market-rate projects, applied as 5% low-income and 5% moderate-income.

Policy Options to Meet Affordability Targets

Policy Option	HAP Action (if applicable)	HAP or SE Housing Production Estimate
Rely on other areas of Bainbridge Island to meet targets	N/A	Medium
Align policy & planning to increase affordable housing production within Winslow:		
Increase affordable housing production on city-owned parcels/acquire new land	Action 2.2	Medium
Enact citywide housing levy	Action 2.4	High
Enact commercial linkage fee or commercial community benefit requirements	N/A	Low
Increase density & yield within Winslow (making inclusionary and other policies more effective)	Related to Action 1.3	Low to Medium

Housing Affordability Analysis Detailed Assumptions

Market Rents and Sales Prices, by Housing Type

	Mixed-Use	Garden Apartments	Stacked Flats	Duplex/Triplex
Tenure	Rental	Rental	Rental	Ownership
Per SF				
Studio	\$3.95	\$3.25	\$3.20	
1 Bedroom	\$3.00	\$2.65	\$2.60	\$525
2 Bedroom	\$2.75	\$2.50	\$2.45	\$500
<u>3 Bedroom</u>			\$2.25	\$480
Total	Monthly Rent	Monthly Rent	Monthly Rent	Sale Price
Studio	\$2,074	\$2,031	\$2,000	\$0
1 Bedroom	\$2,145	\$2,120	\$2,080	\$420,000
2 Bedroom	\$2,888	\$2,688	\$2,634	\$725,000
<u>3 Bedroom</u>	\$0	\$0	\$3,375	\$948,000

Sources: CoStar, 2024; Redfin, 2024; Strategic Economics, 2024.

Area Median Income Table – Bainbridge Island

Income Category	Household Size			
	1	2	3	4
Extremely Low: 0 – 30%	\$22,900	\$26,150	\$29,400	\$32,650
Very Low: >30-50%	\$38,150	\$43,600	\$49,050	\$54,450
Low: >50-80%	\$61,000	\$69,700	\$78,400	\$87,100
Moderate: >80-95%	\$75,480	\$86,260	\$97,040	\$107,830
Middle: >95-120%	\$95,340	\$108,960	\$122,580	\$136,200

Source: City of Bainbridge Island, 2023.

Market-Rate Rental Affordability Calculation

	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Mixed-Use				
Market Rate Rent	\$2,074	\$2,145	\$2,888	
Monthly Utility Costs	\$221	\$232	\$274	
Annual Costs	\$27,537	\$28,524	\$37,938	
Required Income	\$91,790	\$95,080	\$126,460	
Assumed Household Size	1	2	3	
Affordability Level	Middle Income	Middle Income	Above Middle	
Garden Apartments				
Market Rate Rent	\$2,031	\$2,120	\$2,688	
Monthly Utility Costs	\$221	\$232	\$274	
Annual Costs	\$27,027	\$28,224	\$35,538	
Required Income	\$90,090	\$94,080	\$118,460	
Assumed Household Size	1	2	3	
Affordability Level	Middle Income	Middle Income	Middle Income	
Stacked Flats				
Market Rate Rent	\$2,000	\$2,080	\$2,634	\$3,375
Monthly Utility Costs	\$221	\$232	\$274	\$316
Annual Costs	\$26,652	\$27,744	\$34,893	\$44,292
Required Income	\$88,840	\$92,480	\$116,310	\$147,640
Assumed Household Size	1	2	3	4
Affordability Level	Middle Income	Middle Income	Middle Income	Above Middle

Sources: CoStar, 2024; City of Bainbridge Island; Strategic Economics, 2024.

Market-Rate Townhome/Duplex Affordability Calculation

	1 Bedroom	2 Bedroom	3 Bedroom
Square Feet	800	1,450	1,975
Assumed HH Size	2	3	4
Sale Price	\$420,000	\$725,000	\$948,000
Assumed Downpayment	\$84,000	\$145,000	\$189,600
Mortgage Payment	\$1,856	\$3,205	\$4,190
Monthly Expenses			
Utilities (c)	\$251	\$297	\$344
HOA Dues (d)	\$309	\$560	\$763
Property Taxes (e)	\$344	\$594	\$776
Hazard and Casualty Insurance (g)	\$99	\$170	\$223
Total Monthly Cost	\$2,859	\$4,825	\$6,296
Required Annual Income	\$114,358	\$193,019	\$251,836
Affordability Level	Above Middle	Above Middle	Above Middle

Sources: Redfin, 2024; City of Bainbridge Island, 2023; Freddie Mac, 2024; Zillow, 2024; Kitsap County, 2023; QuoteWizard, 2023; Strategic Economics, 2024.

Ownership Housing Assumptions

	Assumption (for model)	Basis	Sources & Notes
Loan Type	Conventional		
Down Payment	20%	Sales Price	Standard Assumption
Loan-To-Value (LTV) Ratio	80%	Sales Price	Standard Assumption
Interest Rate (Annual)	6.63%		Freddie Mac Current 30-Yr FRM
Term of Loan (Years)	30		
Homeowner Association Dues (Monthly, Townhomes)	\$0.39	per square foot	Based on Redfin averages, Townhomes & condos, Bainbridge Island
Property Tax Rate (Annual)	0.98%	Sales Price	Kistap County, Property Taxes 101
			Based on QuoteWizard article that found that \$934 was the annual laverage for a home that costs \$275k to build
Homeowner's Insurance	0.35%	Of cost of dwelling	

Winslow Subarea Plan *City of Bainbridge Island* Housing Levy Analysis

May 10th, 2024

Agenda

- Context And Enabling Legislation for a Housing Levy on Bainbridge Island
- Housing Levy Case Studies
- Potential Results of a Bainbridge Island Housing Levy
- Key Findings

Why Consider a Housing Levy for Bainbridge Island

- Bainbridge Island has significant housing affordability challenges.
- The alternatives analysis for Winslow indicates that without a housing levy, production (in Winslow alone) is highly unlikely to meet citywide affordable housing targets
- Adopting a housing levy was identified as one of the most effective tools for providing affordable housing in the HAP
 - A housing levy has the potential to create significant public funds for investing in new affordable housing and retaining affordability for existing households

State Housing Levy Enabling Legislation

- Cities can levy a maximum of \$0.50 per \$1,000 AV
 1. Initial term can be a maximum of 10 years
 2. Can be renewed with subsequent ballot proposition
- Adoption Procedure:
 1. Declare a low/very low-income housing emergency
 2. Create housing levy finance & administration plan
 3. Pass ballot proposition with majority of voters

Housing levies must specifically target low-income housing needs

- Funds must be used to support housing affordability for extremely low, very low-, or low-income households (80% AMI or below)
- Eligible Uses:
 - Finance affordable housing | very low-income households
 - Affordable homeownership | low-income households
 - Owner-occupied home repair grants | low-income households
 - Foreclosure prevention loan programs | low-income households

Source: Washington State Code, Section RCW 84.52.105

Note: Some cities have used funds for uses not explicitly mentioned, such as rental assistance/eviction prevention and wage stabilization for workers in low-income housing buildings.

Housing Levy Case Studies

Overview of Case Studies

- Identified three cities with existing property tax housing levies
 - Analyzed iterations of those levies passed or renewed in last ten years:
 - Bellingham: 2019 (first enacted in 2012)
 - Seattle: 2016 & 2024 (first enacted in 1986)
 - Vancouver: 2016 & 2024 (first enacted in 2016)
- Reviewed levy amount, and uses of funds
- No other Washington cities with property tax-based housing levies were identified.
 - Identified two cities with sales tax-based housing levies, but did not include in the analysis: Olympia and Tacoma

Common Themes from All Three Levies

- Bellingham, Seattle, and Vancouver levies support similar goals:
 - Increase affordable housing supply
 - Address & prevent homelessness
 - Preserve existing housing
 - Promote equity and housing choice
- This revenue is not used as a sole subsidy source for production of affordable housing.
 - All three cities state that funds should be deployed efficiently, by **leveraging City investments with other funding sources**

Implementation Findings from the Case Studies

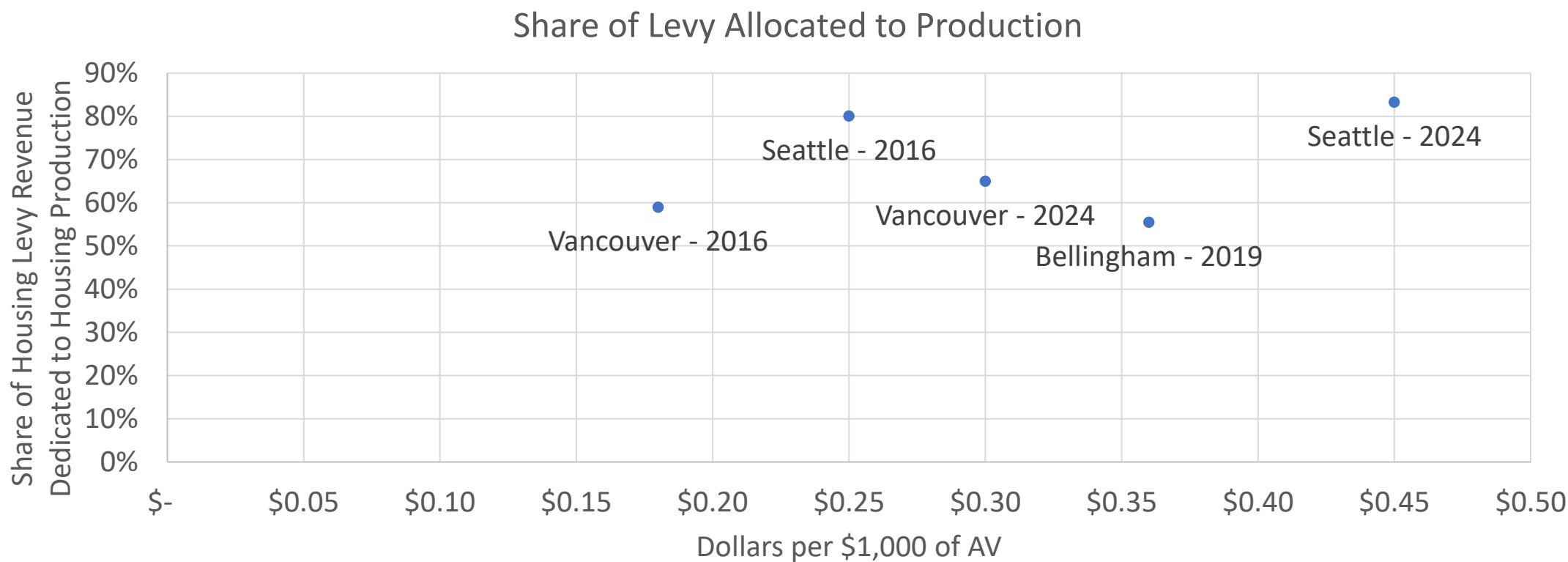
- Recent levy amounts have averaged around \$0.30 per \$1,000 AV
- Housing finance plans can be very flexible, but cities typically dedicate 60 to 80 percent of funds to new production
- Cities use levies as a local funding source to leverage state or federal funding (CDBG, LIHTC, etc.)
- Most cities renew their levies with a new ballot measure every seven to ten years and adjust the levy amount when renewals occur.

Of the five past or present levies analyzed, the average levy was ~\$0.30 per \$1,000 of AV

- Seattle
 - Current levy: \$0.45 per \$1,000 | 7 year term
 - Previous levy: \$0.25 per \$1,000 for 7 years
- Vancouver
 - Current levy: \$0.30 per \$1,000 for 10 years
 - Previous levy: \$0.18 per \$1,000 for 7 years
- Bellingham
 - Current levy: \$0.36 per \$1,000 for 10 years

Sources: Cities of Bellingham; Seattle; and Vancouver, WA, 2024.

Among these levies, share dedicated to affordable production ranged from 55% to 85%



Sources: Cities of Bellingham; Seattle; and Vancouver, WA, 2024.

Note: Actual collection rates may vary annually. For example, Bellingham appears to target \$4 million per year and varies assessment rates accordingly.

How Levy Funds are Leveraged to Produce Units

- Leverage examples:
 - Low Income Housing Tax Credits (Washington State Housing Finance Commission); Washington State Housing Trust Fund; HOME funds; MFTE
- Average local funding share for LIHTC projects statewide: 6% of total development costs
 - However: leverage in affordable housing projects can vary significantly based on funding source and the project's overall competitiveness
- Cities may be willing to provide more than 6%, but prefer to keep local funding shares as low as possible
 - Bellingham indicates that local funding share is typically no more than 25%.

Potential Results of a Bainbridge Island Housing Levy

Bainbridge Island Housing Levy Analysis

Methodology Overview

- Purpose:
 - Estimate how much money could be raised from a housing levy
 - Estimate how many affordable housing units could be subsidized, using varying assumptions about subsidy amounts
- Steps:
 - Identify current total assessed value of taxable properties in Bainbridge Island
 - Estimate annual funds raised using a moderate levy rate
 - Estimate share of funds dedicated to new housing production
 - Estimate total units theoretically funded – based on range of development costs accounted for by levy revenue

Housing Levy Assumptions – Assessed Value

- Baseline Year Total Taxable Value ~ **\$10,000,000,000**
 - Source: City of Bainbridge Island, 2022, Annual Comprehensive Financial Report
- Levy Amount - **\$0.30 per \$1,000 of assessed value**
 - Based on average levy amount among five current and immediate past levies in Bellingham, Seattle, and Vancouver, WA - \$0.31.
 - This total is conservative compared to the average levies that are currently in place.

A housing levy in Bainbridge Island could raise approximately \$3 million annually

	Amount
Approximate Revenue Generation	
2022 Total Assessed Value of Bainbridge Island Taxable Properties	~\$10,000,000,000
<u>Levy Amount</u>	<u>0.030%</u>
Annual Funds Raised	\$3,000,000

Source: City of Bainbridge Island, 2022 Annual Certified Financial Report. (most recent year available)

Hypothetical Housing Goal: Emphasis on Affordable Housing Production (constructing new units)

- Proportion of Levy Revenue Dedicated to Housing Production – 70%
 - Average revenue share dedicated to production in five current and immediate past levies in Bellingham, Seattle, and Vancouver, WA: 69%.
 - Remaining revenue uses:
 - Down-payment assistance, emergency shelter, rental assistance, home repair, housing worker wage stabilization

Hypothetical Leverage Scenario

- Estimated Bainbridge Affordable Housing Construction Cost per Unit: **\$330,000**
- **Optimistic Assumption:** Leverage rate corresponds to statewide LIHTC average | 6% of costs, or **\$20,000**
- **Conservative Assumption:** City needs to invest more to make funding applications competitive | 12% of costs, or **\$40,000**

	Average Construction Cost per Affordable Unit*	Local Funding Share	Local Funding Needed per Unit
Optimistic Scenario	\$329,556	6%	\$19,773
Conservative Scenario	\$329,556	12%	\$39,547

Source: State of Washington Department of Commerce, 2023, Affordable Housing Cost Data Report; Strategic Economics, 2024.

*Note: Based on average housing costs for LIHTC units in King, Pierce, and Snohomish Counties.

Illustration: Depending on implementation, a levy could create enough funds annually to fund 50-100 affordable units

Considerations

- Assumes there are qualified developers who could develop LIHTC projects
- Funding availability does not guarantee swift construction
- Based on 2022 dollars. Number of units funded may diminish with inflation

Total Annual Levy Revenue		\$3,000,000	
		Funds for New Production	Other Funds
<u>Portion of Levy Revenue</u>		<u>70%</u>	<u>30%</u>
Levy Revenue, by Use		\$2,100,000	\$900,000
Affordable Housing Funding Scenario:		<u>Optimistic</u>	<u>Conservative</u>
<u>Local Funding per Unit</u>		<u>\$20,000</u>	<u>\$40,000</u>
Number of Units for Which Matching Funds Are Created Annually:		105	52.5

Sources: City of Bainbridge Island, 2023; Washington Department of Commerce, 2023. Strategic Economics, 2024.

Achieving Bainbridge Island's House Bill 1220 Affordable Housing Allocations

- Bainbridge Island must produce 1,279 below-moderate income units by 2044
 - The city would need to average 64 units per year for 20 years to meet this
- A housing levy could help Bainbridge Island come substantially closer to achieving these targets, but may require renewal after 10 years to do so
- Actual rates of production would depend on how the levy is implemented and funds are allocated

Key Findings

- **Housing Levy:** provides the most predictable and flexible ongoing revenue source to support affordable housing production
 - Could also support affordable homeownership and renter stabilization
- **Mandatory 10% Inclusionary Housing Policy:** should also be considered as part of the Winslow Subarea Plan Update, but would likely only create around 250 or fewer affordable units over the planning time horizon
 - Based on likely build-out estimates for housing in Winslow by 2044
- **Public land donations** for affordable housing paired with a housing levy would further ensure that Bainbridge Island can meet its housing goals:
 - Reduce barriers for affordable developers in finding available development sites
 - Serve as an additional funding match for leveraging external affordable housing funding



CITY OF
BAINBRIDGE ISLAND

Planning Commission Special Meeting Agenda Bill

MEETING DATE: January 30, 2025

ESTIMATED TIME: 90 Minutes

AGENDA ITEM: Continue discussion on Winslow Subarea Plan

AGENDA CATEGORY: Discussion

PROPOSED BY: Planning &
Community Development

PREVIOUS PLANNING COMMISSION REVIEW DATE(S):

January 23 and January 9, 2025; Summer and Fall 2024, on Winslow Vision Statement, Community Preferences, and Land Use and Transportation Alternatives; Summer and Fall 2024, on Population and Housing Targets and Alternatives.

PREVIOUS COUNCIL REVIEW DATE(S):

Monthly Update to City Council on January 28, 2025. Monthly Updates throughout the Calendar Year 2024 covering Winslow Vision Statement, Alternatives, Analysis, Public Outreach and Comments.

RECOMMENDED MOTION:

I move to make a preliminary recommendation that the Winslow Subarea boundary as proposed by staff to extend the subarea boundary north to follow the sewer service area and to keep Wing Point in the subarea, and I further move to recommend that the boundaries of the zoning districts within the Winslow Subarea shall be as proposed as follows:

SUMMARY:

This special meeting of the Planning Commission will continue the discussions from the January 23, 2025 regular meeting regarding zoning standards and districts for the Winslow Subarea.

A short presentation will be given on housing by Strategic Economics, a subconsultant to LMN Architects..

Planning Commissioners Dienes and Preudhomme will assist the balance of discussions regarding Winslow zoning densities, zoning district boundaries and other features . Maps by Commissioner Deines are attached.

Also included in this packet is a map of the same Draft Preferred Alternative included in the 1/9 and 1/23 Planning Commission packet for reference.

BACKGROUND: The Planning Commission is currently working with staff on a preferred alternative for the Winslow Subarea Plan. Work on the Bainbridge Island Comprehensive Plan will follow.

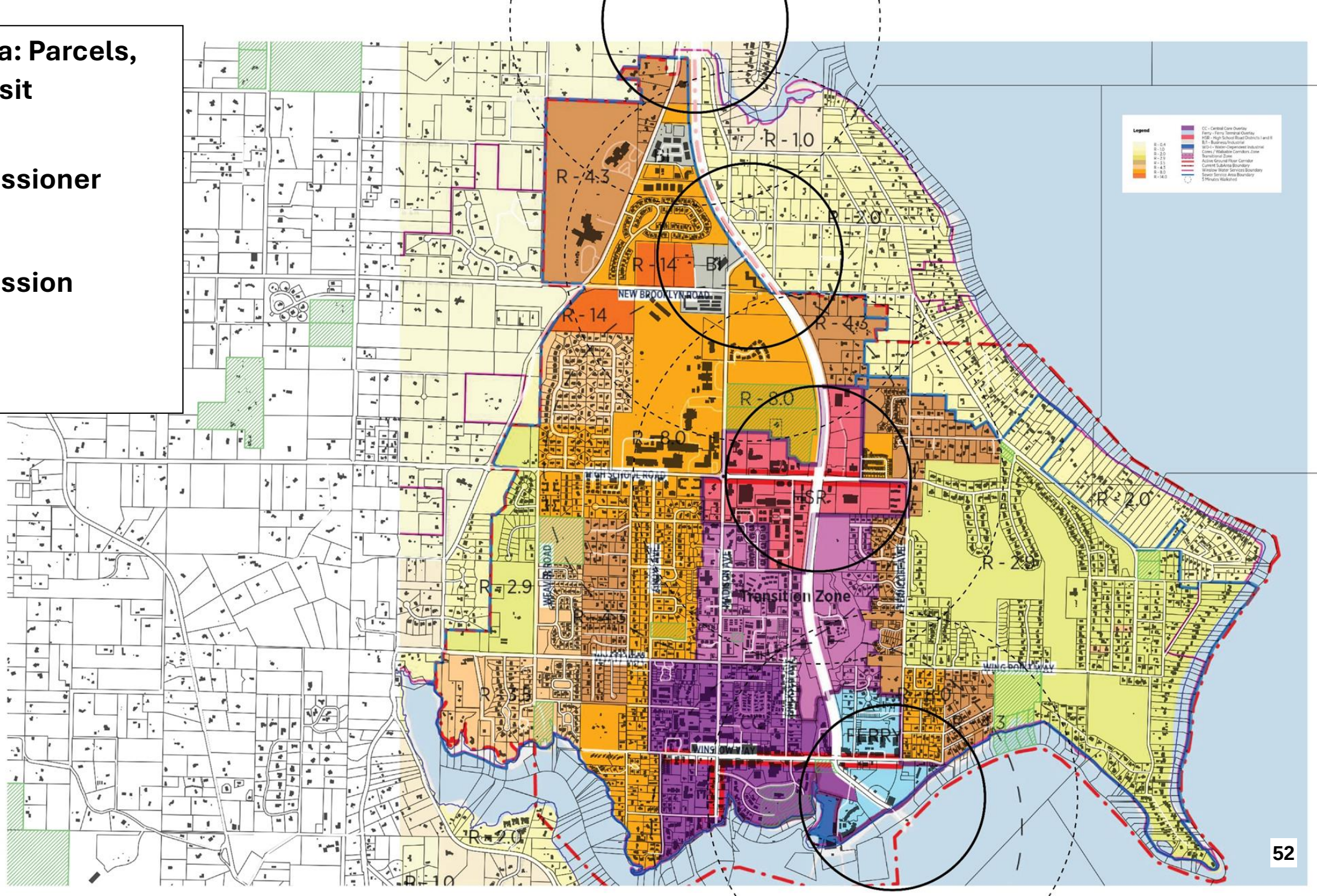
Beginning with the Winslow Subarea, the Planning Commission is reviewing a proposed new boundary of the Winslow Subarea and boundaries of zoning districts within the subarea. Additionally, the Planning Commission is reviewing existing and proposed development standards for the zoning districts within the subarea.

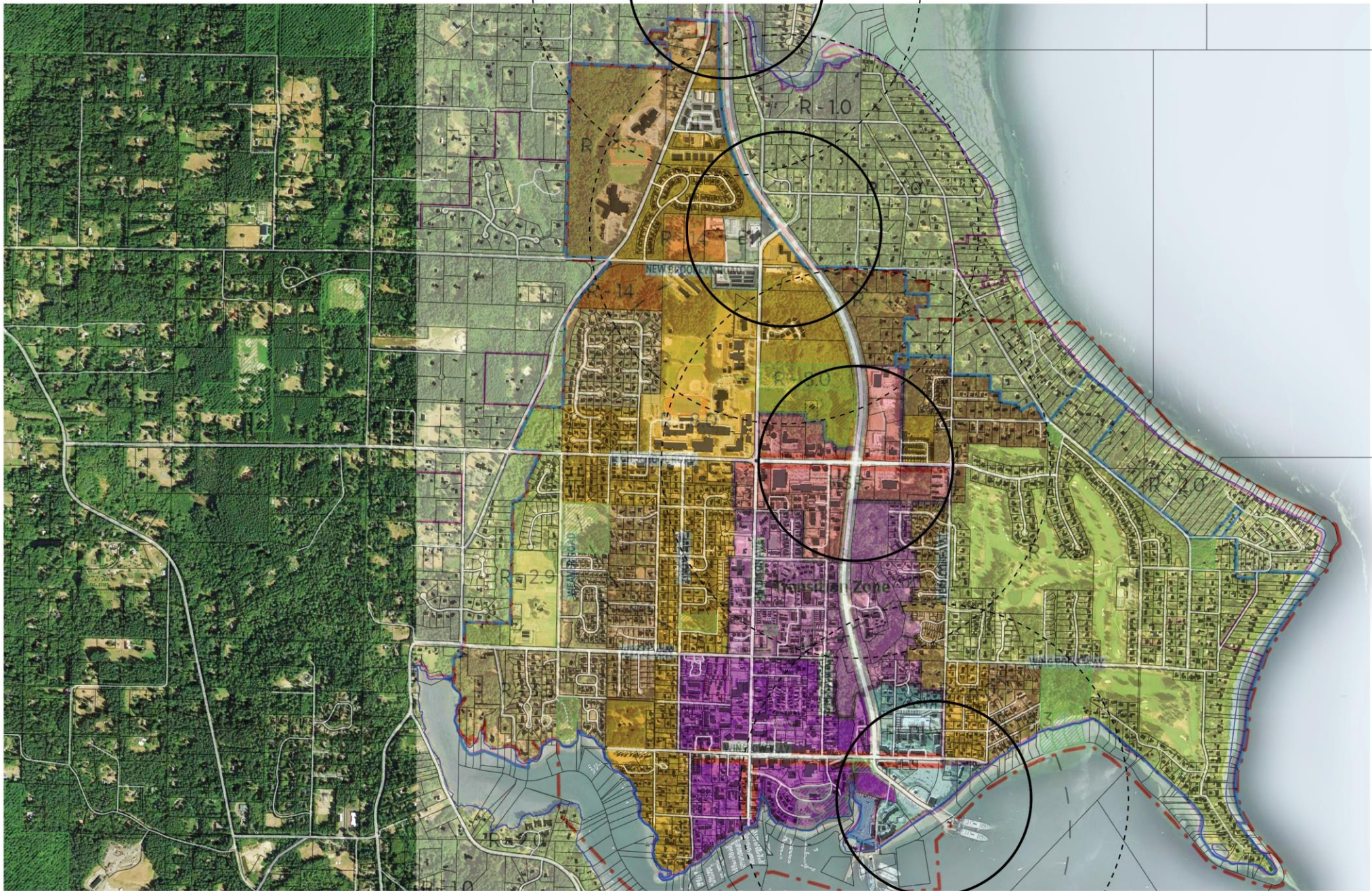
The work on other, non-Winslow topics such as potential minor changes to the Neighborhood Centers and Conservation Area will follow the Winslow-focused work, and are anticipated for Planning Commission consideration in February/March.

ATTACHMENTS:

[Commissioner Deines Winslow Zoning and Transit Map.pdf](#)
[Winslow Geographies 1 30 PC Slides.pdf](#)

**Planning Commission
Special Meeting
January 30, 2025**





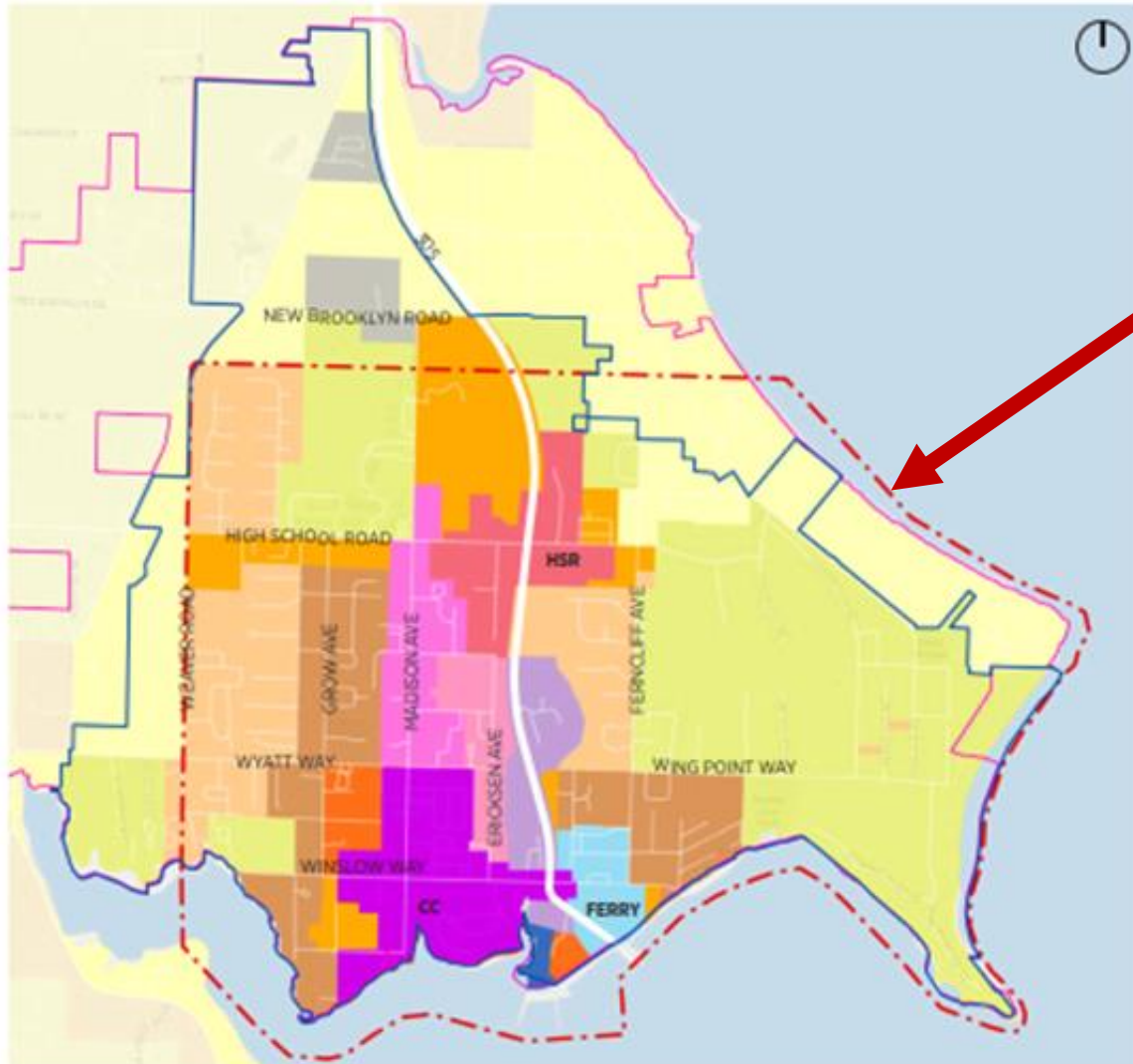


**CITY OF
BAINBRIDGE ISLAND**

Prepared for:
Planning Commission
Regular Meeting

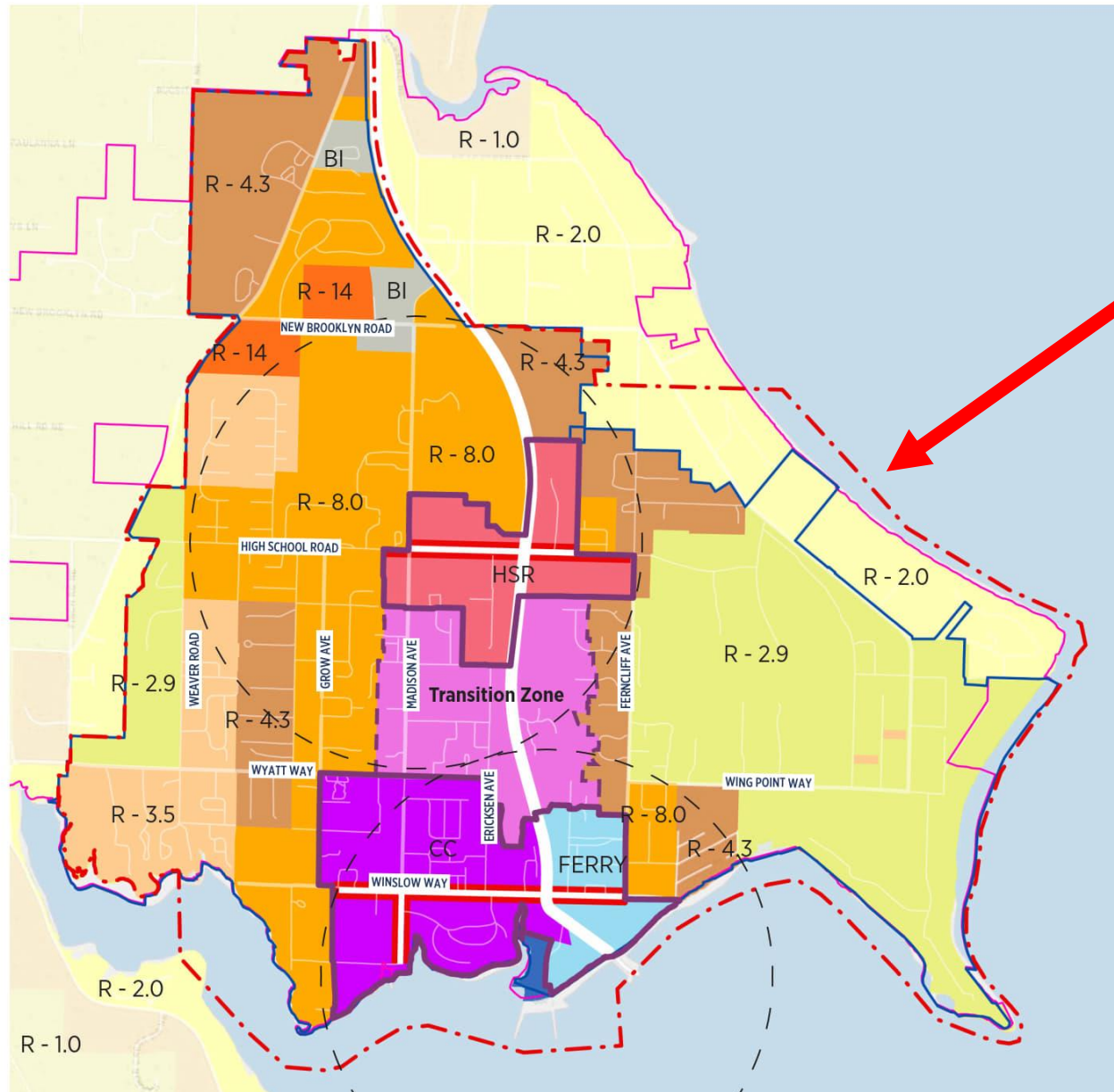
January 30, 2025

Winslow Subarea Boundary and Zoning Districts



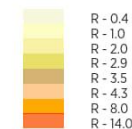
Existing Subarea Boundary & Zoning

DRAFT PREFERRED ALTERNATIVE - WINSLOW SUBAREA AND ZONING DISTRICT BOUNDARIES



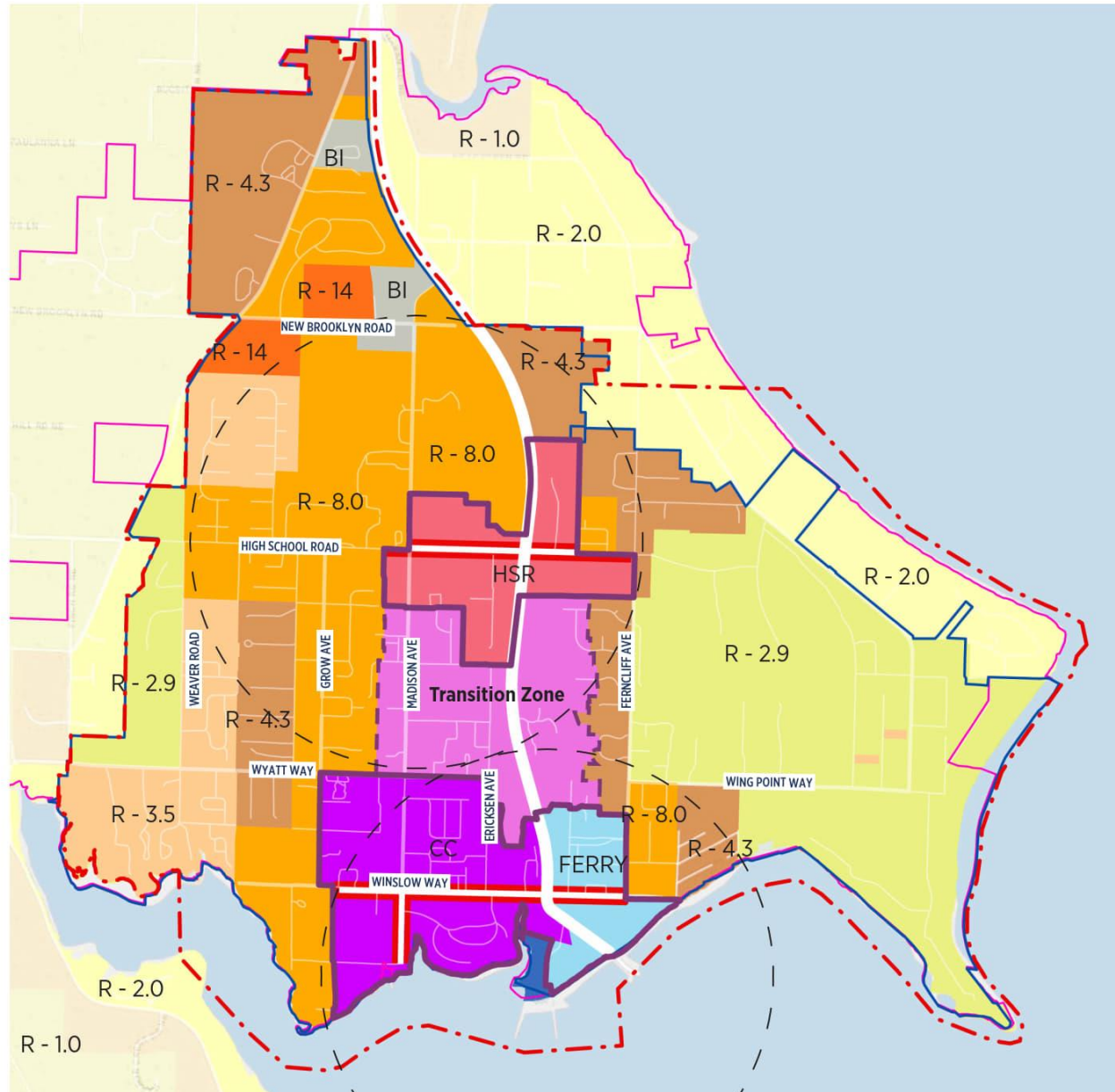
**Proposed
Subarea
Boundary**

Legend

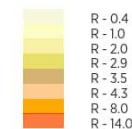


- CC - Central Core Overlay
- Ferry - Ferry Terminal Overlay
- HSR - High School Road Districts I and II
- BI - Business/Industrial
- WD-I - Water-Dependent Industrial
- Cores / Walkable Corridors Zone
- Transitional Zone
- Active Ground Floor Corridor
- Current SubArea Boundary
- Winslow Water Services Boundary
- Sewer Service Area Boundary
- 5 Minutes Walkshed

DRAFT PREFERRED ALTERNATIVE - WINSLOW SUBAREA AND ZONING DISTRICT BOUNDARIES

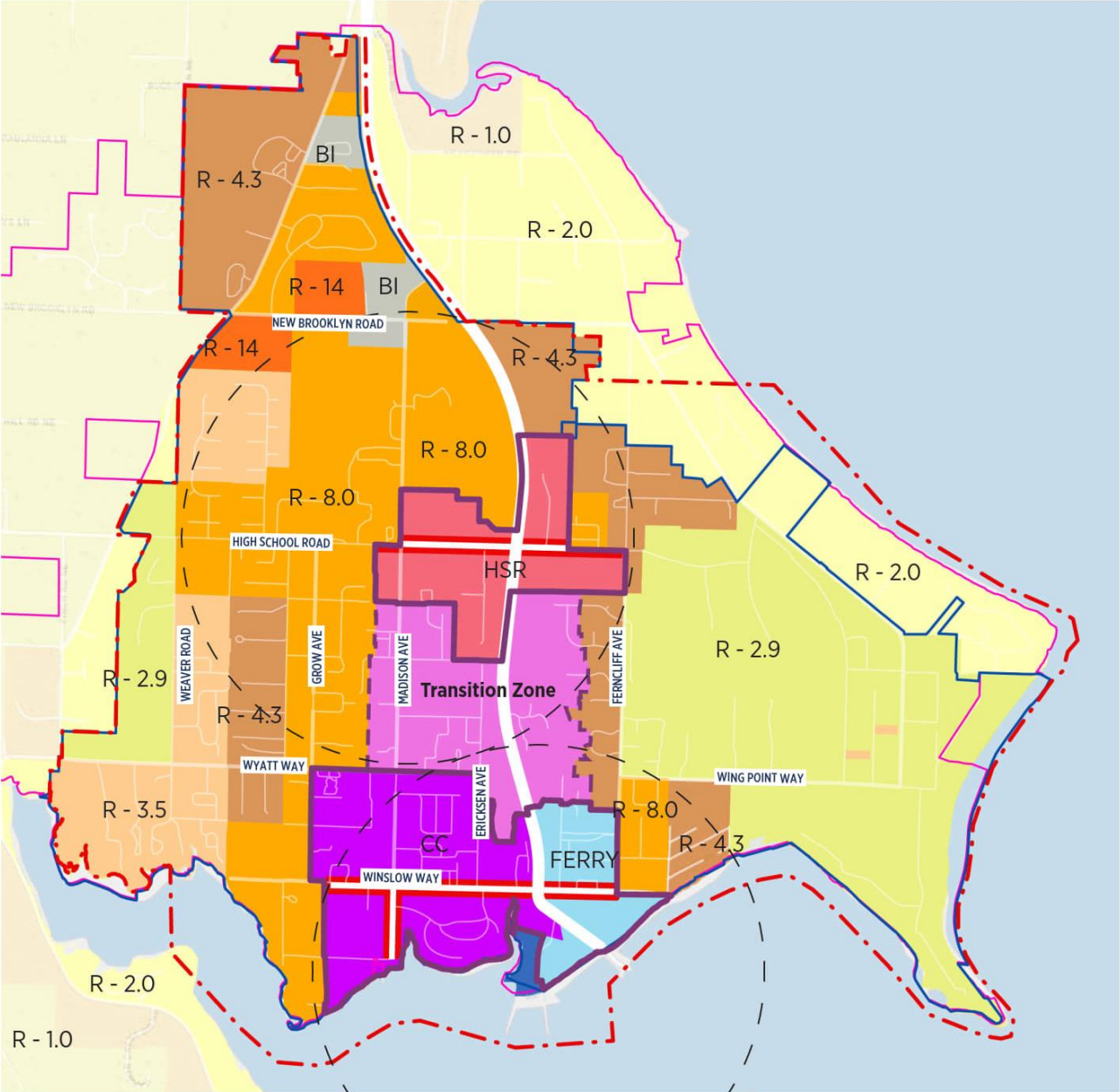


Legend



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- 5 Minutes Walkshed

DRAFT PREFERRED ALTERNATIVE – WINSLOW SUBAREA AND ZONING DISTRICT BOUNDARIES



Alternative 1 (Existing)					
Zones	Core	Ferry	HS	Erick	Mad
Mixed Use Density Floor Area Ratio (FAR)	1.0	0.5	0.3	0.5	0.5
	(base)	(base)	(base)	(base)	(base)
	1.5	1.4	0.9	0.9	1.0
	(max)	(max)	(max)	(max)	(max)
Max. Building Height	45 ft	45 ft	45 ft	35 ft	35 ft
Draft Preferred Alternative					
Mixed Use Density Floor Area Ratio (FAR)	2.0	3.0	2.5	Transition	
				1.2	
Max. Building Height	55 ft	65 ft	65 ft	45 ft	

R - 0.4

R - 1.0

R - 2.0

R - 2.9

R - 3.5

R - 4.3

R - 8.0

R - 14.0

CC - Central Core Overlay

Ferry - Ferry Terminal Overlay

HSR - High School Road Districts I and II

B/I - Business/Industrial

WD-I - Water-Dependent Industrial

Cores / Walkable Corridors Zone

Transitional Zone

Active Ground Floor Corridor

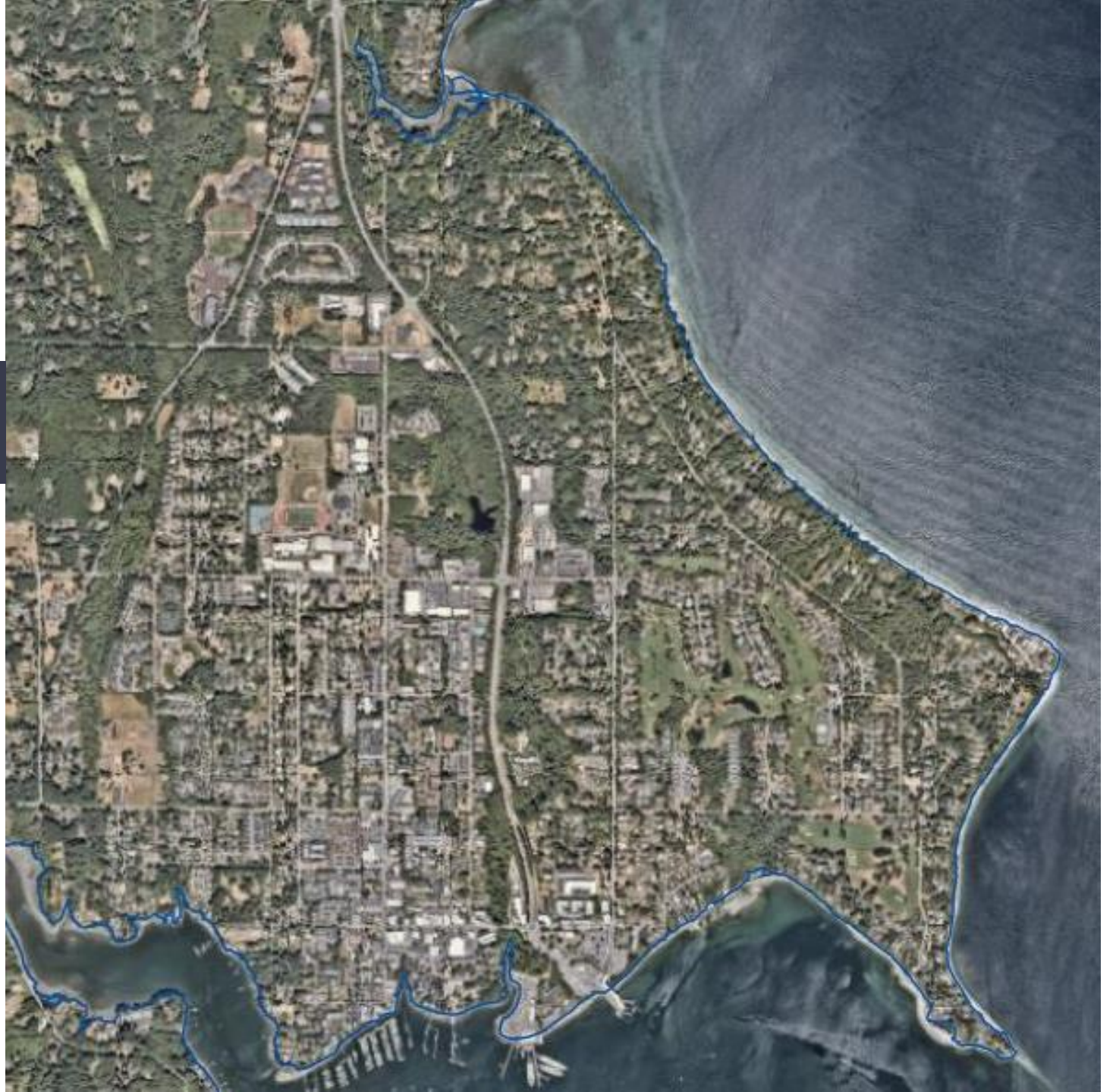
Current SubArea Boundary

Winslow Water Services Boundary

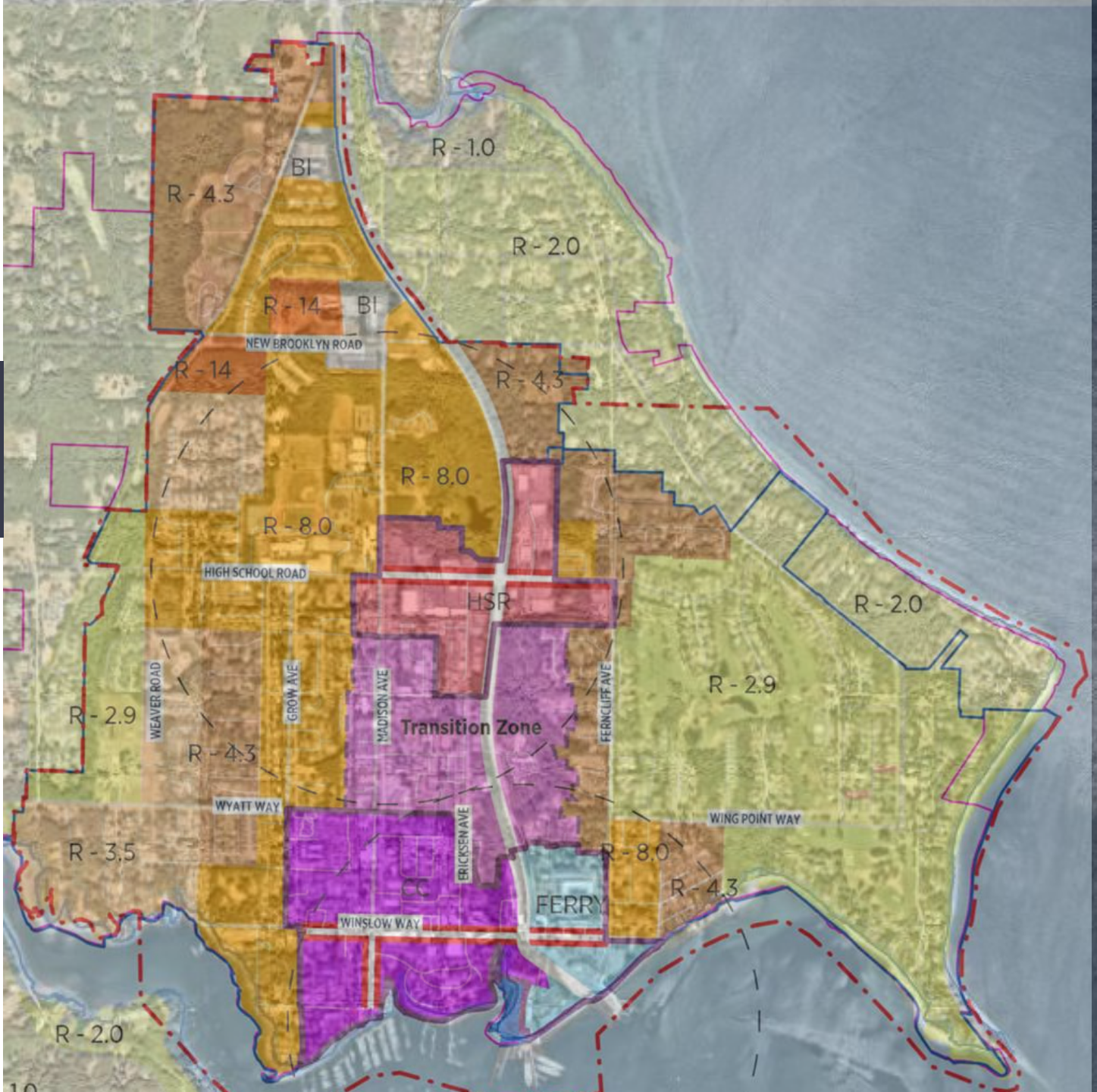
Sewer Service Area Boundary

5 Minutes Walkshed

**2024 AERIAL PHOTO
WINSLOW SUBAREA**



**DRAFT PREFERRED ALTERNATIVE
WINSLOW SUBAREA AND
ZONING DISTRICT BOUNDARIES**



Proposed Preferred Alternative - New Park Zone

