EXHIBIT 14: Administrative Determinations

EXHIBIT 14.a: Lockhart Administrative Determination 1 (P-03-02-26-01)

Docusign Envelope ID: 9B4274EA-75EB-417F-8225-FBB3F33740CA

PLANNING AND ECONOMIC DEVELOPMENT

Administrative Interpretation

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To: Planning and Economic Development Department

From: Heather Wright, AICP

Subject: Administrative Interpretation - Lockhart

Date: March 30, 2026

Question:

The City received a request for an Administrative Determination regarding the interpretation and application of provisions of Poulsbo Municipal Code (PMC) Chapter 18.260 – Planned Residential Development (PRD) in connection with the review of a proposed PRD and Preliminary Subdivision.

The request seeks clarification regarding:

1. Whether PMC 18.260.130 (Submittal Requirements) requires retaining wall construction materials to be identified on submitted civil plans.
2. How PMC 18.260.070 (Planned Residential Development Site Design Criteria) should be interpreted when a PRD is proposed adjacent to an existing subdivision developed under traditional subdivision standards.
3. The relationship between the design consistency requirement in subsection (A) and the screening requirements in subsection (B).
4. The role and authority of City staff, the Planning Commission, and the Hearing Examiner in evaluating compliance with the requirements of PMC 18.260.070.

This interpretation provides clarification on the application of these provisions of the PMC.

The request includes a number of specific questions regarding the interpretation and application of PMC 18.260.070. This administrative interpretation addresses the relevant provisions of the PMC necessary to clarify how the code is applied. The interpretation is not intended to respond to each question individually but rather to clarify the applicable code provisions and the framework under which they are applied. Finally, this administrative interpretation does not constitute a determination regarding whether any specific development proposal satisfies the applicable design criteria.

Background:

Chapter 18.260 of the Poulsbo Municipal Code establishes standards for PRDs. PRDs are intended to provide flexibility in site design while ensuring that development remains compatible with surrounding neighborhoods and consistent with the intent of the Comprehensive Plan and underlying zoning district.

The proposed PRD subdivision would be located on property zoned Residential Low (RL) and shares boundaries with existing residential neighborhoods that were developed under traditional subdivision standards with larger lot sizes.

Clarification has been requested regarding the application of PMC 18.260.070(A), which requires that when a PRD is proposed adjacent to an existing single-family residential zone developed utilizing traditional subdivision standards and lot sizes of 7,500 square feet or greater, the PRD must be designed so as to be consistent with the single-family residential environment at its adjacent perimeter.

Clarifications were also requested regarding whether screening elements such as walls, fences, landscaping, or buffer tracts affect the applicability of the adjacency requirement and whether such screening may substitute for compliance with the design consistency requirement.

Additionally, clarification was requested regarding PMC 18.260.130(E), which requires subdivision or site plans to indicate the location, height, and construction materials of walls and fences.

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Because PRDs involve discretionary review and evaluation of site design, interpretation of these provisions is necessary to clarify how the code is applied during the development review process.

Interpretation:

1. *Submittal Requirements for Retaining Walls*

   PMC 18.260.130, Application Submittal Requirements, states that an application for a Planned Residential Development must contain the submittal requirements identified in the applicable application form. Because a PRD that creates lots also requires preliminary subdivision approval, the application must also meet the applicable preliminary subdivision submittal requirements.

   The preliminary subdivision application materials require that plans identify the location of existing and proposed walls and fences and indicate their height and construction materials. This requirement ensures that the City and reviewing authorities can understand the general location and scale of proposed screening or structural features that may affect adjacent properties.

   At the preliminary subdivision stage, these plans are conceptual in nature and are intended to demonstrate the proposed layout and general characteristics of the development. Detailed engineering design and construction specifications are typically addressed during subsequent phases of project review.

   Accordingly:

   - Preliminary plans must show the location and general characteristics of proposed walls or fences.
   - Final engineering design, structural specifications, and construction details are typically provided during grading permit and civil plan review.

   The purpose of the preliminary subdivision requirement is to ensure that proposed screening and structural features are identified early in the review process so their relationship to surrounding properties and site design can be evaluated. The requirement does not replace the more detailed review that occurs during civil engineering and construction permitting.

2. *Applicability of PMC 18.260.070(A) – Design Consistency Requirement*

   PMC 18.260.070(A) applies when a PRD is proposed adjacent to an existing single-family residential zone which has been developed utilizing traditional city subdivision development standards and lot sizes of 7,500 square feet or larger.

   For purposes of interpreting this provision, the definitions contained within the Poulsbo Municipal Code apply.

   > "Abutting" means contiguous or adjoining with a common boundary line, except that where two or more lots adjoin only at a corner or corners, they shall not be considered as abutting unless the common property line between the two parcels measures eight feet or more in a single direction. The term includes the terms adjacent, adjoining, and contiguous.
   >
   > "Adjacent" means abutting or located directly across a street right-of-way.

   The phrase "adjacent perimeter" refers to the portion of the project boundary where the PRD site is adjacent to an existing subdivision or residential zone. The code does not require that all portions of the PRD perimeter meet the adjacency condition, nor does it require that every individual lot within the PRD be adjacent to the neighboring subdivision. Rather, the requirement applies to the portion of the project perimeter where adjacency exists.

   Based on these definitions, a PRD is considered adjacent to an existing subdivision when the project site shares a common boundary with the subdivision or is located directly across a street right-of-way from the subdivision.

   PMC 18.260.070(A) states that when a PRD is proposed adjacent to such development, the PRD shall be designed so as to be consistent with the single-family residential environment at its adjacent perimeter. The provision further states that the review authority may require the PRD to make provisions such as matching lot sizes, lot widths, or house height and scale (or other provisions as deemed appropriate) for those lots that are located adjacent to the existing subdivision.

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The use of the word "may" indicates that the code provides discretionary authority to the review authority to determine whether such provisions are necessary to address compatibility at the adjacent perimeter. The examples listed in the code are illustrative tools that the review authority may apply where appropriate. The code does not require that any specific design provision be imposed in every case, nor does it establish a prescriptive formula for achieving compatibility.

Accordingly, PMC 18.260.070(A) establishes that when adjacency exists, the PRD must be evaluated for compatibility with the surrounding residential environment, and the review authority retains discretion to determine whether specific design provisions are necessary to address that relationship.

3. *Interpretation of "Single-Family Residential Environment"*

PMC 18.260.070(A) requires that when a PRD is proposed adjacent to an existing single-family residential zone developed utilizing traditional subdivision standards and lot sizes of 7,500 square feet or larger, the PRD shall be designed and developed so as to be consistent with the single-family residential environment at its adjacent perimeter.

The PMC does not provide a specific definition of the term "environment" as used in this provision. In the absence of a defined term, words and phrases are interpreted according to their plain and ordinary meaning within the context of the regulation.

Within the context of PMC 18.260.070(A), the phrase "single-family residential environment" refers to the overall physical and visual character typically associated with a traditional single-family residential neighborhood.

This environment may include characteristics such as:

- Housing type and orientation
- Lot configuration and spacing
- Building scale and massing
- Relationship of structures to adjacent properties
- Streetscape patterns and neighborhood layout
- Landscaping, buffering, and visual transitions between developments

The code does not prescribe specific quantitative thresholds for these characteristics. Instead, the provision establishes a performance-based design standard intended to ensure compatibility between new PRD development and existing single-family neighborhoods at the project perimeter.

Accordingly, the phrase "single-family residential environment" is not limited solely to the presence of single-family detached homes. Rather, it encompasses the broader physical and visual characteristics that contribute to the overall residential character of the surrounding neighborhood.

The evaluation of whether a proposed PRD is consistent with the single-family residential environment at its adjacent perimeter is conducted through the City's development review process and considered by the review authority as part of the project's overall design review.

In addition, the PMC defines "Dwelling, single-family" as *a building containing but one kitchen, except* where *a valid accessory dwelling unit has been approved.*

This definition focuses on the type of residential structure, specifically the presence of a single dwelling unit within a building. The definition does not reference or distinguish between the method by which a lot is created, such as whether the dwelling is located within a traditional subdivision or within a Planned Residential Development.

Accordingly, a single-family dwelling retains the same definition regardless of whether it is located within a subdivision created through traditional subdivision standards or within a PRD. The regulatory mechanism used to create lots or organize a development pattern does not alter the underlying definition of a single-family dwelling.

Therefore, the phrase "single-family residential environment" in PMC 18.260.070(A) should be understood to refer to the broader physical and visual character of a neighborhood composed primarily of single-family dwellings, rather than the specific subdivision process used to create the lots on which those dwellings are located.

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4. *Role of the Review Authority and Application of PMC 18.260.070(A)*

Planned Residential Developments and preliminary subdivisions are reviewed through the City's Type III land use process. Under this process, City planning staff conduct the technical review of the application and prepare a staff report and recommendation addressing compliance with applicable provisions of the PMC. The Hearing Examiner serves as the decision-making authority and issues the final decision on the application.

Accordingly, the determination of whether a proposed PRD satisfies the requirements of PMC 18.260.070(A) is made through the development review process and is ultimately determined by the Hearing Examiner based on the full record, including staff analysis, application materials, and public testimony.

PMC 18.260.070(A) establishes both a mandatory design objective and discretionary authority for the review authority. The first sentence states that when a PRD is proposed adjacent to an existing single-family residential zone developed utilizing traditional subdivision standards and larger lot sizes, the PRD shall be designed and developed so as to be consistent with the single-family residential environment at its adjacent perimeter. The use of the word "shall" establishes a required design standard that must be considered during review of the proposed development.

The second sentence of the subsection states that the review authority may require the PRD to make provisions such as matching lot sizes, lot widths, or house height and scale, or other provisions as deemed appropriate for those lots located adjacent to the existing subdivision. The use of the word "may" indicates that the code provides the review authority with discretion to determine whether such provisions are necessary to address compatibility at the adjacent perimeter.

The examples listed in the code, such as matching lot sizes, lot widths, or house height and scale, are illustrative rather than mandatory requirements. The code authorizes the review authority to require such measures where appropriate but does not require that any particular design provision be imposed in every case.

If the review authority determines that a proposed PRD does not satisfy the applicable decision criteria or development standards of the Poulsbo Municipal Code, the Hearing Examiner retains the authority provided under the City's land use procedures to approve the application, approve the application with conditions, deny the application, or remand the application for additional review or modification, consistent with the applicable procedures and decision criteria of the municipal code.

PMC 18.260.070 also includes additional requirements in subsection (B), which apply in addition to subsection (A) where applicable. Each subsection establishes separate requirements within the PRD design framework. Compliance with one provision does not eliminate the applicability of other provisions unless expressly stated in the code.

Finally, the second sentence of PMC 18.260.070(A) limits the potential design provisions that may be required by the review authority to those lots located adjacent to the existing subdivision, which reflects the purpose of the section to address compatibility at the perimeter where differing development patterns may meet. This provision preserves discretion for the review authority while focusing potential design responses on the portion of the development where adjacency occurs.

5. *Application to the Pinnacle at Liberty Bay PRD*

The Pinnacle at Liberty Bay PRD is currently under review through the City's development review process. As part of that review, the proposed PRD has been evaluated for adjacency to surrounding residential neighborhoods consistent with the definitions and interpretation described above.

Consistent with PMC 18.260.070(A), the review authority retains discretion to determine whether specific design provisions are necessary to ensure compatibility between the proposed development and existing surrounding neighborhoods.

Additional analysis and findings related to the application of PMC 18.260.070(A) to the Pinnacle PRD may be included as part of the project's development review record and decision.

This administrative interpretation clarifies how the applicable provisions of the PMC are interpreted and applied. It does not constitute a determination regarding whether any specific development proposal satisfies the

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applicable design criteria. That determination is made through the City's development review process and ultimately by the Hearing Examiner based on the full record.

6. Relationship Between Subsections (A) and (B)

   PMC 18.260.070(B) establishes requirements for perimeter screening, including fencing, landscaping, or other buffering measures where a PRD abuts existing residential zones.

   Subsection (B) expressly states that these screening provisions apply "in addition to subsection A."

   Because subsection (B) is written as an additional requirement, it does not replace or eliminate the design consistency requirement contained in subsection (A). Instead, screening measures are intended to mitigate visual impacts and provide buffering between developments, while subsection (A) addresses the broader issue of overall neighborhood compatibility and design character.

   Accordingly:

   - Compliance with screening requirements does not substitute for compliance with the design consistency requirement.
   - Screening measures may be used to assist in achieving compatibility but do not independently satisfy the requirement of subsection (A).

Conclusion:

PMC 18.260.130 requires subdivision and PRD plans to identify the location, height, and general characteristics of walls and fences. At the preliminary review stage, plans are conceptual in nature and are intended to demonstrate the general layout and characteristics of the proposed development. Identification of the general location and height of walls or fences is sufficient at this stage, with detailed engineering design and construction specifications typically provided during subsequent grading permit and civil plan review.

PMC 18.260.070(A) establishes a project-level design requirement that when a PRD is proposed adjacent to an existing single-family residential zone developed utilizing traditional subdivision development standards and lot sizes of 7,500 square feet or greater, the PRD must be designed and developed so as to be consistent with the single-family residential environment at its adjacent perimeter. This requirement is triggered when adjacency exists between the PRD site and such development and applies to the portion of the project perimeter where that adjacency occurs. The provision does not require that every individual lot within the PRD be adjacent to the existing subdivision.

PMC 18.260.070(A) further provides the review authority with discretion to determine whether specific design provisions—such as matching lot sizes, lot widths, or house height and scale—are necessary to achieve compatibility at the adjacent perimeter. The examples listed in the code are illustrative measures that may be applied where appropriate and are not mandatory in all cases.

PMC 18.260.070(B) establishes screening requirements that apply in addition to the design consistency requirement in subsection (A). Screening measures such as fencing, landscaping, or buffering are intended to mitigate visual impacts between developments but do not replace or substitute for the design consistency requirement.

Determination of whether a proposed PRD satisfies the applicable provisions of PMC 18.260.070 is made through the City's discretionary development review process. Planning staff conduct the technical review of the application and provide analysis and recommendations, and the Hearing Examiner serves as the decision-making authority who evaluates the full record and determines whether the proposal satisfies the applicable provisions of the Poulsbo Municipal Code.

This administrative interpretation clarifies the meaning and application of the relevant provisions of the Poulsbo Municipal Code and does not constitute a determination regarding whether any specific development proposal satisfies those provisions.

Authority:

PMC 18.300.020 authorizes the Planning Director to make administrative determinations and interpretations regarding the application of provisions of Title 18. Such determinations must be consistent with the spirit and intent of the Poulsbo Municipal Code and the Comprehensive Plan.

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Formal interpretations issued by the Planning Director are maintained by the Planning and Economic Development Department and serve as guidance for the consistent administration of the City's development regulations.

Authority:

The decision is final. This decision may be appealed to the Hearing Examiner within 14 days. The written appeal, appeal fee, and deposit must be received by the PED department no later than 4:30 p.m. on Monday, April 13th, 2026.

Signed by:
Heather Wright
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Heather Wright, AICP, Planning and Economic Development Director

3/30/2026
Date