



Administrative Staff Report

Report Date: 09/21/2023

Application Submittal Date: 09/30/2022

Application Complete Date: 02/13/2023

Project Name: Port Gamble Bay Habitat Restoration Project

Type of Application: Shoreline Substantial Development Permit

Permit Number: 22-04842

Project Location

5205 NE View Drive

Poulsbo, WA 98370

Commissioner District #1 (North)

Assessor's Account

052702-3-004-2008

Applicant/Owner of Record

OPG Port Gamble, LLC

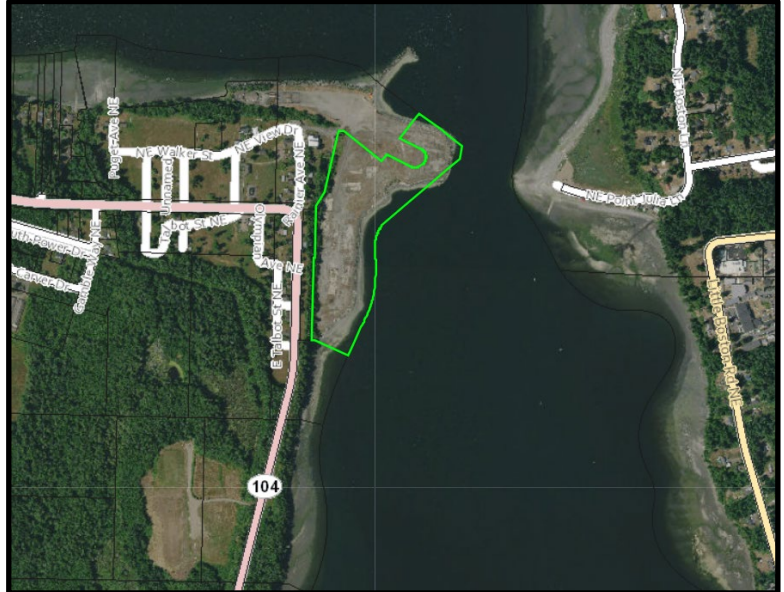
19950 7th Ave. NE STE 200

Poulsbo, WA 98370

Decision Summary

Approved subject to conditions listed under section 13 of this report.

VICINITY MAP



1. Background

The project is being performed as part of a natural resource damage settlement agreement between OPG Port Gamble LLC; Pope Resources, a Delaware Limited Partnership; and OPG Properties LLC (collectively, the Companies) and the Port Gamble S'Klallam Tribe, the Suquamish Tribe, the Skokomish Indian Tribe, the Jamestown S'Klallam Tribe, the Lower Elwha Klallam Tribe, the U.S. Department of the Interior, and the Washington State Department of Ecology (Ecology; collectively, the Natural Resource Trustees). This Project is the outcome of a cooperative effort between the Companies and the Natural Resource Trustees.

2. Project Request

The project proposal includes shoreline restoration along a portion of the Port Gamble Bay and former upland sawmill area (Mill Site), located in Port Gamble, Washington. The project will take place at the Mill Site, owned by Pope Resources, LP/OPG Properties LLC. Restoration activities include three parts: South Mill Site Shoreline Restoration, Western

Bay Nearshore Thin-Layer Sand Cover, and Western Bay Nearshore Eelgrass Transplanting. Overall, the project will restore shoreline processes and enhance habitat for benthos, forage fish, shellfish, and juvenile salmonids in Port Gamble Bay. Following completion of construction, the southern mill site shoreline restoration area will be protected under a natural resource damage conservation easement. To maximize restoration potential, most of the southern mill site shoreline restoration area will not be open to the public.

- **Southern Mill Site Shoreline Restoration.** This 9-acre portion of the project includes laying back intertidal slopes of the southern portion of the former sawmill facility shoreline to restore near-natural beach grades and placing intertidal cap and habitat layers, including a lower 1-foot-thick layer of angular cobble-sized armor, a middle 1-foot-thick layer of rounded cobble/gravel beach substrate, and an upper 1-foot-thick layer of sand/gravel habitat substrate. A habitat feeder berm will also be placed in the beach backshore. Near-surface hardscape will be removed within a 150-foot shoreline buffer, then soil treatments and native plantings will take place.

- **Western Bay Nearshore Thin Layer Sand Cover.** This portion of the project includes placing a sand cover layer over a minimum of 11 acres of lower intertidal to shallow subtidal zones within former log rafting areas in the western Port Gamble Bay to restore benthic habitat functions and concurrently provide suitable substrate in areas where eelgrass is absent or growing at very sparse densities.

- **Western Bay Nearshore Eelgrass Transplanting.** Eelgrass will be transplanted into western Port Gamble Bay areas where there is currently little or no eelgrass, including on and adjacent to the thin layer sand cover.

3. 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 197-11-355, the optional DNS process was utilized for this project. The SEPA Comment period previously occurred concurrent with the Notice of Application dated 02/24/2023. A Determination of Nonsignificance (DNS) was issued on 08/28/2023. SEPA noted this project will be conditioned to meet the requirements of Kitsap County Code Title 12, Stormwater Drainage; Title 17 Zoning, Title 19 Critical Areas Ordinance, and Title 22 Shoreline Master Program.

The SEPA appeal period expired 09/11/2023. No appeals were filed; therefore, the SEPA determination is final.

4. Physical Characteristics

Upland areas were developed through historical fill activities on an existing tidelflat adjacent to the Bay. The surficial fill typically consists of sand and gravel, with locally variable fines content, scattered debris, and woody organics. Portions of the uplands are paved with asphalt or concrete. Underlying the upland fill is a native sand layer of variable thickness. Transition slopes on the shoreline between the uplands and Port Gamble Bay are approximately 30% and are protected from erosion by rock riprap. Bluff slopes adjacent to the former sawmill site are approximately 30% to 50%. Work will also occur within Port Gamble Bay of Hood Canal. The former sawmill site portion of the project site contains little to no vegetation, but the bluff adjacent to the mill site has deciduous and evergreen trees, as well as native and non-native shrubs. The western shoreline thin layer placement and eelgrass planting areas are adjacent to the Port Gamble Forest Heritage Park, which consists mainly of mature deciduous and evergreen trees.

Table 1 - Comprehensive Plan Designation and Zoning

Comprehensive Plan: LAMIRD Zone: Rural Historic Town Waterfront	Standard	Proposed
Minimum Density	NA	NA
Maximum Density	2.5 du/acre	
Minimum Lot Size	NA	NA
Maximum Lot Size	NA	NA
Minimum Lot Width	NA	NA
Minimum Lot Depth	NA	NA
Maximum Height	35 feet	NA
Maximum Impervious Surface Coverage	NA	NA
Maximum Lot Coverage	50%	NA

Staff Comment: Proposal is for ecological restoration. No structures are proposed for removal or addition. Impervious surfaces will be reduced.

Table 2 - Setback for Zoning District

	Standard	Proposed
Front	NA	NA
Side	Per Title 14	NA
Side	Per Title 14	NA
Rear	Per Title 14	NA

Staff Comment: Proposal is for ecological restoration. No structures are proposed for removal of addition. Setbacks do not apply.

Table 3 - Surrounding Land Use and Zoning

Surrounding Property	Land Use	Zoning
North	OPG: waterfront	Rural Historic Town Waterfront
South	OPG: vacant	Rural Historic Town Waterfront
East	Port Gamble Bay	Salt Water
West	OPG: commercial, residential	Rural Historic Town Residential; Rural Historic Town Commercial; Rural Historic Town Waterfront

Table 4 - Public Utilities and Services

	Provider
Water	Kitsap PUD #1
Power	Puget Sound Energy
Sewer	Kitsap County
Police	Kitsap County Sheriff
Fire	Kitsap County Fire District 18
School	North Kitsap School District #400

5. Access

From SR 104, access to the site is achieved by turning onto Rainier Ave NE, a County right-of-way. At the intersection with NE View Drive, a private access road to the right leads down to the industrial yard at the shoreline adjacent to the project site.

6. Site Design

Southern Mill Site Shoreline Restoration. Includes re-sloping/grading of beach and addition of a littoral drift feeder berm at the south end of the project. Restoration of nearshore riparian habitat includes removal of approximately 6,750 cy of surface hardscape over 122,000 square feet (2.79 acres) within the 150-foot wide riparian area, followed by placement of a minimum of 2 feet of clean sand. Soil treatments will include placing 4

inches of compost rototilled into the top 12 inches of clean sandy soil, overlaid with 3 inches of mulch. This includes a total of 22,000 cy of fill placed over an 223,000 square foot (5.3-acre) area. The 150-footwide riparian area will then be planted with a combination of native plants including deciduous or coniferous trees, shrubs, and beachgrass planted between mean higher high water and extreme high water in unamended sand/gravel soils.

Western Bay Thin Layer Placement and Eelgrass Restoration. An average of 6 inches of clean material (11,000 cy, including over-placement allowance) will be placed over a minimum of 11 acres of the western bay nearshore area (within the -2 to -15 feet MLLW elevation range). Approximately 1 year after completion of sand cover, eelgrass planting will begin. Eelgrass will be sourced from local donor beds at the same depths targeted for transplanting (-3 to -6 MLLW). Divers will plant shoots at a density of approximately 70 shoots per square meter.

7. 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.

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

Environment Policy 5. Support projects that increase air quality, reduce carbon emissions, or reduce climate change impacts.

Environment Policy 13. Use the best scientific information available to direct how functions and values of critical areas are preserved or enhanced.

Environment Policy 24. Consider and identify the vital connection between protection of Kitsap County's rural character, environmental essential assets and environmental benefits and economic opportunities.

Policy SH-2. Recognize that nearly all shorelines, even substantially developed or degraded areas, retain important ecological functions.

Policy SH-22. Designate and maintain appropriate areas for protecting and restoring shoreline ecological functions and processes to control pollution and prevent damage to the shoreline environment and/or public health.

Policy SH-39. Encourage and facilitate restoration and enhancement projects for priority habitats and species (Washington Department of Fish and Wildlife, PHS Program).

Policy SH-40. Shoreline ecosystem protection and restoration projects shall be prioritized, located and designed utilizing the most current, accurate and complete scientific and technical information available to promote resiliency of habitats and species.

Policy SH-47. Recognize and protect the statewide interest over local interest.

Policy SH-48. Preserve the natural character of the shoreline.

- a. Administer shoreline environments and regulations to minimize damage to the unique character and ecology of shorelines of statewide significance.
- b. Where natural resources of statewide importance are being diminished over time by human activities, restoration of those resources should be facilitated.
- c. In order to reduce adverse impacts to the environment while accommodating future growth, new intensive development activities should upgrade and redevelop those areas where intensive development already occurs, rather than allowing high-intensity uses to extend into low-intensity use or underdeveloped areas.

Policy SH-49. Result in the long-term over short-term benefit.

- a. Preserve sufficient shorelands and submerged lands to accommodate current and projected demand for economic resources, such as shellfish beds and navigable harbors.
- b. Actions that would convert resources into irreversible uses or detrimentally alter natural conditions that are characteristic of shorelines of statewide significance should be severely limited.
- c. Evaluate the short-term economic gain or convenience of developments in relationship to long-term and potentially costly impairments to the natural environment.
- d. Actively promote aesthetic considerations when contemplating new development, redevelopment of existing facilities, or for the general enhancement of shoreline areas.

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

Code Reference	Subject
Title 12	Storm Water Drainage

Title 17	Zoning
Chapter 18.04	State Environmental Policy Act (SEPA)
Title 19	Critical Areas Ordinance (CAO)
Chapter 21.04	Land Use and Development Procedures
Title 22	Shoreline Master Program (SMP)

8. Documents Consulted in the Analysis

<u>Applicant Submittals</u>	<u>Dated or date stamped</u>
SSDP Application	September 30, 2022
JARPA Supplemental Application	September 30, 2022
JARPA Plan Set	September 30, 2022
Environmental (SEPA) Checklist	September 30, 2022
Photos	September 30, 2022
Project Description	September 30, 2022
Authorization Form	September 30, 2022
NOIC Response Memo	February 6, 2023
Additional Info Memo (Incl. Revised Geological Assessment)	August, 14, 2023
 <u>Staff Communication</u>	 <u>Dated</u>
Dev. Services & Engineering Memo	June 28, 2023

9. Public Outreach and Comments

Public comment began with the joint Notice of Application (NOA) and Notice of SEPA Comment Period, dated 2/24/2023. No project or SEPA comments were received and no SEPA appeals filed.

10. Analysis

a. Planning/Zoning

The proposal takes place within the Port Gamble LAMIRD, zoning Rural Historic Town Waterfront. The proposal is subject to KCC 17.700 Appendix F: *Allowed Uses and Additional Regulations for Parcels Located Within the Boundary of the Port Gamble Redevelopment Plan Approved Pursuant to Section 17.360C.030*. Under this appendix the Parks and Open Space use is permitted in the zone with no additional land use review. There are no development standards applicable to the use and the zone does not have applicable setbacks or landscape buffers. The use will not include public access and no parking is required.

b. Lighting

Not applicable to this proposal.

c. Off-Street Parking

Not applicable to this proposal.

d. Signage

Not applicable to this proposal.

e. Landscaping

Not applicable due to zoning; see Environmental Analysis for planting plan details.

f. Frontage Improvements

Not applicable to this proposal.

g. Design Districts/Requirements

Project is not located within a Design District.

h. Development Engineering/Stormwater

Applicant proposes habitat restoration along Port Gamble Bay with three main elements: Southern Mill Site shoreline restoration, Western Bay nearshore thin layer sand cover, and Western Bay nearshore eelgrass transplanting. The proposal does not include the addition of any impervious surfaces, therefore no permanent stormwater facilities are proposed to be installed.

Development Engineering has reviewed the proposal and finds the concept supportable in its approach to civil site development, with the conditions as provided for in Section 13 of the report.

i. Environmental

The proposal takes place in the Urban Conservancy, Natural and Aquatic Shoreline Environment Designations. There are not development standards in the Kitsap County Shoreline Master Program for "Restoration and Enhancement" development activities, however the Use and Activities Table in KCC 22.600 prescribes a Shoreline Substantial Development Permit. The activities do not qualify for any categorical exemptions for substantial development. This portion of the overall Port Gamble restoration effort are not part of the consent decree and are therefore are also not exempt from local shoreline permitting.

Absent an activity-specific set of standards, the project was reviewed using the General Goals and Policies of KCC 22.300 and General Regulations of KCC 22.400. The project was found to be consistent with the SMP Goals and Policies, Management Policies of each Environment Designation (KCC 22.200) including those for Shorelines of Statewide Significance. The nature of the proposal will improve critical saltwater habitats, enhance shoreline vegetated buffers, improve shoreline buffer area functions, and decrease impervious surfaces within the shoreline jurisdiction.

No FEMA Habitat Assessment was required since the project requires US Army Corps of Engineer Permitting and therefore will have undergone review by US Fish and Wildlife Service and other federal services.

Assessments provided demonstrated there are no wetlands or wetland buffers within the project area (there are more than 300-feet away and across SR 104). Geological Assessments have acknowledged the moderate seismic hazard at the immediate project area, but have concluded that the proposed shoreline re-grading and import material placement will have no adverse impact on erosion and liquefaction susceptibility. In general, reducing the shoreline slope angle and replacement of shoreline fill with coarse, angular fill should improve erosion, slope stability and liquefaction susceptibility along the shoreline.

The proposal is being conditioned to follow the recommendations of the geological assessment, current plans submitted, and compliance with Kitsap Public Health standards for disposal of hardscape and soils. A final planting plan shall be submitted with the associated Site Development Activity Permit.

j. Access, Traffic and Roads

No concerns; Not applicable to this proposal.

k. Fire Safety

No concerns; Not applicable to this proposal.

l. Solid Waste

Not applicable to this proposal. See environmental analysis regarding construction waste disposal for the project.

m. Water/Sewer

Not applicable to this proposal.

n. Kitsap Public Health District

Since the permit application materials were initially submitted on September 30, 2022, additional coordination has taken place with the Kitsap Public Health District that has resulted in slight changes to how materials are disposed of. Near-surface hardscape will be removed throughout the 150-foot shoreline buffer, followed by topsoil placement and native plantings. Hardscape material (asphalt or concrete) that is removed will be processed and disposed of at approved off-site landfills or recycling facilities, as appropriate, and will not be placed on site. Excavated soils will be stockpiled on site for profiling and disposed of as conditioned based on contamination levels. No excavated hardscape material or contaminated soils with concentrations greater than cleanup standards will be placed within the 200-foot shoreline jurisdiction.

11. Review Authority

The Director has review authority for this Shoreline Substantial Development Permit application under KCC, Sections 21.04.100 and 22.500.100. The Kitsap County Commissioners have determined that this application requires review and approval of the Director. The Director may approve, approve with conditions, or deny an Administrative Conditional Use Permit.

12. Findings

1. The proposal is consistent with the Comprehensive Plan.
2. The proposal complies or will comply with requirements of KCC Title 17 and complies with or will comply with all of the other applicable provisions of Kitsap County Code and all other applicable regulations, including all applicable development standards and design guidelines, through the imposed conditions outlined in this report.
3. The proposal is not materially detrimental to existing or future uses or property in the immediate vicinity.
4. The proposal is compatible with and incorporates specific features, conditions, or revisions that ensure it responds appropriately to the existing character, appearance, quality or development, and physical characteristics of the subject property and the immediate vicinity.
5. The applicant the applicant has demonstrated that the proposed development is consistent with the policies and procedures of the Act and this program, as well as criteria in WAC 173-27-150.

13. Decision

Based upon the analysis above and the decision criteria found in KCC 22.500.100, the Department of Community Development recommends that the Shoreline Substantial Development request for Port Gamble Bay Habitat Restoration Project be **approved**, subject to the following 10 conditions:

a. Planning/Zoning

None applicable at this time.

b. Development Engineering

1. The information provided demonstrates this proposal is a Large Project as defined in Kitsap County Code Title 12, and as such will require a Full Drainage Site Development Activity Permit (SDAP) from Development Engineering. (SDAP #22-04870 is being reviewed concurrently)

2. Erosion and sedimentation control shall be designed in accordance with Kitsap County Code Title 12 effective at the time of SDAP application. The submittal documents shall be prepared by a civil engineer licensed in the State of Washington. The fees and submittal requirements shall be in accordance with Kitsap County Code in effect at the time of SDAP application.
3. The application indicates that a significant quantity of grading material will be exported from the site. Prior to issuing the SDAP an approved fill site(s) must be identified.
4. If the project proposal is modified from that shown on the site plan approved for this permit application, Development Services and Engineering will require additional review and potentially new conditions.

c. Environmental

5. Construction activities shall be commenced or, where no construction activities are involved, the use or activity shall be commenced within two years of the effective date of a substantial development permit or shoreline exemption. A single extension for a period not to exceed one year may be authorized based on reasonable factors, if a request for extension has been filed before the expiration date and notice of the proposed extension is given to parties of record on the substantial development permit and to the Department of Ecology.

Authorization to conduct development activities shall terminate five years after the effective date of an SDP. A single extension for a period not to exceed one year may be authorized based on reasonable factors, if a request for extension has been filed before the expiration date and notice of the proposed extension is given to parties of record and to the Department of Ecology.

6. Hardscape material (asphalt or concrete) that is removed will be processed and disposed of at approved off-site landfills or recycling facilities, as appropriate, and will not be placed on site.
7. Excavated soils will be stockpiled on site for profiling and further dewatering and/or "sparging" as needed for disposal at the Model Airplane Field (MAF) limited purpose landfill. Clean soil stockpiles with soil concentrations meeting cleanup standards (e.g., dioxin/furan concentrations less than 12 nanograms per kilogram [ng/kg] toxicity equivalence [TEQ]) will be transferred to an upland placement area behind the riparian zone (landward of the 150-foot shoreline buffer at the base of the bluff); existing hardscape within the upland placement area will be perforated prior to accepting material. Stockpiles with soil concentrations greater than cleanup standards but less than MAF suitability criteria (e.g., dioxin/furan concentrations less than 45 ng/kg TEQ) will be disposed

- at the MAF, if approved by the Kitsap Public Health District. Stockpiles with soil concentration greater than MAF suitability criteria and any other stockpiles not approved by the Kitsap Public Health District for MAF disposal will be disposed of at an approved, off-site commercial landfill. No excavated hardscape material or contaminated soils with concentrations greater than cleanup standards will be placed within the 200-foot shoreline jurisdiction.
8. The project shall follow the Revised Geological Assessment and Revised JARPA figures as presented in the Memorandum Response to Information Request dated 8/14/23.
 9. Provide a final restoration planting plan with Site Development Activity Permit application.
 10. If archaeological resources are uncovered during excavation, developers and property owners must immediately stop work and notify Kitsap County, the Office of Archaeology and Historic Preservation and affected Indian tribes.
- d. Traffic and Roads**
None at this time.
- e. Fire Safety**
None at this time.
- f. Solid Waste**
None at this time.
- g. Kitsap Public Health District**
None at this time; see Environmental conditions.

Report prepared by:



Kathlene Barnhart, Staff Planner / Project Lead

9/18/2023
Date

Report approved by:

Katharine Shaffer

9-19-23

Katharine Shaffer, Supervisor

Date

Attachments:

Attachment A – Shoreline Jurisdiction

Attachment B – Critical Areas

Attachment C – Zoning Map

CC: OPG Port Gamble, LLC, c/o Bob Hunter; bob.hunter@raydient.com

Anchor QEA, c/o Jacquie Ptacek; jptacek@anchorqea.com

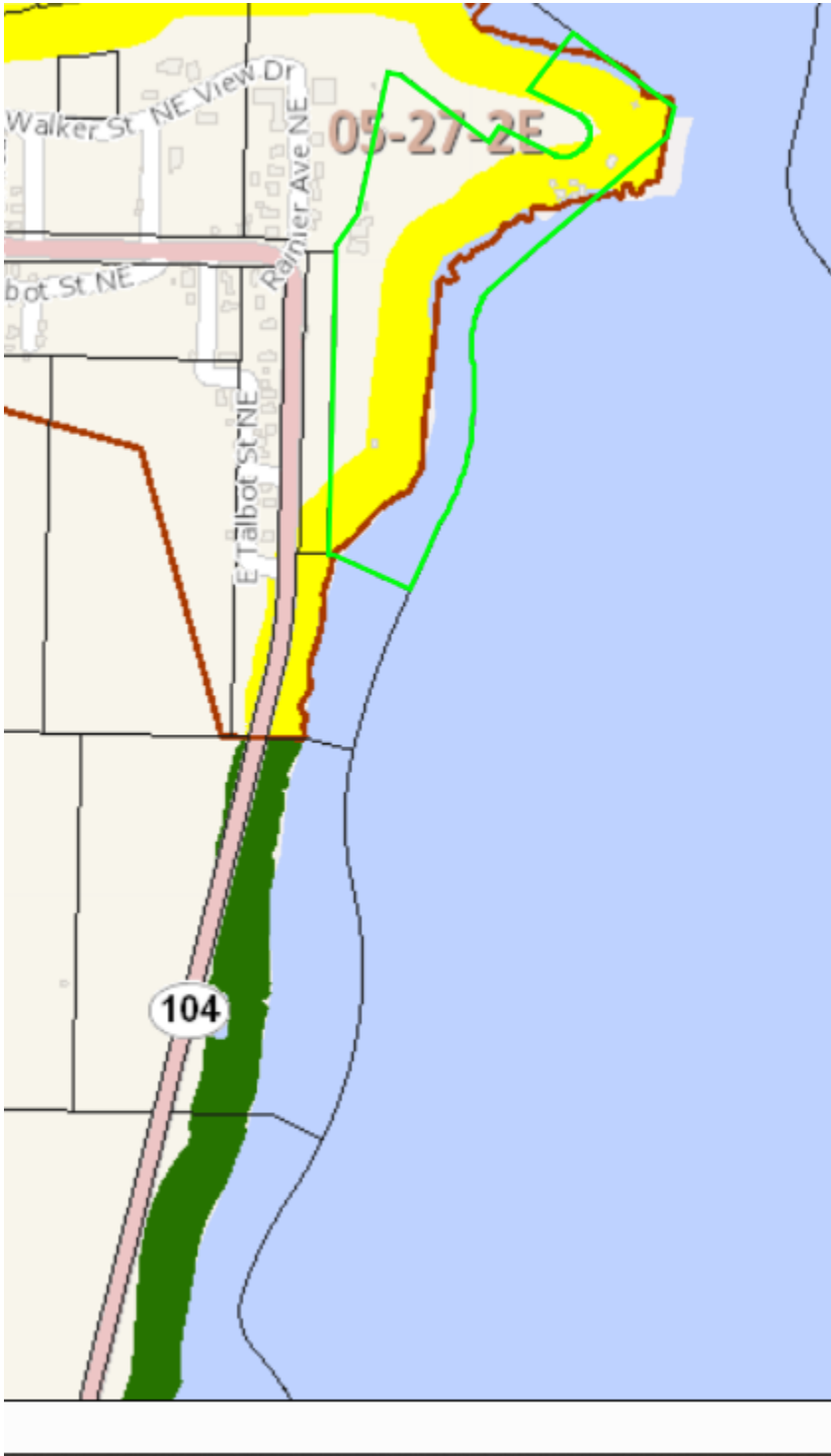
Interested Parties:

Kitsap County Health District, MS-30

Kitsap County Public Works Dept., MS-26

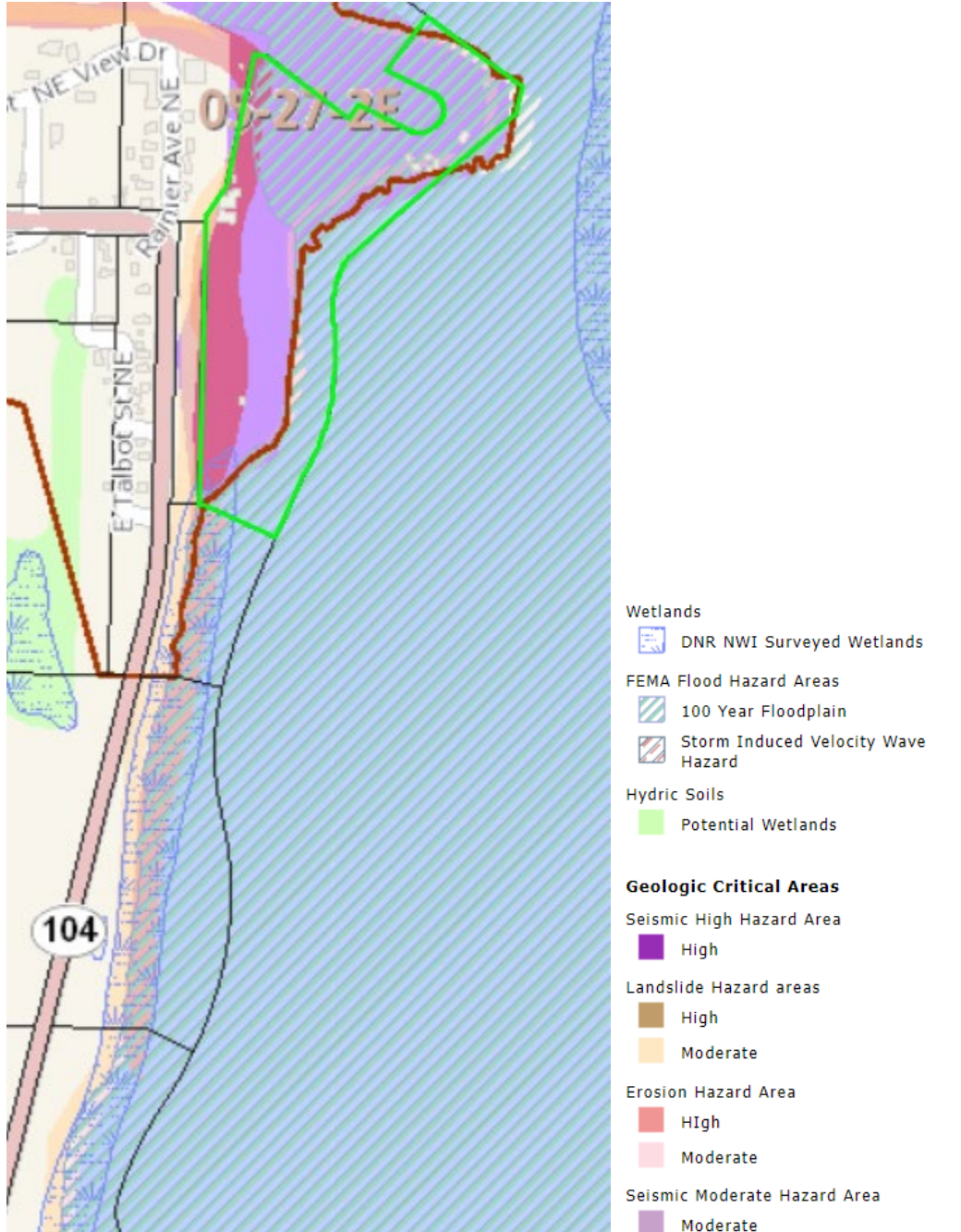
DCD Staff Planner: Cecilia Olsen, Robert Hankins

Attachment A- Shoreline Jurisdiction

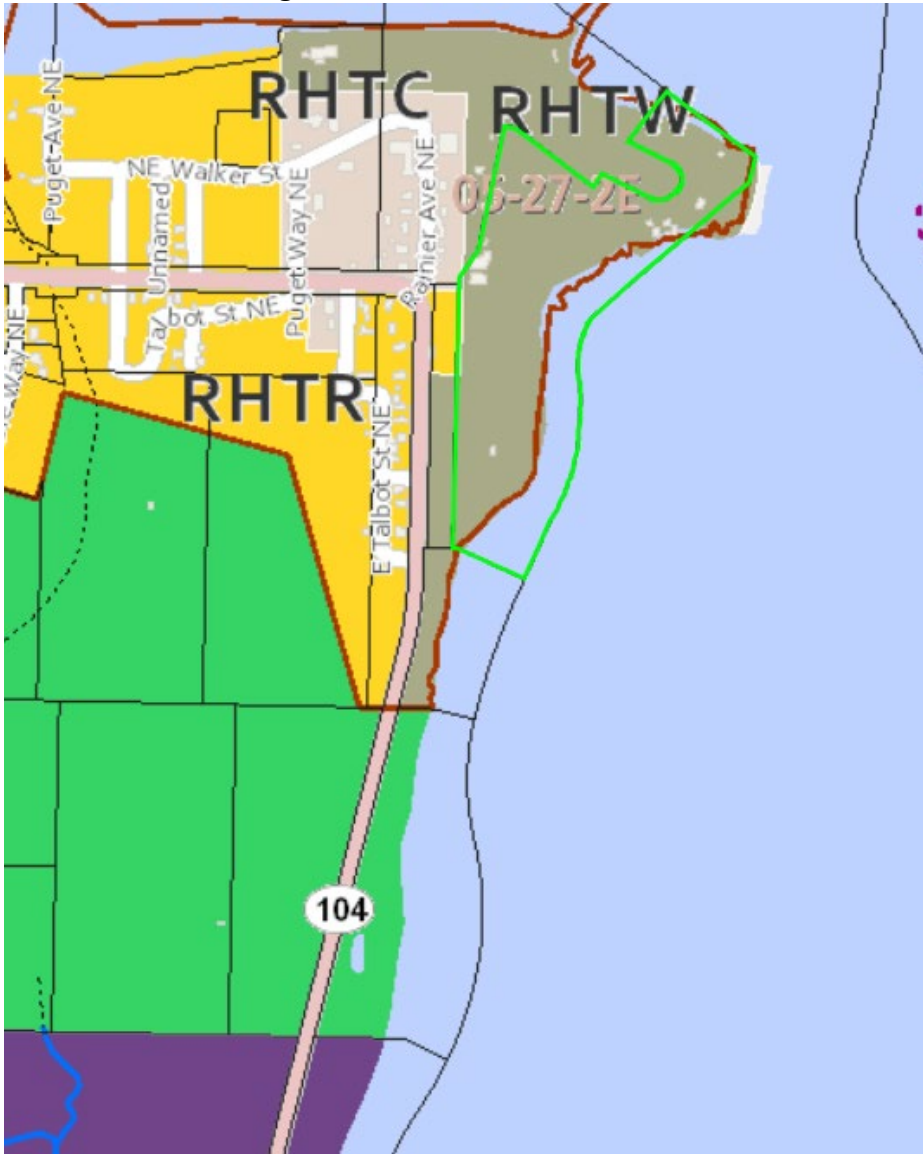


■ Natural ■ Urban Conservancy

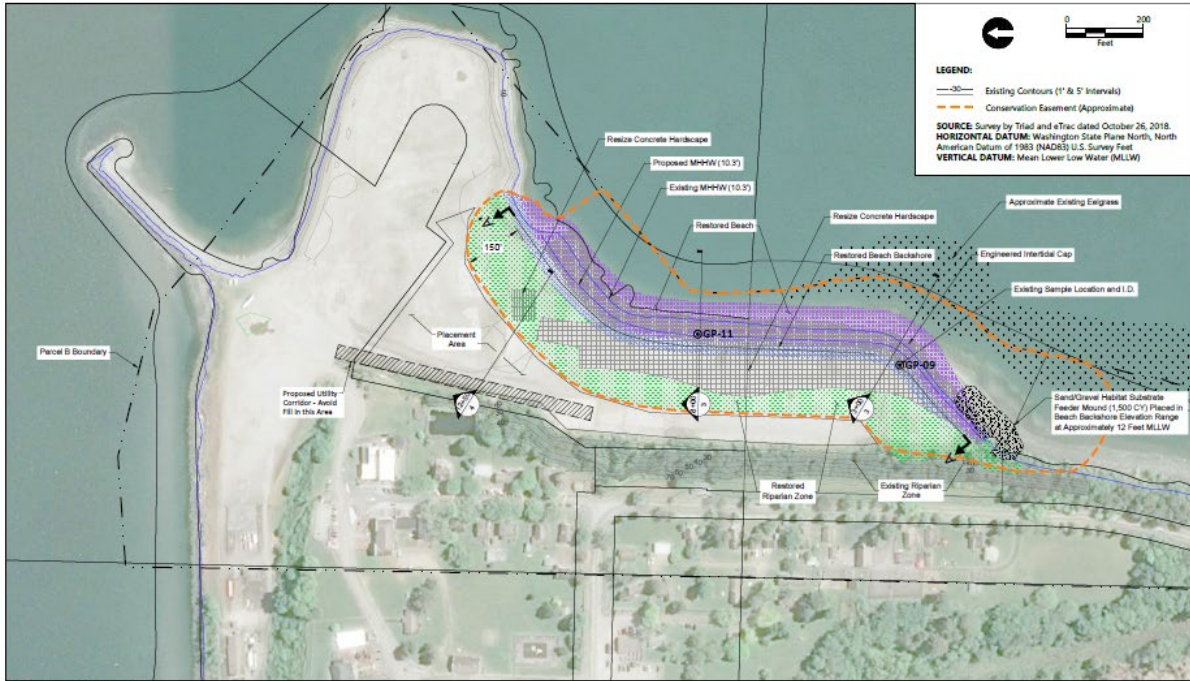
Attachment B- Critical Areas



Attachment C- Zoning



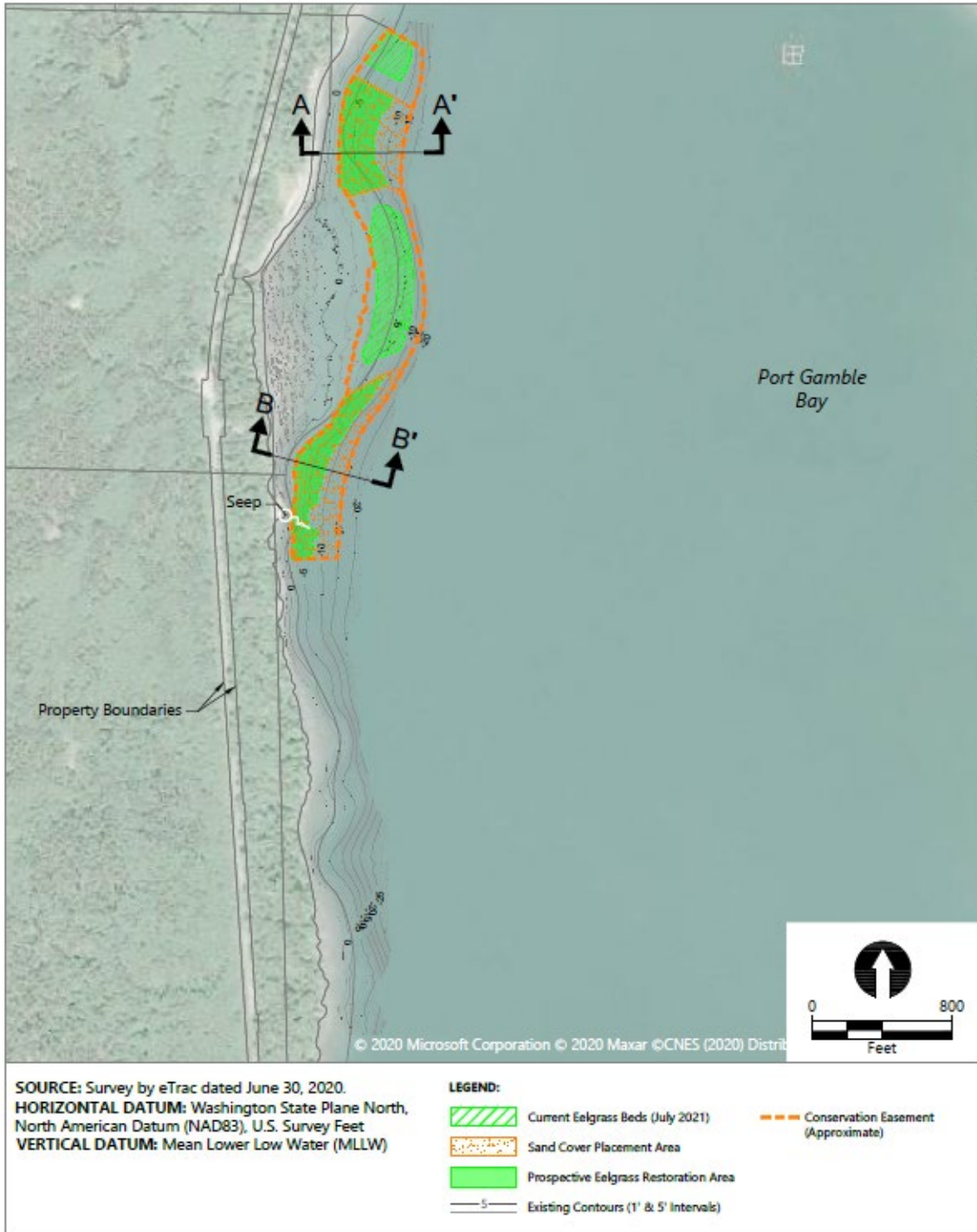
Site Plan



Public Date: 2022/08/17 7:04 AM | User: dthomer
Project: 22-04842-0000 - Port Gamble Bay Habitat Restoration Project Permitting/0000-04-002.dwg Figure 2



Figure 2
Southern Mill Site Shoreline Restoration Plan View
Biological Assessment
Port Gamble Mill Site and Bay Habitat Restoration



Publish Date: 2022/08/17 7:05 AM | User: dholmer
 Filepath: K:\Projects\0388-Pope Resources\NRD Restoration Project Permitting\0388-BA-004.dwg Figure 6



Figure 6
Western Port Gamble Bay Restoration Plan
 Biological Assessment
 Port Gamble Bay Habitat Restoration