



Snohomish County Council

Committee: Planning & Community Development **Analyst:** Ryan Countryman
ECAF: 2021-0692
Proposal: Proposed Motion 21-309 **Date:** September 7, 2021

Consideration

Proposed Motion 21-309 would refer proposed code revisions promoting construction of new “missing middle” housing while also encouraging preservation of existing residential units to the department of Planning and Development Services (PDS) and the Snohomish County Planning Commission. Council staff would work with PDS and other departments as necessary to refine the proposed revisions. Then Council staff would present code revisions similar to Attachment A of this motion to the Planning Commission. The Commission would then hold a public hearing and make a recommendation back to the County Council for further consideration by the Council.

Background

Home price inflation has exceeded income growth for years. The Housing Affordability Taskforce (HART) published a report and five-year action plan in January 2020 that analyses need and identifies lack of medium density housing options. Such options include townhomes and small-lot single family development. A relative lack of these is a contributing factor to the affordability issue. Displacement is another contributing factor. The HART report recommends that jurisdictions “take steps in support of preservation of existing low-income housing by identifying housing at risk of redevelopment” and “working with public or nonprofit partners to purchase housing and thereby decouple it from market pressures.” The HART report does not identify funding mechanisms for such actions. It also does not reconcile the tension between the need to preserve older, more affordable housing stock, with Growth Management Act (GMA) goals of encouraging density and new development within existing urban areas.

Vision 2050, adopted by Puget Sound Regional Council (PSRC) in October 2020, calls for jurisdictions to “Expand housing capacity for moderate density housing to bridge the gap between single-family and more intensive multifamily development and provide opportunities for more affordable ownership and rental housing”. Vision 2050 also calls on

local jurisdictions to “promote and accelerate” production of “housing supply [along with preservation of] market rate and subsidized affordable housing”.

The HART report and Vision 2050 are just two examples of studies or policy directives that agree on the need for development of more housing in middle or moderate densities. Planners and policymakers often refer to these housing types as the “missing middle.” Meanwhile, developable vacant sites in urban areas are rapidly disappearing. Redevelopment of existing, usually older and more affordable, housing has become the norm for new development. This causes displacement of residents from housing undergoing redevelopment. The need to address such displacement is a second area where the HART report and Vision 2050 agree.

No single idea can solve the affordability problem. Solutions that preserve existing housing for affordability reasons alone merely transfer the problem of displacement to other locations allowing redevelopment more freely.

This proposed ordinance would encourage production of more missing middle housing through targeted code amendments allowing higher densities. At the same time, it attempts to reduce the displacement problem by granting a density bonus to new development that preserves existing housing units. Assuming something like this proposal eventually passes, the annual Growth Monitoring Report required by Countywide Planning Policy (CPP) GF-5 could track the effect of the changes on density (which is a proxy for affordability).

Current Proposal

Summary: The motion would refer a proposed ordinance to PDS and the Planning Commission. This would allow the County Council to obtain a recommendation on to proposed changes in regulations related to production of missing middle housing and preservation of existing units.

Effective Date: The referral would take effect at passage of the motion; the request is to receive a recommendation from the Planning Commission by February 28, 2022

Fiscal Implications: The referral of this motion would have no impact

Scope: Movement of a motion to refer proposed code amendments

Handling: NORMAL

Approved-as-to-form: N/A for the motion, TBD for the proposed ordinance

Risk Management: TBD

Executive Recommendation: TBD

Analysis

The proposed ordinance includes findings that cite specific existing policies and reports that support innovations in code. These encourage more development of missing middle housing on one hand and a reduction in displacement by preserving existing housing stock on the other. If enacted, this proposed ordinance would attempt to help achieve both goals. A partial measure of progress would start to appear in the data on development published in the annual Growth Monitoring Reports from PDS as these provisions go into use. The GMR does not regularly track measures other than density and redevelopment, so testing the effectiveness of some of the changes would likely require other more qualitative approaches. The proposed ordinance would make the following substantive changes:

1. Density bonuses would increase for Planned Residential Developments (PRDs) in SCC 30.42B.040 and for Townhouse and Mixed-Townhouse development (SCC 30.23.040(65)). Both types of development currently receive a 20% density bonus. As proposed, both bonuses would increase to 50%. Developments using PRD or and Townhouse or Mixed-Townhouse standards already have stricter design criteria than other residential development types. To illustrate the bonus, a 0.92-acre lot with LDMR zoning could develop with 12 townhomes today. The proposed revisions would increase that number to 15.
2. Existing residential units at least five years old would no longer count against the number of new units allowed in urban areas. This would apply to most types of housing in urban areas. Currently, only applications using the cottage housing provisions in Chapter 30.41G SCC allow a density bonus for retaining units. Picture a 0.66-acre lot with R-7,200 zoning that can subdivide into a maximum of four total lots with Lot Size Averaging (LSA) provisions today. Present standards do not differentiate whether the applicant proposes razing existing house and building four new houses or whether the proposal is to build three new houses next to the existing one. Changes for LSA in SCC 30.23.210 would allow a total of five lots on the 0.66-acre lot, but only if the plan was to retain the existing house. Proposed LSA changes would also apply to developments with R-9,600 and R-8,400 zoning. The draft ordinance proposes similar changes in SCC 30.23.040(4) and (5) for granting density bonuses to development in LDMR and MR zoning that retains existing housing.
3. Bonuses could add together. Return to the 0.92-acre lot with LDMR zoning and suppose that the site had an older house situated where a builder could fit three 5-unit townhouse buildings around it. A project thus designed could have a total of 16 units. (Keeping the existing house would make it a Mixed-Townhouse

Development which, by definition, has a mix of detached homes and attached townhomes in it.)

4. Building design options would increase in R-7,200 zoning. The current height limit in R-7,200 is 30 feet. The only way to build a 3-story building at 30 feet is for the building to have a flat roof. This invites maintenance issues. For flat-roofed buildings, it can be hard to achieve compliance with Chapter 30.23A Urban Residential Design Standards. Hence, most townhomes in R-7,200 are two-stories with pitched roofs. In these, most of the first floor gets devoted to parking. A result is that 2-story townhomes generally only have one or two bedrooms. The proposed ordinance would increase the allowed building height to 35 feet in SCC 30.23.032. This would allow 3-story buildings with pitched roofs. Allowing an additional floor of living space would expand possibilities for more bedrooms, providing more opportunities for larger households.
5. Special building setbacks for buildings taller than 30 feet in R-7,200 zoning become necessary. The fire code has different requirements for buildings taller than 30 feet than those 30 feet or shorter. Allowing 35-foot buildings in R-7,200 means that additional setbacks for the taller buildings become necessary. As with other zones that allow residential buildings above 30 feet, changes proposed in Table 30.23.032 SCC (Urban Residential Zones Bulk Matrix) would provide for differentiated side and rear setbacks based on building height. A new section SCC 30.23.310 would describe exceptions to setbacks. This would include for zero lot line developments and buildings with portions taller than 30 feet that have end units equal or less than 30 feet. In theory, the fire code would allow setbacks for taller buildings in R-7,200 to be less than proposed, see existing allowances for in SCC 30.23.300 for LDMR and MR zoning. However, by proposing somewhat larger setbacks than necessary, the intent is to maintain less overall building massing than these higher density zones while still providing for more design options in R-7,200 than currently exist.

As drafted, the motion requests input from PDS and other departments regarding the changes described above. An affirmative vote on the motion would refer the proposed ordinance to PDS and other departments as necessary for input. Council staff would provide a report on the results of that input to the Planning Commission. This would allow the County Council to receive a recommendation back from the Commission prior to considering further action.

Request

Move to General Legislative Session September 15th for consideration.