

**From:** [Debbie Tarry](#)  
**To:** [Chris Roberts](#)  
**Cc:** [Carolyn Wurdeman](#); [John Norris](#)  
**Subject:** FW: Additional station area questions - Please review and forward to CM Roberts if they are good to go. Thanks  
**Date:** Monday, September 29, 2014 5:26:45 PM  
**Attachments:** [20140904- Att. A- HDC Workforce Housing Toolkit.pdf](#)  
[20140904 SR- 185SSSP- Potential Regulations- final.docx](#)

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Chris –

Here is the other part of your questions.

Debbie Tarry  
City Manager  
City of Shoreline  
17500 Midvale Ave N.  
Shoreline, WA 98133

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**From:** Rachael Markle  
**Sent:** Monday, September 29, 2014 4:37 PM  
**To:** Debbie Tarry; Miranda Redinger  
**Cc:** Carolyn Wurdeman; John Norris  
**Subject:** RE: Additional station area questions - Please review and forward to CM Roberts if they are good to go. Thanks

1) On the basic level, people want projects done and built right. When "bad" projects are allowed to move forward, nobody is happy, especially the surrounding neighbors. What lessons has the City learned from existing projects about the effects of our setbacks, step back requirements and other buffers? Are there ways to consider how a dense development "works" when the project is adjacent to a single family house, even when the underlying zoning might permit a different zone?

The lessons the City has learned from existing projects are largely reflected in the City's Development Code in Subchapter 4 – Commercial Zone Design. We have translated all of the lessons learned into this chapter, more specifically the site and building design chapters. These design standards are being used as the basis for the Station Subarea Plan Development regulations as well. The purpose is to create walkable, attractive, safe, distinctive, economically successful places that reflect the City's vision.

In regards to applying setback and/or step back requirements or other protections between commercial or multi family uses and single family uses (even single family located on a parcel zoned for commercial or multi family use), the City could write regulations that are applicable when adjacent to a particular existing uses. PRO: It will create more "open space" between uses, for the present and future; Potential CON: removes land from the redevelopment equation – perhaps places a constraint on the first development to provide the setback that won't be required for the neighboring development when it is ready to build.

2) fundamentally, one of the reasons to permit additional densities around the light rail station is to allow for a range of housing choices (including price points) within the City. As the

price to own a single-family residence has increased over the past year and rents have similarly seen increases in the region, what options can the City take to ensure that housing remains affordable for all residents and potential residents? I would like to see the City put together a full list of options for developing a robust affordable housing program, especially for people making less than 50% of the King County medium income. Whether it is an affordable housing impact fee or another proposal outside the box, I think we as a City should work on this component of our housing strategy along with the zoning and development code regulations.

We are working on a lot of this with the Planning Commission in concert with the Housing Development Consortium for the 185<sup>th</sup> Street Station Plan & regulations now. Attached is the Planning Commission Staff Report that outlines the tools we are discussing. Some we are doing, some we propose to do in the Station Areas, others will require more development & are appropriate for a Citywide discussion.

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**From:** Debbie Tarry  
**Sent:** Saturday, September 27, 2014 9:22 AM  
**To:** Miranda Redinger  
**Cc:** Rachael Markle; Carolyn Wurdeman; John Norris  
**Subject:** RE: Additional station area questions.

Thanks Miranda – I'll look at this over the weekend and then we can touch base Monday before distributing. I saw Chris Roberts Friday night at the Shoreline Community College event and told him we'd get the response out on Monday and he seemed fine with that.

Debbie Tarry  
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City of Shoreline  
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**From:** Miranda Redinger  
**Sent:** Friday, September 26, 2014 5:13 PM  
**To:** Debbie Tarry  
**Cc:** Rachael Markle; Carolyn Wurdeman; John Norris  
**Subject:** RE: Additional station area questions.

I have pieces of the answer ready, but Rachael may also want to weigh in on other areas that are building 5 over 2, and the question about what lessons the City has learned from existing projects about effects of transition area requirements and dense developments next to single-family.

Mandi has agreed to provide some numbers about potential development capacity if the City were to base zoning solely on LU25 and LU26, and how that compares to the potential zoning scenarios for 145<sup>th</sup>, as well as how development capacity for each growth scenario compares to the other. We already did that math for 185<sup>th</sup> (in preparation for a conversation w/ Will before choosing the Preferred Alternative), but it might take some digging to find it again.

Regarding his question about affordable housing, I have attached an excerpt from the September 4

Planning Commission meeting, which provides a detailed overview of proposed incentives and other mechanisms to promote affordable housing.

Regarding his questions about potential form and density in MUR zones, I have attached the work of Scott Clark, the architect who “ground-truthed” regulations under consideration for the 185<sup>th</sup> Subarea Plan.

We can dial this in on Monday.

Have a great weekend,  
Miranda

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**From:** Chris Roberts  
**Sent:** Thursday, September 25, 2014 2:40 PM  
**To:** Debbie Tarry  
**Cc:** Rachael Markle; Carolyn Wurdeman; Miranda Redinger; John Norris  
**Subject:** Additional station area questions.

Debbie,

Thank you for your update. It was a helpful summary of how we got to this point.

I do want to take a close look at our policies surrounding the station areas and how the proposed scenarios fit within those policies.

**LU25:** Evaluate property within a ½ mile radius of a light rail station for multi-family residential choices (R-18 or greater) that support light rail transit service, non-residential uses, non-motorized transportation improvements, and traffic and parking mitigation.

**LU26:** Evaluate property within a ¼ mile radius of a light rail station for multi-family residential housing choices (R-48 or greater) that support light rail transit service, non-residential uses, non-motorized transportation improvements, and traffic and parking mitigation.

As you mentioned, MUR 85 would allow for 5 over 2 construction, which is not seen in Shoreline and would be higher than other areas of the City. While this height allows for an additional floor over the 5 over 1 construction, do we have a sense if this construction design is currently used in other parts of the region?

MUR 65 or MUR 70 is what is allowed in Town Center as you mention. This is 5 over 1 construction. Although the proposed development code contemplates form based buildings, based on current projects in the City, would the density in those projects meet our existing policies regarding density in the quarter mile radius surrounding the light rail station. I ask because I believe our R zones are based directly on density rather than building height.

I have a similar question about the MUR 45 zone. What would be the projected density in an MUR 45 project? What would be the predominant style of construction permissible in this proposed zone?

As a clarification, the proposed MUR 35 zone would allow for the same heights that currently exist in an R-6 zone but would potentially allow for a different range of permitted uses and densities?

Finally, two other but related questions.

1) On the basic level, people want projects done and built right. When "bad" projects are allowed to move forward, nobody is happy, especially the surrounding neighbors. What lessons has the City learned from existing projects about the effects of our setbacks, step back requirements and other buffers? Are there ways to consider how a dense development "works" when the project is adjacent to a single family house, even when the underlying zoning might permit a different zone?

2) fundamentally, one of the reasons to permit additional densities around the light rail station is to allow for a range of housing choices (including price points) within the City. As the price to own a single-family residence has increased over the past year and rents have similarly seen increases in the region, what options can the City take to ensure that housing remains affordable for all residents and potential residents? I would like to see the City put together a full list of options for developing a robust affordable housing program, especially for people making less than 50% of the King County medium income. Whether it is an affordable housing impact fee or another proposal outside the box, I think we as a City should work on this component of our housing strategy along with the zoning and development code regulations.

Thanks,

Chris


Chris Roberts, Councilmember  
City of Shoreline  
[croberts@shorelinewa.gov](mailto:croberts@shorelinewa.gov)  
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# A WORKFORCE HOUSING TOOLKIT



## Code Flexibility, Incentives & Development Process Tools

Code flexibility and development process tools are generally used to increase housing supply and to promote density, mixed-use neighborhoods, and a diverse housing stock. In some cases, governments may tie code flexibility tools to affordability requirements. Incentive tools make it more cost-effective for developers to build and maintain affordable housing.







<b>Accessory Dwelling Units (ADUs)</b>	Allows small dwelling units to be built on the same lot as a single family home.
<b>Capital Infrastructure Investments</b>	Cities can proactively provide capital infrastructure investments in order to offset costs of development.
 <b>Development Agreements</b>	A contract between a developer and a jurisdiction regulating the development of a given property.
<b>Form-Based Zoning</b>	Focuses on the physical design of development, rather than a more traditional use-based regulation.
<b>Infill Development</b>	The development of vacant land or the redevelopment of existing properties to increase density in already developed urban areas, often times used as part of a planned neighborhood strategy.
<b>Lot Size Averaging</b>	Uses metric of average lot size when measuring against zoned maximum density. Allows for development on smaller lots.
<b>Micro-Housing</b>	The allowance of small apartments, generally between 100 and 300 square feet, which often share amenities such as kitchens.
<b>Minimum Densities</b>	Sets a minimum density for a residentially-zoned area to encourage compact development and the efficient use of infrastructure.
<b>Prefabricated Housing</b>	The allowance of modular, panelized, manufactured, or other prefabricated housing. Prefabricated construction methods are used to decrease the cost and time of development.
<b>No Maximum Density</b>	Eliminates restrictions on dwelling units per acre. Instead, cities may use tools like floor area ratio, height, or setbacks to look at the design of a project, allowing developers to achieve higher density.
<b>Performance Zoning</b>	Uses non-use criteria, such as floor area ratio, to set development requirements, promoting mixed-use development and process efficiency. Cities approve developments using a points system.



Most highly recommended tools

## Code Flexibility, Incentives & Development Process Tools Continued



 <b>Permitting Priority, Streamlining, or Flexibility</b>	Allows permitting priority, streamlining, or leeway for developments that meet a city's housing goals. Assists developers by simplifying or fast-tracking the permitting process.
<b>Planned Unit Development</b>	Allows deviation from zoning criteria within a certain area, promoting more development flexibility, cluster development, and mixed-use neighborhoods.
 <b>Reduced Parking Requirements</b>	Lessens the parking requirements for commercial and/or residential construction, reducing costs.
<b>Separate Rehabilitation Code</b>	Rather than requiring rehabilitation projects to adhere to codes for current new construction, cities could create a separate rehabilitation code for existing buildings, lowering the cost of rehabilitation.
<b>Short Plats</b>	Increases the number of lots allowed in a short subdivision, expediting the plat approval process for individual projects.
<b>TOD Overlays</b>	Creates special zoning regulations around transit to promote density and mixed-use, walkable neighborhoods.
<b>Zero Lot Line Development</b>	Allows for flexible placement of a house on a property lot, maximizing lot space.
 <b>Fee Waivers or Reductions</b>	Reduces or eliminates certain fees associated with development in exchange for providing an affordability benefit.
 <b>Incentive Zoning</b>	Allows a developer a density bonus or other regulatory benefit in exchange for production (or fee-in-lieu) of affordable housing.
 <b>Multifamily Tax Exemption (MFTE)</b>	Property tax exemption for multifamily housing, with WA State requirements that 20% of homes are affordable.
<b>State Environmental Protection Act (SEPA) Categorical Exemption</b>	Relatively small projects are exempt from SEPA review. Jurisdictions can amend the exemption threshold to exempt slightly larger projects.
 <b>Transfer of Development Rights for Affordable Housing (TDR)</b>	Designates affordable housing as a TDR sending area, allowing these sites to sell density credits.

**PLANNING COMMISSION AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** 185<sup>th</sup> Street Station Subarea Plan- Potential Development Code Regulations  
**DEPARTMENT:** Planning & Community Development  
**PRESENTED BY:** Miranda Redinger, Senior Planner, P&CD  
Steve Szafran, AICP, Senior Planner, P&CD  
Paul Cohen, Planning Manager, P&CD  
Rachael Markle, AICP, Director, P&CD

<input type="checkbox"/> Public Hearing	<input type="checkbox"/> Study Session	<input type="checkbox"/> Recommendation Only
<input checked="" type="checkbox"/> Discussion	<input type="checkbox"/> Update	<input type="checkbox"/> Other

**BACKGROUND**

This staff report provides strategies for potential affordable housing and green building code amendments pertaining to the 185<sup>th</sup> Street Station Subarea Plan (185SSSP). These strategies would be in addition to the amendments presented at the August 7 Commission meeting that dealt with dimensional, design, and other core standards for new zoning designations. Strategies contained in this staff report focus on implementing existing goals of the Comprehensive Plan regarding affordable housing and green building practices, which were topics of importance to the public involved in Station Subarea planning process. Some strategies were introduced at the April 3, 2014 Commission meeting where tools to encourage “Housing for All” were discussed.

**AFFORDABLE HOUSING**

Most of these strategies come from King County Housing Development Consortium’s (HDC) “Workforce Housing Toolkit” (Attachment A). The City has implemented or is considering almost all of them, plus a few that are not listed in the Toolkit. Below is the summary of these strategies as existing or proposed Development Code regulations or as City actions outside the Development Code. Strategies listed with an “\*” are considered the most effective by HDC.

**Shoreline’s Existing Code Provisions Applicable to the 185<sup>th</sup> Street Station Subarea**

The following existing code provisions do not require affordable housing, nor have they resulted in any built. They indirectly decrease the cost of development by encouraging more housing units on parcels, which may make housing more affordable to develop, but does not necessarily ensure the units developed are affordable for ownership or rent.

**Approved By:** Project Manager \_\_\_\_\_ Planning Director \_\_\_\_\_

- Accessory Dwelling Units (ADU) - As per Section 20.40.210 of the Shoreline Development Code, ADUs are permitted in all zoning designations, subject to requirements such as maximum square footage, resident ownership, and parking. ADUs may contribute to affordable housing because it infills additional units that are 50% the size of the main residence, thereby possibly creating a more affordable option for adult children or aging parents, or a rental revenue stream for the homeowners, for example.
- Micro-Housing- Is currently allowed (Please see attached Administrative Order for details – Attachment B), but has not been explicitly defined in the Development Code. As per SMC 20.40.160, discussed by the Commission on August 7, micro-housing could offer a housing choice at rents that are more affordable and often include utilities. Because micro-housing relies mainly on small unit size to control price, rather than subsidy or incentive, there would be no monitoring requirement to ensure continued affordability. Micro Housing, also called “Apodments” or residential suites, is still an emerging concept in the Puget Sound area. It will be important for the Commission to discuss this concept in order to determine if it is an appropriate housing choice in the 185<sup>th</sup> Street Station Subarea. Shoreline resident, Liz Poitras provided thought-provoking testimony at the August 25 City Council meeting regarding questions she has about this housing type. Her comments are found in Attachment C.

Questions: Should micro housing be permitted “out right” or require a Conditional Use permit? What design or development aspects if any, should be regulated differently for micro housing in comparison to apartments (max/min unit size, required storage)? How should parking be determined?

- Form-Based Zoning (no maximum density) - As per SMC 20.50.020, City standards for commercial and mixed-use developments have incorporated more form-based design standards, which dictate dimensions like height and parking requirements, rather than a maximum density. Through the subarea planning process, the City is also considering form-based standards for new zoning designations. Proposed new zoning categories of Mixed Use Residential (MUR)-35, -45, and -85 represent a shift from defining residential designations by a density maximum to a height limit. Controlling density limits through the height and bulk of a building makes requiring affordable units more feasible because it can increase the unit count, which decreases per unit construction costs.
- State Environmental Protection Act (SEPA) Categorical Exemption- Adoption of a Planned Action as part of the Environmental Impact Statement (EIS) for the 185<sup>th</sup> Street Station Subarea Plan process means that up to the threshold analyzed in the Final EIS, developers do not need to perform their own SEPA analysis, including traffic modeling. This represents a savings in direct and indirect development costs, such as time and risk of appeal for the developer, which could be used to subsidize affordable units.



- Impact Fee Waivers or Reductions- While developers of market rate housing will be required to pay traffic impact fees under recently adopted SMC Title 12, low income housing provided by a non-profit entity, at a cost not to exceed 30% of the income for a household making 60% of the King County median income adjusted for family size, is exempted from this cost.

### **New Development Code Provisions Proposed through the 185<sup>th</sup> Street Station Subarea Plan**

- Development Agreements\*- SMC 20.30.338 of proposed code amendments discussed by the Commission on August 7 introduced the base requirements for development agreements. Development agreements can be used by the City in accordance with State law currently, but the City has not employed this tool to date. Although specific language is being proposed for development agreements as part of the 185<sup>th</sup> Street Station Subarea Plan, they can be used for developments in other parts of the city (note – this is not a change from current entitlements).

Council, as part of their August 25 decision on the Preferred Alternative zoning scenario for the 185SSSP, chose to analyze School District properties using the Mixed Use Residential- 85 foot height limit (MUR-85) designation rather than Master Use Permit zone (MUP) in the Final EIS. The MUR-85 would be allowed “outright”, but to achieve greater heights and flexibility a developer could apply for a development agreement. Development agreements are a highly effective tool for conditioning projects to provide community amenities like affordable housing in exchange for additional height and density. This process allows consideration of unique, site-specific opportunities. In short, the mechanism for a developer to achieve heights greater than 85 feet (in MUR-85 zones with a minimum lot size) would be to enter into a development agreement and provide some combination of amenities to be defined.

In response to Council direction, staff revised proposed regulations for Commission consideration. Development agreements may also be the best mechanism to promote considerations such as Net Zero buildings and universal design, which fall under the purview of the building code rather than the zoning code. See Attachment D for examples of development agreements from other jurisdictions.

Although we are proposing the use of a development agreement, there are multiple ways to reach the same end. We could create a new permit type such as a Master Use Permit or amend the Master Development Plan permitting processing to include Station Subareas. The “must have” factors regardless of what method we select are: specific criteria to approve the increase in height and flexibility; a public review process; and the list of amenities desired in exchange for the increased development potential.

Question: Does the Commission have a preference as to the method that would be used to achieve increased densities, heights, and development potential in the MUR-85 zones?

The proposed criteria should show how a development addresses identified City and community values by incorporating elements of Vision 2029, Land Use Element policies 20 through 43, Housing Element goals and policies, Natural Environment Element goals and policies, Economic Development Element goals and policies, and Capital Facility Element goals and policies.

Question: Does the proposed criteria in Attachment E for approval of a Development Agreement in MUR-85 zones accurately reflect the Vision and Goals? What additional criteria should be considered? Do we have the right menu of required amenities?

- Incentive Zoning\* - This strategy could be implemented through development agreements by exchanging greater development potential through additional height or density, or reduced parking (for example) in exchange for amenities such as affordable housing. This incentive is currently a proposed code amendment that the Commission discussed on August 7.
- Inclusionary Zoning or Fee-In-Lieu\* - This strategy could be instrumental in creating affordable housing or establishing a Housing Trust Fund. The concept is to require developments of a certain size to include a specific percentage of units affordable to households making a defined percentage of the Area Median Income (AMI) for King County, or to pay a fee-in-lieu of such development, which could be dedicated to a Housing Trust Fund. An additional percentage or more affordability may be negotiated through a development agreement. Some additional staff resources would be necessary to implement and track such a system over time. Attachments F and G are HDC examples from around the country and Washington, and in East King County Cities, respectively.

Questions: Inclusionary- Should a percentage of all multi-family units and mixed use with multiple family units in the MUR-85 zone be required to be affordable? If yes, to what household income level – 60% AMI, 30% AMI or use a sliding scale for incomes 0-60%? What percent of the total units should be required to be affordable – 10%, 20%? Should affordable units be required in any of the other proposed zones?

Fee In Lieu- Should the City consider an option that allows developers to pay a fee in lieu of constructing affordable units? If yes, in which zones should this provision be applied? How should the fee be derived?

- Minimum Densities- As per SMC 20.50.020, discussed by the Commission August 7th, the MUR-85 zoning designation, and possibly MUR-45 and -35 may include minimum densities. The intent is to reserve property closest to the station for the highest density housing options, and also to prevent development of lower density uses in the near term, which would likely be torn down when the

market is ready to build taller buildings, thereby causing the neighborhood to undergo transition multiple times. This helps ensure that there is a healthy supply of housing in close proximity to the light rail station and its associated amenities, which may allow residents to forego the cost of owning a car. People living in proximity to light rail may not be able to be completely car-free, but if station subarea residents could average ownership of one vehicle per household, as opposed to two, it could have a significant impact on family budgets and Shoreline's carbon footprint. Draft minimum density provisions are in the proposed code amendments (Attachment E).

**Question: What are the Commissioners' thoughts on minimum densities? In which zones or geographic areas in the subarea should minimum densities be applied, if at all? What specifically should the minimum density be in each of the MUR zones?**

- Reduced Parking Requirements - In SMC 20.50.400, the City allows reduced parking standards for one bedroom units starting at .75. The ratio can be reduced up to 25% for projects that meet criteria such as proximity to transit. It also allows all affordable housing to have up to a 50% reduction, which could be .37 stalls per unit. Staff is continuing to discuss and revise these standards to create code language that reduces the number of parking spaces required for housing (especially affordable housing) within proximity to light rail, while balancing neighborhood concerns about overflow parking. Staff will provide details about proposed standards at the September 4 meeting.

Generally speaking, parking reductions decrease cost to build housing, which should make units more affordable. Low-income and senior households tend to have lower rates of car ownership, so the argument can be made that reductions for developments serving these populations should not impact parking available in the neighborhood. Some would also argue that parking in general should be reduced near light rail in order to create a transit-supportive community. However, public input to date has shown that there is a broader spectrum of opinions regarding parking than any other topic under consideration, and that overflow parking is a major concern of residents. It is also worth mentioning that there are degrees of "low-income" and "senior" housing, which may have different rates of car ownership. For example, most adults in their 60's and 70's still drive, while those in their 80's and 90's may not.

**Question: Should the City consider reducing required parking "out right" by 25%, 50% or greater within a ¼ mile (or another selected proximity) to the light rail station? Should the existing parking standards and avenues for reductions apply?**

- Transit Oriented Development (TOD)- This strategy creates special zoning regulations around transit to promote density, mixed-use, and walkable neighborhoods. One benefit of TOD is that higher density communities with transit nearby tend to reduce housing and transportation costs for lower income

families. The proposed 185SSSP intends to support the development of a Transit-Oriented Community.

### **City Actions in Addition to the Development Code**

- Capital Infrastructure Investments- One of the components of the 185SSSP will be a list of prioritized capital projects the City may consider initiating to promote and mitigate for redevelopment of the subarea, including transportation and stormwater infrastructure improvements. Goals of the subarea planning process are to not only identify the most significant and necessary projects to undertake, but also to make them competitive for grant funding from a variety of sources. The City's investment in infrastructure to support development in the station subarea correlates to cost savings that would benefit both market-rate and affordable housing developers.
- Education and Communication about Affordable Housing Issues - This strategy has been pursued by the City through forums hosted in conjunction with HDC, the "Housing For All" initiative, and materials created during the light rail station subarea planning process. Education and communication about the local need for and benefits of affordable housing can reduce opposition to individual projects.
- Housing Trust Fund\* - This recommendation is not included in the HDC Toolkit, but this is one way the City could directly contribute to the creation of affordable housing projects. Without a dedicated funding source, such as a fee-in-lieu program (mentioned earlier), it is unlikely that the City would be able to support this through the general fund. Administering a Housing Trust Fund and potentially a fee-in-lieu program to finance it would create on-going staffing needs.
- Property Tax Exemption\* - Using PTE, the City has about 100 affordable units built at 80% of AMI in North City. Attachment H is a sample ordinance defining PTE requirements for the Ridgecrest subarea. Staff will likely include a similar ordinance in conjunction with adoption of the 185SSSP. Recommendations in the Subarea Plan could include a requirement for a certain percentage of units to be affordable to households earning 60% or less of AMI.

**Question: Does the Commission have a preference on the use of PTEs for affordable housing?**

- Surplus Property Agreements\* - This strategy is not included in the HDC Toolkit, but staff believes this may be one the City's best opportunities to promote affordable housing development. Sound Transit will likely acquire property to be used for staging and construction of light rail facilities that will become surplus once the system is operational. Sound Transit's policies include considerations for making agreements with local governments or non-profit housing providers to promote affordable TOD.
- Parcel Assembly\*- This strategy is not included in the HDC Toolkit, but it represents an opportunity to aid in development of affordable housing. Staff

recently met with Enterprise Community Partners. Enterprise is an advocate for affordable housing and lends funds, finances development, manages and builds affordable housing. When asked what would be the most impactful action the City could take in the station areas to support the provision of affordable housing, their advice to Shoreline is to invest in parcel assembly.

**Question: Should parcel assembly be pursued by the City? If so, one option would be to include a policy in the Subarea Plan to investigate this opportunity and potentially establish mechanisms.**

- Separate Rehabilitation Building Code - Rather than requiring rehabilitation projects to adhere to codes for current new construction, the City could adopt a separate rehabilitation code for existing buildings, lowering the cost of rehabilitation. This strategy is better suited for adaptive reuse of older commercial buildings and not single family neighborhoods that are redeveloped into multifamily and commercial buildings. To date, the City has flexed the current building code to allow adaptive reuse projects.

## **GREEN BUILDING**

Some strategies below would require development of model code language to be amended into the Building Code in order for them to be a part of a development agreement. The City Council may amend the Building Code as it pertains to commercial and multi-family buildings, but revisions pertaining to single-family homes require permission at the State level.

- Universal Design - This strategy requires building and unit design that increases the ability for people to “age in place”. This can include design features like wider hallways and doorways, and wiring ground-level garages in multi-story townhomes for plumbing in case they needed to become a living area. However, because these standards are embedded in the Building Code, rather than the Development Code, and pertain to single-family, the City may have limited authority to implement, except through development agreements.

**Question: Should inclusion of a defined percentage of units meeting universal design standards be one of the ways a project in the MUR-85 zone could meet the criteria to obtain a development agreement to achieve increased height/density? Should universal design of a defined percentage of units in the MUR-85 zone (or additional zones) be required without incentive?**

- District Energy and Combined Heat and Power Systems- Innovative systems to capture waste heat or otherwise save energy at neighborhood, block, and building scales will be studied as part of the 145<sup>th</sup> Street Station Subarea Plan. It is possible that information from this effort will translate into capital and building projects in the 185<sup>th</sup> Street Station Subarea.

Question: Should inclusion of innovative “green” community utility systems in a development be one of the ways a project in the MUR-85 zone can meet the criteria to obtain a development agreement to achieve increased height/density?

- Net Zero Buildings and the Living Building Challenge (LBC)- These technologies represent a step beyond green building, where buildings are designed and constructed to generate their own power and/or water, and dispose of their own waste on-site. The Carbon Wedge Analysis, currently being undertaken by the City and Climate Solutions New Energy Cities program will likely recommend that if Shoreline is to meet greenhouse reduction target commitments adopted through the 2013 Climate Action Plan, all new construction should strive to meet Net Zero standards by 2030. A more holistic version of Net Zero is the Living Building Challenge, with the Bullitt Center in Seattle being the best local example. The Challenge is a green building certification program that defines the most advanced measure of sustainability for buildings and landscapes possible today, and is comprised of seven performance categories called Petals: Place, Water, Energy, Health and Happiness, Materials, Equity, and Beauty. Attachment I is Seattle’s code language for the Living Building Challenge pilot program. Staff will continue to research common code barriers to Net Zero or LBC buildings. Net Zero requirements are regulated by the Building Code.

Question: Should meeting some or all Net Zero or the Living Building Challenge standards be one of the ways a project in the MUR-85 zone can meet the criteria for obtaining a development agreement for increased height/density.

- Solarize Program – This strategy promotes installation of photovoltaic systems for power generation and hot-water heating within the city. A strategy that may come out of the Carbon Wedge Analysis is to partner with NW SEED, the Shoreline Community College, NW Mechanical, and Solar Shoreline to promote local resources and increase installation of solar panels. Staff is following the work of cities that are pioneering processes to reduce permitting hurdles and researching funding mechanisms for initiatives like Community Solar Projects.

Question: Should inclusion of photovoltaic panels be one of the ways a project in the MUR-85 zone could meet the criteria to obtain a development agreement to achieve increased height/density? Should solar power serving a defined percentage of units in the MUR-85 zone (or additional zones) be required without incentive?

- Green Modular Housing- A new trend in housing style and building technology is modular units that are engineered and constructed with sustainability and affordability as foundational design principles. They tend to be smaller in size, which means they usually have innovative design solutions for storage, use sustainably-sourced materials, incorporate passive solar lighting, and capture and store stormwater, which means many models are certified as green buildings. Construction of pre-fabricated homes creates much less waste than building on-site, and also reduces time and costs. Many builders have customizable options that could be selected from a base plan, including primary

residences, Accessory Dwelling Units, home offices, etc. This would allow the City to consider pre-approving plans for expedited permitting as an incentive for this housing style. More information about green, modular housing development can be found at:

University of Virginia's ecoMOD program- <http://ecomod.virginia.edu/>;  
GreenPod (local)- <http://www.greenpoddevelopment.com/>;  
Method Homes (local)- <http://methodhomes.net/>.

**Question: Is this a housing type that we should promote in the 185<sup>th</sup> Street Station Subarea? If yes, which zones?**

## **SUMMARY**

To date, City regulations and incentives have done little to promote affordable housing and green building. Many policies in the Comprehensive Plan, Comprehensive Housing Strategy, and the Climate Action Plan call for adoption of meaningful incentives, and public input received to date as part of the light rail station subarea planning process has also included requests for these types of amenities. Yet few of the progressive policies included in these guiding documents have been codified.

The Puget Sound Regional Council identified a risk of displacement as older, more affordable housing is replaced by newer construction. It is important that as the subarea redevelops, inflation does not drive out those who most need affordable options near transit.

There is no "magic bullet" when it comes to addressing affordability issues, which is why the lack of affordable housing is such a rampant problem. However, through working with partner organizations, adopting progressive regulations that create meaningful incentives, and investigating more sophisticated mechanisms related to financing and parcel aggregation, the City could use a combination of tools to make affordable housing development more feasible.

Green building is quickly becoming more cost-competitive with standard construction practices, and as more building professionals become familiar with techniques and technologies become more common, this gap will continue to close, especially considering life-cycle costs and return on investment. If Shoreline is to tout the sustainability and greenhouse reduction benefits of light rail transit service, it is important that new building stock within station subareas also promotes conservation and responsible stewardship of resources.

## **RECOMMENDATION**

Staff recommends that the Commission consider the most effective strategies to promote affordable housing and green building, and make final recommendations to the City Council through Development Code amendments, the 185<sup>th</sup> Street Station Subarea Plan, and Planned Action Ordinance.

## **ATTACHMENTS**

Attachment A: Housing Development Consortium's Workforce Housing Toolkit  
Attachment B: Administrative Order regarding parking for Micro Housing  
Attachment C: Comment letter submitted to Council regarding Micro Housing  
Attachment D: Example Development Agreement Codes  
Attachment E: Proposed Development Code Amendments  
Attachment F: Incentive Zoning: Best practices from around the country and Washington State  
Attachment G: East King County Cities: Incentive Zoning Programs  
Attachment H: Property Tax Exemption Ordinance for Ridgecrest Subarea  
Attachment I: Seattle's Living Building Challenge Pilot Program