



MEMORANDUM

TO: Mayor Roberts and City Councilmembers

FROM: Jessica Simulcik Smith, City Clerk

DATE: February 14, 2017

RE: Documents received at 2/13/17 Council Meeting

CC: Debbie Tarry, City Manager
John Norris, Assistant City Manager

Attached hereto are documents received from the public at your February 13, 2017 City Council Regular Meeting.

- 1) Written comment regarding Ord. No. 767 Development Code Amendments submitted by Randy Bannecker.
- 2) Written comment regarding Ord. No. 771 PTE Program Amendment submitted by Dan Jacoby.
- 3) Written comment regarding Res. No. 404 Public Art Plan submitted by Katie Schielke.
- 4) Written comment regarding implementing a PTE for the 145th St Station Subarea submitted by Yoshiko Saheki.
- 5) Written comment regarding fence height submitted by Dia Dreyer.



January 23, 2017

The Honorable Mayor Roberts
Members of the Council
City of Shoreline
via electronic mail

Copy: Steven Szafran, AICP, Senior Planner
Paul Cohen, Planning Manager
Rachael Markle, AICP, Director

RE: Ordinance No. 767 amending Development Code Sections 20.20, 20.30, 20.40, 20.50, 20.70, 20.100, and Ordinance Nos. 713 and 714 amending Municipal Code Sections 16.10 and 16.20; Amendments 5 and 13.

Dear Mayor Roberts and Members of the City Council:

I am writing on behalf of the 6,300 members of the Seattle King County REALTORS® to encourage your support of the Unit Lot Development (ULD) concept (amendments 5 and 13) in the code update package.

As you know, the lack of housing supply relative to demand in our region has reached crisis proportions and forced home prices to new highs.¹ High prices have locked many people out of the housing market and/or forced them to travel farther from their jobs, in search of a home they can afford. This trend is unacceptable. Not only does it erode an individual's quality of life, it places added burden on our already clogged regional transportation system.

The Unit Lot Development (ULD) concept is innovative and timely. The ULD will enable smaller-scale townhouse, rowhouse, cottage, and single family-attached projects to be built with less cost, less time and less risk. It's a great strategy for quality infill, and, as mentioned above, it comes at a time when new supply is desperately needed.

For homebuyers, it offers affordable, fee simple ownership opportunities.

¹ The median single family home in Shoreline sells for \$525,500; a 14.13% annual increase; the median condo in Shoreline sells for \$241,500; a 34.2% annual increase.

In addition, ULDs avoid the construction liability issues and required insurance associated with condominium development which has severely reduced the number of condominium projects within the region.

We thank you for your work on ULDs and encourage adoption.

Sincerely,

A handwritten signature in black ink, appearing to read 'S DeBord', with a stylized, cursive script.

Sam DeBord, President
Seattle King County REALTORS®

Shoreline City Council Meeting
February 13, 2017
Public Comment by Dan Jacoby
Item 7(g)

I am speaking tonight in opposition to item 7(g) in tonight's agenda – extending the deadline to apply for the city's property tax exemption (PTE). Earlier I said that I didn't oppose this, but my research has led me to a different conclusion.

The PTE was created by the state to induce more construction of multiunit housing. Shoreline chose to adopt the option that requires a small amount of affordable housing. So far, so good, except for two problems.

The first is that almost 30% of Shoreline's housing is already multiunit, and that is slated to rise dramatically following the massive rezones around the light rail stations. That is not Shoreline, that is Ballard. Furthermore, there is almost no demand for it.^{1 2}

The second problem is that the landowner makes out like a bandit on this deal.

The one housing complex that takes advantage of this, and for which numbers are available, is the Malmo apartments on 152nd St. They save about \$1,000/mo. for each "affordable" unit.³ By contrast, affordable unit renters are saving about half that amount in lower rent and utilities, meaning Malmo is pocketing half the money. We can do better.

In addition, we should not spend money to promote more apartment buildings. As I mentioned, the number is too high for current residents' comfort, demand is lacking, and we don't need it in order to conform to the Growth Management Act.

I realize that it has only been two years since this program was adopted in Shoreline, so it's too early to know how popular it is with landowners. But we do know that landowners stand to make a lot of money (over \$150,000/yr. for Malmo) with very little benefit to the community, as even studios require incomes of over \$40,000/yr. to be "affordable."⁴

Let's scrap this program, and get to work creating an affordable housing program that meets Shoreline's needs, fits Shoreline's character, and works.

¹ <http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2015/staffreport082415-8a.pdf>, page 3 (8a-5) The survey notes that "those most interested in Shoreline ... [w]ant to buy a single family home or townhome. There is no mention of apartment buildings, because there is no demand.

² BAE Urban Economics study of the 185th St. station subarea, concluding on page 1 that demand over the next 20 years will be for only 700 new units of residential housing.
<http://www.cityofshoreline.com/Home/ShowDocument?id=15704>

³ Malmo is a 129 apartment complex providing 26 "affordable" units in exchange for not paying taxes on the improvements portion of their assessed value (AV). That value is currently just over \$27.9 million. Multiplied by the current levy rate (about \$11.23/\$1,000 AV), divide by 26 affordable units, then divide by 12 months, and the saving is just over \$1,000/month per affordable unit.

⁴ Information from an email I received today from Economic Development Program Manager Dan Eernisse, stating Malmo's rent for an "Affordable studio" is \$1,089 including utilities. Affordability is defined at 30% of income, so to be able to afford \$1,089/mo. in rent and utilities total income would be \$43,560/yr.

Hello, I'm Katie Schielke, I live in Shoreline, and I'm a Parks Board and Public Arts Committee Member, and I'm also the past Chair and co-founder of the Parkwood Neighborhood Association.

I am here today to endorse the Public Arts Plan that Eric, David, and Betsy will discuss later tonight. I especially want to endorse that the Public Arts Coordinator position be increased from a .35 to .5 FTE. And although I would have liked to see this be a full-time position, I do believe this plan is a great improvement in scope and a step in the right direction.

I have seen first-hand how public art can transform a community. My own neighborhood in Parkwood had a mural painting project that created an opportunity for people from different backgrounds and beliefs to paint a mural together. Neighbors who had never met, got to know each other. The Parkwood Neighborhood Association had 3 new board members join because they loved the public art project and saw what it did for our community. I would like to see even more of that in Shoreline.

And so I think by approving this plan, we can make it happen. And we must give the Arts Coordinator enough time and resources to partner with the neighborhoods and local businesses and artists, so they can be the public arts advocate for our amazing, growing City. Thank you!

1. Name (Required):

Yoshiko Saheki

2. City of Residence (required):

Shoreline

3. Neighborhood

(o) Parkwood

4. Email

Not answered

5. Agenda Date (required):

02/06/2017

6. Agenda Item:

Implementing Property Tax Exemption for 145th St Station Subarea

7. Comments:

Leading up to the Council's adoption of the 145th Street Station Subarea Plan, I advocated for keeping R-6 standards to apply to homes in the MUR-45' zones. That would have left detached single family homes as a conforming use while allowing properties to be developed as MUR-45 by those homeowners who wished to sell to developers. This idea was defeated 4 to 3 by the Planning Commission while you, the Council, never discussed the matter.

Now that the subarea plan has been adopted and single family homes in MUR45 zones have become nonconforming, this is where the rubber meets the road with our newly rezoned subarea. It turns out the code is written such that developers "may be eligible" for property tax exemptions (20.40.235). And, at present, you apparently do not care to implement PTE for the light rail stations even though you accepted an award for creating policies that will lead to affordable housing in the light rail station areas.

For those of you who wanted density and affordable housing near the light rail stations, your vision presently is a mirage, with no way to get from here to there since the subarea plan you adopted doesn't include a process for any density or affordable housing to become reality.

My home now is probably worth less as a single family home than a comparable home a few blocks away because the subarea plan made my home nonconforming. And, without a sensible process and reasonable fees, it will be worth less to a developer. Please create actual incentives and implement property tax exemptions for developers. Otherwise the light rail station areas will be frozen in their current state, with homeowners unable to change their homes as R-6 houses and developers unwilling to purchase properties for development. The city will not be collecting any permit fees for either so please make the subarea plan usable by implementing the property tax exemption for light rail station areas.

8. Position:

(o) Support

RCW 36.70A.540

Affordable housing incentive programs—Low-income housing units.

(1)(a) Any city or county planning under RCW 36.70A.040 may enact or expand affordable housing incentive programs providing for the development of low-income housing units through development regulations or conditions on rezoning or permit decisions, or both, on one or more of the following types of development: Residential; commercial; industrial; or mixed-use. An affordable housing incentive program may include, but is not limited to, one or more of the following:

- (i) Density bonuses within the urban growth area;
- (ii) Height and bulk bonuses;
- (iii) Fee waivers or exemptions;
- (iv) Parking reductions; or
- (v) Expedited permitting.

(b) The city or county may enact or expand such programs whether or not the programs may impose a tax, fee, or charge on the development or construction of property.

(c) If a developer chooses not to participate in an optional affordable housing incentive program adopted and authorized under this section, a city, county, or town may not condition, deny, or delay the issuance of a permit or development approval that is consistent with zoning and development standards on the subject property absent incentive provisions of this program.

(2) Affordable housing incentive programs enacted or expanded under this section shall comply with the following:

(a) The incentives or bonuses shall provide for the development of low-income housing units;

(b) Jurisdictions shall establish standards for low-income renter or owner occupancy housing, including income guidelines consistent with local housing needs, to assist low-income households that cannot afford market-rate housing. Low-income households are defined for renter and owner occupancy program purposes as follows:

(i) Rental housing units to be developed shall be affordable to and occupied by households with an income of fifty percent or less of the county median family income, adjusted for family size;

(ii) Owner occupancy housing units shall be affordable to and occupied by households with an income of eighty percent or less of the county median family income, adjusted for family size. The legislative authority of a jurisdiction, after holding a public hearing, may establish lower income levels; and

(iii) The legislative authority of a jurisdiction, after holding a public hearing, may also establish higher income levels for rental housing or for owner occupancy housing upon finding that higher income levels are needed to address local housing market conditions. The higher income level for rental housing may not exceed eighty percent of the county area median family income. The higher income level for owner occupancy housing may not exceed one hundred percent of the county area median family income. These established higher income levels are considered "low-income" for the purposes of this section;

(c) The jurisdiction shall establish a maximum rent level or sales price for each low-income housing unit developed under the terms of a program and may adjust these levels or prices based on the average size of the household expected to occupy the unit. For renter-occupied housing units, the total housing costs, including basic utilities as determined by the jurisdiction, may not exceed thirty percent of the income limit for the low-income housing unit;

(d) Where a developer is utilizing a housing incentive program authorized under this section to develop market rate housing, and is developing low-income housing to satisfy the requirements of the housing incentive program, the low-income housing units shall be provided in a range of sizes comparable to those units that are available to other residents. To the extent practicable, the number of bedrooms in low-income units must be in the same proportion as the number of bedrooms in units within the entire development. The low-income units shall generally be distributed throughout the development and have substantially the same functionality as the other units in the development;

(e) Low-income housing units developed under an affordable housing incentive program shall be committed to continuing affordability for at least fifty years. A local government, however, may accept payments in lieu of continuing affordability. The program shall include measures to enforce continuing affordability and income standards applicable to low-income units constructed under this section that may include, but are not limited to, covenants, options, or other agreements to be executed and recorded by owners and developers;

(f) Programs authorized under subsection (1) of this section may apply to part or all of a jurisdiction and different standards may be applied to different areas within a jurisdiction or to different types of development. Programs authorized under this section may be modified to meet local needs and may include provisions not expressly provided in this section or RCW 82.02.020;

(g) Low-income housing units developed under an affordable housing incentive program are encouraged to be provided within developments for which a bonus or incentive is provided. However, programs may allow units to be provided in a building located in the general area of the development for which a bonus or incentive is provided; and

(h) Affordable housing incentive programs may allow a payment of money or property in lieu of low-income housing units if the jurisdiction determines that the payment achieves a result equal to or better than providing the affordable housing on-site, as long as the payment does not exceed the approximate cost of developing the same number and quality of housing units that would otherwise be developed. Any city or county shall use these funds or property to support the development of low-income housing, including support provided through loans or grants to public or private owners or developers of housing.

(3) Affordable housing incentive programs enacted or expanded under this section may be applied within the jurisdiction to address the need for increased residential development, consistent with local growth management and housing policies, as follows:

(a) The jurisdiction shall identify certain land use designations within a geographic area where increased residential development will assist in achieving local growth management and housing policies;

(b) The jurisdiction shall provide increased residential development capacity through zoning changes, bonus densities, height and bulk increases, parking reductions, or other regulatory changes or other incentives;

(c) The jurisdiction shall determine that increased residential development capacity or other incentives can be achieved within the identified area, subject to consideration of other regulatory controls on development; and

(d) The jurisdiction may establish a minimum amount of affordable housing that must be provided by all residential developments being built under the revised regulations, consistent with the requirements of this section.

[2009 c 80 § 1; 2006 c 149 § 2.]

NOTES:

Findings—2006 c 149: "The legislature finds that as new market-rate housing developments are constructed and housing costs rise, there is a significant and growing number of low-income households that cannot afford market-rate housing in Washington state. The legislature finds that assistance to low-income households that cannot afford market-rate housing requires a broad variety of tools to address this serious, statewide problem. The legislature further finds that absent any incentives to provide low-income housing, market conditions will result in housing developments in many areas that lack units affordable to low-income households, circumstances that can cause adverse socioeconomic effects.

The legislature encourages cities, towns, and counties to enact or expand affordable housing incentive programs, including density bonuses and other incentives, to increase the availability of low-income housing for renter and owner occupancy that is located in largely market-rate housing developments throughout the community, consistent with local needs and adopted comprehensive plans. While this act establishes minimum standards for those cities, towns, and counties choosing to implement or expand upon an affordable housing incentive program, cities, towns, and counties are encouraged to enact programs that address local circumstances and conditions while simultaneously contributing to the statewide need for additional low-income housing." [2006 c 149 § 1.]

Construction—2006 c 149: "The powers granted in this act are supplemental and additional to the powers otherwise held by local governments, and nothing in this act shall be construed as a limit on such powers. The authority granted in this act shall extend to any affordable housing incentive program enacted or expanded prior to June 7, 2006, if the extension is adopted by the applicable local government in an ordinance or resolution." [2006 c 149 § 4.]

When taller units look directly into others' back yards, privacy fences allow homeowners to utilize their front yards without being made to be on public display like zoo animals.

It is not always the case that backyards are quieter. There are situations where sitting in one's front yard actually provides more tranquility, and if it weren't for lack of privacy, the front yard would be the homeowners preferred option.

Crimes happen regularly in homes of all fence heights. If someone is set to do harm, they will do harm. Requiring a short front fence only reduces the necessary efforts of those setting out to invade our homes in order to feed their addictions.

Tax paying citizens should not be stripped of the option of personal privacy and added security in the misguided speculation of reducing others' criminal behavior, nor in sake of someone else's homogenized socialist ideals.

Council should take the original proposal to **delete** the suggestion of 3 foot front fence height, not add yet another code that removes options, and eliminates the private use of one's own front yard and home, and increases reliance on electricity.

The option to have tall fences and the existence of tall fences are not mutually exclusive, just as short fences and good neighborhoods are not mutually exclusive.

Good neighbors are what make good neighborhoods.

Would the existing taller front fences in Shoreline be grandfathered in, or would those who were within their rights to build their taller fences be sought out and stripped of their privacy in the name of coercive suburban conformity?

FTE
If arts advocates can go over 14' *And, adding that we should just amend the code*
their minute imitation for their cause & the Shoreline taxpayers can also go over for my cause, especially since they cost me 1 minute of my comment
It's ironic, because I am a fine art major

If tax paying citizens are held privately liable and accountable for their front yards, then council should not treat them as open public spaces.

The desire to be able to choose seclusion and to not be observed in private settings is a universal trait in nature.

The majority of our modest homes have the living room and at least one bedroom on the front.

Walk through any modest neighborhood and you will see countless houses with **blinds drawn constantly**, and most that don't have blinds drawn constantly in order to maintain privacy, along with front lawns that go completely unused; the owners only seen when performing the necessary lawn maintenance.

Enforcement of short front fences eliminates the option for citizens to open their homes to the outdoors without exposing their personal space and valuables.

It enforces that we all must resign ourselves to living behind a constant depressing veil of curtains or sheers to maintain our personal privacy.

Enclosed front courtyards have existed for centuries; serving as transitions from the chaos of the world to the sanctuary of one's own garden and home, providing a layer of privacy, tranquility, security, and expanded living spaces, increasing fresh air and natural light within the home.

Front privacy fences create modern day courtyards, allowing for bedroom blinds to remain open at night without exposure to onlookers, car headlights, and intrusion of neighboring porch lights, and LED street lights that are known to be detrimental to mammal sleep patterns.

They allow windows to remain unveiled in order to enjoy the sunshine, and reduce wasteful reliance on overhead lighting during daylight.

On hot summer days and nights they allow for windows to be open on in order to take advantage of cross breezes, rather than having to use electric fans or AC.