DRAFT

CITY OF SHORELINE

SHORELINE PLANNING COMMISSION MINUTES OF VIRTUAL REGULAR MEETING (Via Zoom)

April 21, 2022 7:00 P.M.

Commissioners Present

Chair Pam Sager Vice Chair Julius Rwamashongye Commissioner Leslie Brinson Commissioner Janelle Callahan Commissioner Andy Galuska Commissioner Mei-shiou Lin ¹ Commissioner Christopher Mosier

Staff Present

Rachel Markle, Planning Director Andrew Bauer, Planning Manager Steve Szafran, Senior Planner Elise Keim, Associate Planner Julie Ainsworth-Taylor, Assistant City Attorney Carla Hoekzema, Planning Commission Clerk

CALL TO ORDER

Chair Sager called the regular meeting of the Shoreline Planning Commission to order at 7:00 p.m.

ROLL CALL

Ms. Hoekzema called the roll.

APPROVAL OF AGENDA

The agenda was accepted as presented.

APPROVAL OF MINUTES

The minutes of April 7, 2022 were accepted as presented.

GENERAL PUBLIC COMMENT

There were no general public comments.

¹ Commissioner Lin arrived at 7:09 p.m.

STUDY ITEM: COTTAGE HOUSING DEVELOPMENT CODE AMENDMENTS INTRODUCTION

Associate Planner Elise Keim gave the presentation about the Cottage Housing Development Code Amendments. The Housing Needs Assessment in Shoreline has noted that there is an overall housing shortage in Shoreline with increased housing prices. A demographics analysis showed that Shoreline has smaller household sizes. As one of many ways of meeting the housing needs the City has looked at Missing Middle Housing – the spectrum of housing between an apartment building and a single-family residence. Cottage housing is one of the types of housing that fits in this spectrum. It is typically 1-2 stories, can be detached or attached, size limited (700-1,200 square feet), has a common courtyard, and is designed to blend. Cottage housing would meet the Housing Action Plan's goal of increasing the variety and supply of housing in Shoreline with particular consideration of smaller households. It is one tool in the toolkit of addressing housing needs in the City.

The City has received the HAPI (Housing Action Plan Implementation) Grant from the Department of Commerce to help implement the Housing Action Plan. There are specific deliverables and a timeline for the grant funding. Blue Line Group Consulting has been engaged to help meet the deliverables on the timeline. The first deliverable is an Existing Conditions Report. The report will include an overview of cottage housing; an analysis of demographics, zoning, and buildable lands; discussion of study areas; and some case studies with a goal of being finished by summer of 2022. Public Engagement with stakeholders will take place over the summer of 2022 with a hybrid of virtual and in-person events, facilitated discussion, online surveys, open house, and an informative website. Draft and final regulations will be informed by existing conditions and public engagement findings with a goal of draft regulations to Planning Commission by fall of 2022 and final regulations going to City Council for consideration for adoption by June of 2023.

Discussion questions:

- Is there anything you would like assessed in the existing conditions report that has not already been mentioned or contemplated?
- What do you think are key considerations in the development of cottage housing?
- What factors should the City be looking at when determining our metrics of success?

Commissioner Brinson noted that cottage housing is already allowed in the low-density zones with a limit of 6 dwelling units per acre. She asked Ms. Keim to review what is currently allowed and what kind of future density are they considering. Ms. Keim explained that it was previously allowed in low-density residential zones but those regulations were repealed in 2006. She explained that zones have a base density with potential density bonuses with appropriate revisions to regulations. It is unknown what the density will be at this point.

Commissioner Mosier asked what they are looking at when looking at the buildable lands. Ms. Keim explained that the existing conditions report will take a look at zoning and buildable lands to see what zones are out there and how they are being developed to see if there are areas that would be appropriate for cottage housing.

Commissioner Lin asked if there is any special consideration on cottage housing for tree preservation. Ms. Keim stated that trees are a priority in the City, and everything is open for discussion. A cottage housing development would at least need to meet the Tree Retention Code.

Commissioner Galuska recommended looking to see if there are parcels that make sense for cottage housing. He has done cottage housing in other jurisdiction and knows that it isn't very popular with developers. He would really want to make sure there is a good pool of developers interested and that the code is solving some sort of real problem. He also asked what would be the advantage of this approach over just reducing the minimum lot size in existing zones.

Vice Chair Rwamashongye asked which average income they are targeting with the average median income and who will benefit from that supply. He noted that the average median income in King County is outrageously high. He brought up the subject of equity and the need to consider this. Ms. Keim explained that cottage housing is just one tool in the toolkit to address the housing supply issue. Due to the size of cottage housing these are generally targeted to young families and seniors who are downsizing. Vice Chair Rwamashongye asked about people who have lower incomes. Ms. Keim commented that affordability with cottage housing will have to be carefully considered. Planning Manager Bauer agreed that there are other complexities that need to be considered when looking at affordable owner-occupied housing units but is something they can potentially look at through this project.

Chair Sager asked what is actually owned in cottage housing. Ms. Keim stated that the ownership structure is condominiumized but the details would be handled through the condominium agreement. The City doesn't get involved in how that is divided up. Chair Sager asked about parking. Ms. Keim replied that the City plans to reach out to cottage housing residents to learn more about how they live and what is needed.

Commissioner Brinson stated she has a background in housing policy and has made the offer to staff that if they want to explore affordable ownership housing, she is happy to engage in that. As they think about demographics and affordability, when they talk about cottage housing, the affordability is coming from the size – it is fewer square feet. She thinks regulations and incentives for actual affordable housing that comes with regulations and income qualifications is an important component. From a demographic perspective, single parents are another group that could be considered for this space.

Commissioner Callahan agreed with the affordability comments. She asked how far they can go with affordability. Whatever they do should probably be combined with some other tool in the toolkit to make sure that these are actually affordable. She is looking forward to seeing what else they can do. She also thinks that depending on the location, parking is a huge issue that needs to be addressed. She noted that one cottage housing development in another city she looked at required bike storage if near transit. She asked if the cottages would be required to be owner occupied or if they could be rentals – either short-term or long-term.

Commissioner Lin asked about the density of the cottage housing that already exists in the City. She noted that the target is the missing middle, and they need more data around that. The affordability aspect is something that really needs to be considered. Also, the housing units are smaller, but what appeals to

the buyers is usually the communal living that it provides. If they focus on smaller units and higher densities without the communal living amenities then all of a sudden, the developments will not be attractive. If they add the public amenities along with nice housing the costs really add up. Regarding the density, Ms. Keim replied that there is a range of 9 dwelling units per acre up to 16. Most were about 10-12 dwelling units per acre. Regarding the affordability issue, what the sale price will be is determined by the developer, the cost of the land, and the cost of the development as well as what kind of amenities are mandated by the City versus what kind are optional. There is an important tension that needs to be considered.

Commissioner Galuska commented that he has seen some successful cottage housing using land trusts and other non-profit housing agencies. He recommended looking into this.

Vice Chair Rwamashongye stated he would support cottage housing but sees a challenge in not inadvertently handing over maintenance work to the City's maintenance crews. He asked who maintains the sidewalks around a cottage housing development and how do they make that happen. When they write the code, he recommended requiring the homeowners to manage the amenities as opposed to the City. Ms. Keim agreed and stated that anything on private property would not be maintained by the City. She noted this is similar to what they see in townhomes where they have a shared driveway or whatnot. She said the maintenance would show up in the ownership structure or the condominiumization agreement.

Commissioner Brinson added that there is generally a homeowners' association that is the responsible entity for the things that Commissioner Rwamashongye was talking about. They would maintain the common space through fees that are paid. The fees are an important piece to consider as they talk about affordability. She asked what the City is seeking to get out of cottage housing that they aren't already getting out of townhomes. They are very similar, but different. Ms. Keim explained they are trying to get at the spectrum of that missing middle housing. Townhouses and stairs may not be appropriate for everybody. Some people may not necessarily like the shared wall aspect of townhomes. Some people might be seeking more of the communal aspect that is available with the cottage housing. This is one form of housing for the missing middle toolkit for small households in Shoreline that are looking for ownership. Commissioner Brinson agreed that mobility issues are a big reason these could appeal to seniors or people with disabilities.

Commissioner Mosier noted that HOA expenses are sizable. He compared cottage housing to ADUs and suggested considering cottage housing on a smaller scale, like backyard housing, but without the ADU regulations. Ms. Keim noted that concepts of smaller lot sizes or size-limited dwellings that aren't tied up in an HOA or condo was mentioned as another tool in the toolkit.

Ms. Keim summarized that when looking at cottage housing they need to consider the following: parking, bike storage, occupation and use (rentals?), and affordability. She asked the Commission what cottage housing success would look like in Shoreline.

Commissioner Lin noted there first has to be an interest in cottage housing. She commented that cottage housing may allow the City to keep more open space and preserve more trees. Creating a development that helps to create the community vision may be one success measurement.

Chair Sager commented that what the residents of Shoreline think about cottage housing could also be a good indicator of success.

DIRECTOR'S REPORT

Senior Planner Steve Szafran gave a recap of the 2021 Development Code Amendments that the Planning Commission reviewed and forwarded to City Council.

- Amendment #C2 Council approved change to the definition of Significant Tree to be any healthy tree six inches or greater diameter at breast height (DBH).
- Amendment #C5 The Planning Commission did not recommend this, but the Council approved additional penalties for removal of trees that were taken out illegally.
- Amendment #C6 The Council decided to reduce the diameter of a tree that would require a tree removal permit to any tree greater than 24 inches DBH.
- Amendment #C7 The Commission recommended that the minimum tree retention be increased from 20% to 25%. That was approved by the Council.
- Amendment #A11 Council approved giving staff flexibility to reduce site requirements for commercial adaptive reuse of existing buildings. It would be limited to the kind of businesses that the neighborhood would want to see.
- Amendment #A13 The Council removed the requirement that parking for residential units be included in the price of the rental for the unit.
- SEPA Amendments were approved.

In addition to the Development Code Amendments, Council approved the Comprehensive Plan docket for 2022. Councilmember Roberts requested an amendment that duplexes and triplexes be allowed in the City's low-density single-family zones. The Council ended up adding that amendment to the docket so staff will be creating a work plan for that item.

<u>UNFINISHED BUSINESS</u>

None

NEW BUSINESS

None

REPORTS OF COMMITTEES AND COMMISSIONER ANNOUNCEMENTS

Chair Sager said she sent out an email today checking on interest about being part of an affordable housing committee. Commissioner Callahan expressed enthusiasm for creating an affordable housing committee. Commissioner Brinson offered her expertise on the affordable housing committee. Chair Sager appointed Commissioners Callahan and Brinson to create an affordable housing committee.

AGENDA FOR NEXT MEETING

Director Markle discussed the timeline for beginning to hold I summer.	nybrid meetings sometime during the
Staff reviewed the agenda for the next meeting which is scheduled for May 5.	
<u>ADJOURNMENT</u>	
The meeting was adjourned at 8:22 p.m.	
Pam Sager	Carla Hoekzema
Chair, Planning Commission	Clerk, Planning Commission