CITY OF SHORELINE

SHORELINE PLANNING COMMISSION MINUTES OF PUBLIC HEARING

April 6, 2023 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
Commissioner Christopher Mosier

Staff Present

Andrew Bauer, Planning Manager Elise Keim, Senior Planner (online) Steve Szafran, Senior Planner Julie Ainsworth-Taylor, Asst. City Attorney (online) Carla Hoekzema, Planning Commission Clerk

CALL TO ORDER

Chair Sager called the Public Hearing 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.

GENERAL PUBLIC COMMENT

There were no general public comments.

PUBLIC HEARING: COTTAGE HOUSING DEVELOPMENT CODE AMENDMENTS

Chair Sager reviewed procedures and opened the public hearing at 7:02 p.m.

Staff Presentation: Senior Planner Elise Keim made the presentation regarding the proposed development code amendments related to cottage housing. She gave a recap of what cottage housing is and explained that the City Council identified cottage housing as the first phase of implementation of the

Housing Action Plan. The City also received grant funding from Washington State Department of Commerce to assist in preparation of cottage housing development code amendments. She reviewed public engagement efforts and highlights from the draft code including:

- Permitted in R4, R6, R8, and R12
- Size limits: 700-1500 square feet, 22-foot height limit
- Common and private open space
- Density bonus program (green building, proximity to transit, and affordability (with a fee-in-lieu option with a sunset))

Ms. Keim also discussed decision criteria and stated staff's recommendation that the Planning Commission forward the draft code to the City Council for consideration. She reviewed next steps and invited questions and comments.

Clarification Questions:

Commissioner Brinson asked for more information about the affordable ownership program. Ms. Keim explained it does not exist currently, but it is expected that there would be a stewardship component such as a deed restriction and/or an entity responsible for the stewardship effort to make sure that home goes to an income-qualified person when the time comes to sell. Planning Manager Bauer added that the City or whoever the City contracts with would be overseeing the transactions. The onus would not be on the property owner.

Public Testimony:

<u>Susanne Tsoming</u>, resident of Shoreline and board member of Save Shoreline Trees, applauded Elise Keim and city staffers on the work done on these cottage housing development code amendments. She referred to provisions related to tree retention and preservation and expressed concern that densifying with middle housing construction will mean the loss of more trees. Save Shoreline Trees agrees that more native trees should be planted. Before HB 1110 becomes effective, she urged the City to increase the tree retention percentage requirement in the City's residential zones to protect what is left of the tree canopy.

<u>Kathleen Russell</u>, resident of Shoreline on behalf of Save Shoreline Trees, commented that cottage housing regulations would most likely be followed by middle housing. These will affect approximately 80% of property in Shoreline. Per Shoreline's municipal code on MUR70' zones and six other development zones, the removal of all trees is allowed. The existing tree code on residential as included in the staff report lets property owners remove, under exempt status, three trees per 7200 square feet plus one tree per each additional 7200 square feet and require a 25% retention of trees and 30% on critical areas. This means on non-critical areas, 75% of the trees can be removed plus three trees for the first 7200 square feet. There is no code protection for trees 24 inches in diameter and larger, only that a clearing permit is required. Save Shoreline Trees asks the Planning Commission to revise the existing tree code to retain more trees on the residential and cottage housing zones which would balance out the tree removal on the development zones.

Written comments were submitted to the Planning Commission prior to the meeting and are available on the <u>City's website</u>.

Discussion: None

COMMISSIONER CALLAHAN MOVED THAT THE CITY COUNCIL APPROVE THE COTTAGE HOUSING DEVELOPMENT CODE AMENDMENTS AS WRITTEN IN ATTACHMENT A DATED APRIL 6, 2023 AND FOR STAFF TO FORWARD THAT RECOMMENDATION OF APPROVAL TO CITY COUNCIL. VICE CHAIR RWAMASHONGYE SECONDED THE MOTION. UPON A ROLL CALL VOTE, THE MOTION PASSED UNANIMOUSLY (7-0).

The public hearing was closed at 7:18 p.m.

STUDY ITEM: TRANSFER OF DEVELOPMENT RIGHTS PROGRAM DEVELOPMENT CODE AMENDMENTS

Senior Planner Steve Szafran made a presentation regarding the Transfer of Development Rights (TDR) Program which is a unit of development that gets developed in the urban area instead of in farm and forest lands. It advances the City's and the region's climate goals and provides a funding mechanism for public improvements in the urban areas to support the increase in density. A TDR program is in alignment with Land Use policy 58, regional climate goals, timing of light rail, and funding of public amenities. A TDR program is a set of development code regulations that provides incentives and establishes a TDR price for certain incentives. This allows the City to use King County's portion of the property taxes for public amenities. The recommendation is for this to occur in the Ballinger commercial area, the Aurora Corridor, and the Richmond Beach commercial area. There are certain zones within the areas that this would potentially apply to. He reviewed height incentives in the various zones (R-48, NB, CB, and MUR-70'). Parking incentives would also be available in the zones closest to the new light rail stations (MUR-45' and MUR-70'). He summarized existing parking and height incentives and asked the Planning Commission to consider if the TDR incentives should be in addition to the incentives the City already has or if it should be one or the other. Staff is recommending the proposed TDR program as shown in Attachment A to encourage the protection of rural farm and forest land and to meet the City's climate and environmental goals and policies.

Discussion:

Vice Chair Rwamashongye asked for a 3-dimensional picture of what it would look like if all those incentives were in place to get a better understanding of what Shoreline would look like in the future. With a visual picture they could have a better idea if they were serving Shoreline in the right way. Mr. Szafran thought in the near future they would not see people building over 70' because it would not make sense for developers. Vice Chair Rwamashongye asked if these developmental rights are transferrable. Mr. Szafran replied that it would transfer to the specific building site. Vice Chair Rwamashongye noted there is a future value in having these developmental rights, but having that future picture is important to him. Mr. Szafran indicated that creating a visual for the relevant locations would be possible. Planning Manager Bauer commented that as they were preparing the MUR70' amendments

last year, staff provided pictures of actual developments in and around the region which were focused on different station areas around Northgate and Seattle. Staff could provide those again to give some baseline areas.

Commissioner Brinson commented that the square feet credit is hard for her to visualize. Mr. Szafran attempted to clarify and noted the numbers are in square feet because that's what they got from the consultant for how they price TDRs. It would depend on the footprint. Commissioner Brinson agreed that helping the Planning Commission, and therefore the public, understand what these numbers mean is really important. She thought a mockup or a couple examples would be very helpful. Chair Sager agreed. Mr. Szafran stated he would bring back some visuals.

Commissioner Mosier asked if there is any reason why they would not want to do these at all. It seems like it is an extra complication in zones that already do it. Also, he wondered if this should be an incentive in the R-6 zone to fill in the middle. Mr. Szafran noted that the theory is that you put the density next to the amenities you have such as high-capacity transit and the zones that allow that kind of development. Single family areas were never considered. Commissioner Mosier said he was referring specifically to residential areas around 145th around the station and the area around Aurora. Mr. Szafran noted that the LCLIP (Landscape Conservation and Local Infrastructure Program) only allows cities to use 25% of the value of the city. This was the land that would encompass that where it made sense to put extra development capacity. Commissioner Mosier said he was only looking at parts of R-4 and R-6 within those boundaries.

Commissioner Galuska said he generally is not in favor of the TDR program. It seems to be creating a higher cost for development in the City in exchange for transferring property to rural property owners. The aim of protecting rural property is an admirable one but he thought that is something King County could do through regulating its own land use. Additionally, the City already has a lot of incentives. Now might be a good time to step back and look at all the incentives the City already offers and try to rationalize them a little bit. He also doesn't see how the payments mitigate the impacts of added bulk and added parking when the money doesn't necessarily go to the City. He acknowledged there may be a tax benefit to the City, but from a land use standpoint he is not convinced that TDR programs are the way to go.

Commissioner Callahan asked if it is typical for a developer or private property owner to request revisions to the exchange rate table as referenced on page 47, number 6. Mr. Szafran explained that periodically it needs to be adjusted and would likely go through King county. He said this is common language.

Vice Chair Rwamashongye commented that the City of Anacortes presented on something like this at the planning conference. They had pointed out that it really does change the face of the city, but he is wondering what it would change to. He noted that Anacortes made a revision to make sure that those that who reside in Anacortes can benefit from those changes.

Commissioner Mosier commented that there are already a lot of opportunities to allow people to pay their way into development. He is not sure what they are truly getting out of it rather than complexity.

Commissioner Brinson asked if they have a sense of what the fiscal impact would be to the City. Mr. Szafran replied that over the 20-year LCIP program it was forecasted to be between \$10-20 million in revenue.

Commissioner Lin agreed with getting a big picture idea of what this would look like. She also was in favor of preserving rural space. She had concerns that this is adding a lot of complexity.

Vice Chair Rwamashongye asked if the dollars obtained from LCLIP could be used as a local match when looking for federal grants. Mr. Szafran replied that they could. Vice Chair Rwamashongye thought that was a good deal.

Commissioner Mosier noted that when they did the MUR70' zone almost all the developers said they would not want more height. He thought that rather than increasing heights in areas that are already high it made more sense to spread them out a little more. He asked if anyone else was interested in looking at the residential zones. No one indicated support for this idea.

Staff will bring back some visuals next time for more discussion.

UNFINISHED BUSINESS

None

NEW BUSINESS

Offices of Chair and Vice Chair:

Commissioner Callahan nominated Commissioner Sager for Chair.

Commissioner Sager was unanimously elected Chair.

Commissioner Galuska nominated Commissioner Rwamashongye for Vice Chair.

Commissioner Rwamashongye was unanimously elected Vice Chair.

REPORTS OF COMMITTEES AND COMMISSIONERS/ANNOUNCEMENTS

None

AGENDA FOR NEXT MEETING

Staff reviewed the agenda for the next meeting which is scheduled for April 20.

ADJOURNMENT

The meeting was adjourned at 8:01 p.m.

Pam Sager

Chair, Planning Commission

Carla Hoekzema

Clerk, Planning Commission