



City of Tacoma
Planning and Development Services

Agenda Item
D-2

To: Planning Commission
From: Elliott Barnett, Planning Services Division
Subject: **Affordable Housing Planning Work Program (Phase 3)**
Meeting Date: May 6, 2015
Memo Date: May 1, 2015

At the May 6th meeting, the Planning Commission will consider staff's preliminary recommendations regarding the full package of proposals contained in the Affordable Housing Planning Work Program, Phase 3. This discussion fits within a multi-year, interdepartmental effort to evaluate a broad range of recommendations made by the Affordable Housing Policy Advisory Group (AHPAG), through their 2010 report to the City Council. In 2012, the Council referred the planning-related items to the Planning Commission for analysis.

This year the Commission is considering the third and final phase of these planning recommendations, which fit generally into two categories: 1. Residential infill/affordable building proposals which seek to promote affordability by allowing a broader range of housing types and higher densities, and by promoting housing development generally. 2. Proposals to incentivize the inclusion of affordable housing in developments through offering height, density or other bonuses, and to require the inclusion of affordable units in association with residential upzones.

Throughout this process it has been clear that these proposals promote housing affordability, mix and choice, and at the same time sustainability, smart growth, economic development, transportation choices, livability, active living and urban design goals. They provide an opportunity to consider the character of Tacoma's neighborhoods, in the context of long-term growth, demographic and economic trends. While recognizing affordability as central to this project, staff have sought a conceptual framework that captures these interconnected issues, and have informally begun to use the term "Great Urban Neighborhoods". These are big topics that relate to several ongoing dialogues, and suggest the need for future policy discussions.

At previous meetings, the Commission discussed background, policy considerations, benchmarking, and preliminary considerations for potential changes. See the October 1, 2014 and March 4, 2015 Planning Commission packets, as well as AHPAG's 2010 report and other resources, available at: www.cityoftacoma.org/planning, **Current Initiatives**.

At this meeting, staff will seek the Commission's guidance on the full package of recommendations, pursuant to developing draft code language. Attached please find a report summarizing staff's preliminary recommendations, a table summarizing proposed changes, four map exhibits and RCW 36.70A.540. Over the coming months staff will concurrently be consulting with the AHPAG and will communicate their feedback to the Commission.

If you have any questions, please contact me at 591-5389 or elliott.barnett@cityoftacoma.org.

c: Peter Huffman, Director

Attachment (7)

Affordable Housing Planning Work Program (Phase 3)

Preliminary Staff Recommendations – May 6, 2015

Summary

Based on the AHPAG's planning proposals, staff have developed the following package of recommended code changes in order to provide additional residential infill/affordable building options, and to establish affordable housing incentives and upzone requirements in Tacoma:

1. **Additional lot size flexibility** options for context-responsive infill (all Residential Districts).
 - a. Lot size averaging
 - b. Critical Areas density bonus tool updates
 - c. Review Small Lot setbacks and design standards
2. **Special Review Districts refinements** (R2-SRD and HMR-SRD): Proposed changes intended to promote a predominately single-family detached development pattern, with additional provisions for smaller lot sizes and some mix of housing types.
 - a. Reduce minimum detached Single-family Lot size to 3,500 sf
 - b. Update Conditional criteria for 2 and 3-family development
 - c. Review NRX District lot standards for consistency
 - d. Initiate study of the potential to apply SRD zoning to additional areas
3. **Pilot Residential Infill Program** approach to allow innovative housing types with heightened review, and subsequent code refinement.
 - a. Detached Accessory Dwelling Units (DADU's) in R-2, R2-SRD and HMR-SRD
 - b. Two-family development as a Conditional Use on corner lots in R-2 Districts
 - c. Multi-family development in R-3 Districts
 - d. Cottage housing developments
4. **Planned Residential Districts** (PRDs) code updates to make PRDs an effective tool for innovative site development, with optional density bonuses for affordability and sustainability features.
5. **Affordable Housing Incentives & Upzone Requirements:** Offer density bonuses and permit fee reductions in exchange for voluntary inclusion of affordable housing.
 - a. Create Affordable Housing Incentives Code
 - b. Downtown Tacoma Floor Area Ratio bonus
 - c. Planned Residential Districts density bonus
 - d. Residential upzones (privately initiated) – inclusion of affordable units required
6. **City process enhancements:** Pursue changes to City housing development review process intended to reduce delay and cost.
 - a. Fee Reductions a bonus feature of proposed Affordable Housing Incentives Code
 - b. Pursue opportunities for pre-reviewed house plan library

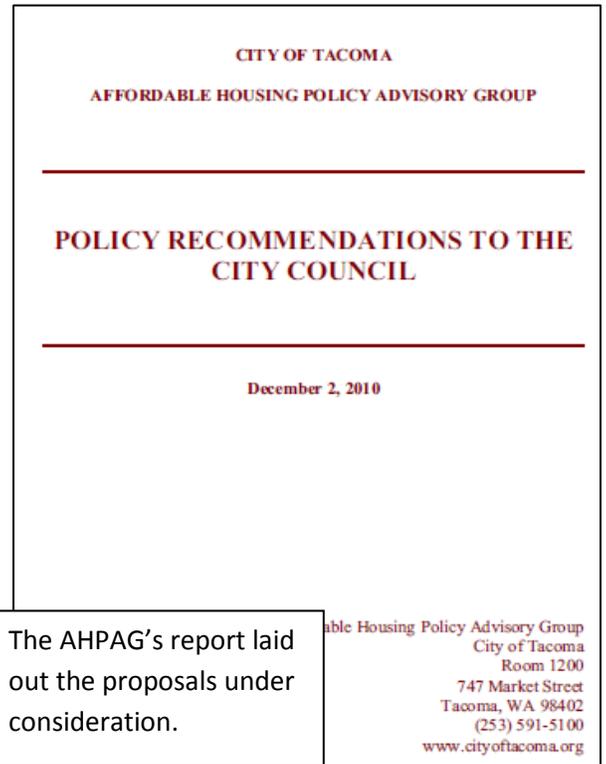
Project Approach

- Consultation with the AHPAG
- Outreach to neighborhood interests
- Benchmarking
- Tacoma code analysis
- Vet recommendations through Planning Commission and Council
- Coordinate with 2015 Annual Amendments

FOR BACKGROUND AND BENCHMARKING: See 10/01/14 and 03/04/15 Planning Commission packets (www.cityoftacoma.org/planning, select Affordable Housing)

Key findings

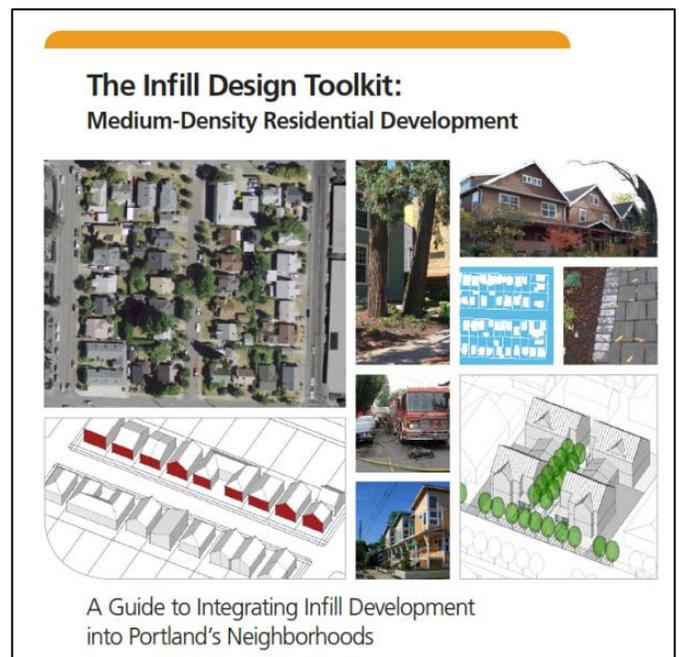
- Broad range of policy support for infill and affordable housing approaches:
 - Housing affordability, mix and choice, sustainability, economic development, smart growth, livability, active living and health
 - Consistent with planning profession best practices
 - Many communities moving in this direction
 - Many of the proposals are consistent with Tacoma's older (pre-zoning) neighborhood patterns
- Increased density proposals often elicits community concerns including:
 - Perceptions of potential negative impacts on property values
 - Changes to neighborhood character
 - Recognizing existing examples, and development of good new examples, are key to increasing community acceptance
- Tacoma's Comprehensive Plan:
 - Ensure consistency with the proposals of the ongoing 2015 Comprehensive Plan update, particularly Land Use Intensities
 - Ultimately, rezones are another option to increase housing options in a given location



- “Missing Middle Housing”:
 - High density housing types are already permitted in higher density Residential, Mixed-use, Downtown and Commercial zones
 - Outside Centers, most of the City is zoned for Single-Family Detached Housing
 - Tacoma as a range of Residential Zoning Districts – from R-1 (single-family minimum lot size 7,500 sf) to R-5 (high-density multi-family)
 - However most of Tacoma’s Residential zoning is R-1 or R-2
 - Conclusion: there is currently limited space for medium density housing types



- Integrating new infill options:
 - New infill options and density can be added in context-sensitive ways to existing neighborhoods
 - For larger sites, where infill development can be more removed from existing houses, more innovative approaches can be used
 - Different review processes (by right, Conditional Use Permits, Pilot Program) can provide the appropriate level of oversight for each housing type/zoning district
- Context-Responsive Infill Design:
 - The City of Portland, Oregon provides an exceptional source of guidance regarding infill design strategies in their 2008 Infill Design Toolkit (linked to the project webpage at www.cityoftacoma.org/planning).
 - Portland’s key components of context-responsive infill design have been adapted and incorporated into the proposed Residential Infill Pilot Program, described below.



RECOMMENDATIONS:

1. **Additional lot size flexibility** options for context sensitive infill (all Residential Districts)

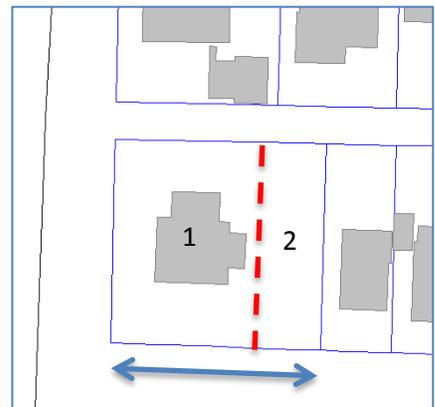
SEE MAPS 2, 3 and 4 which show patterns of existing small lots

a. Lot size averaging proposals

- i. Current code: Lots must meet minimum size for the zoning district
- ii. Proposed: Lot Size Averaging – Infill: The average lot size of the block frontage can substitute for the zoning district minimum lot size.
- iii. Proposed: Lot Size Averaging – Short Plats and Plats: Allow smaller lots (to a minimum of 3000 sf) within short plats and plats when the overall average lot size meets the minimum requirement of the zoning district.

Example: 12,100 sf existing parcel with house located in the middle. Under the proposal the parcel could be short plated.

Parcel 1 = 8,250 sf.
Parcel 2 = 3,850 sf and 35 feet width,
Small Lot Design Standards apply.
-Though Parcel 2 is less than 4,500 sf, the short plat averages more than 5,000 sf per lot.



b. Critical Areas density bonus tool updates

- i. Current code: This CAPO option allows some of the density that would have been allowed on a site but for protection of critical areas and required buffers, to be transferred to the portion of the site outside the buffers. However, the tool does not provide flexibility on lot sizes (without a separate PRD process) and has only been used once in Tacoma.
- ii. Proposed: Update the CAPO Density Bonus tool to provide lot size and configuration flexibility.



c. Review Small Lot setbacks and design standards

- i. No changes to the existing Small Lot standards are proposed.
- ii. Public input may indicate issues for further standards.

Northpark PRD north of Wapato Lake (2002): Includes clustered small lots and additional density through CAPO Bonus Tool.

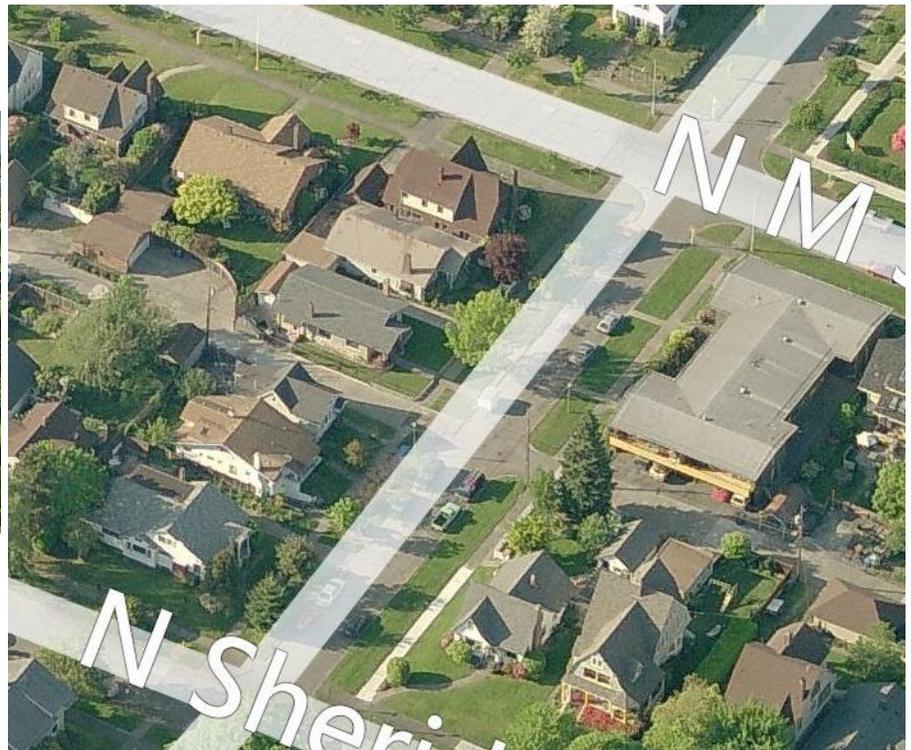
2. **Special Review Districts refinements (R2-SRD and HMR-SRD):** Proposed changes are intended to promote a predominately single-family detached development pattern, along with some mix of smaller lot sizes and housing types.

SEE MAPS 2, 3 and 4 which show patterns of existing small lots

- a. Reduce minimum detached Single-family Lot size in SRD Districts
 - i. Current code: Minimum Lot size in R2-SRD and HMR-SRD is 5,000 sf or 4,500 sf with Small Lot Design Standards.
 - ii. Proposed: Reduce the minimum lot size to 3,500 sf, with Small Lot Standards. This reflects existing smaller lots patterns within SRD Districts.
- b. Update Conditional criteria for 2 and 3-family development
 - i. Current code: The Conditional Use Permit criteria require that “special circumstances exist” making it difficult to develop or continue the use of the site for single-family.
 - ii. Proposed: Revise the CUP criteria to make it less discouraging of 2 or 3-family development, with context-sensitive design.
- c. Review Neighborhood Residential Mixed-Use (NRX) District standards for consistency
- d. Initiate study of the potential to apply SRD zoning to additional areas
 - i. Map 2 shows that some areas have existing patterns of smaller lots
 - ii. Potential zoning changes may follow along after the 2015 Comprehensive Plan amendments are complete. These characteristics could be considered through that process.



R2-SRD and HMR-SRD areas are characterized by a mix of lot sizes and housing types which would not be permitted under current zoning.



3. **Pilot Residential Infill Program** approach to allow the following innovative housing types with heightened review, and subsequent code refinement.
 - a. Pilot Program Overview
 - i. Available for:
 1. Detached Accessory Dwelling Units (DADU's) in R-2, R2-SRD or HMR-SRD Districts
 2. Two-family Dwellings in R-2
 3. Multi-family Dwellings in R-3 Districts, or
 4. Cottage Housing in any Residential District
 - ii. Special administrative review process:
 1. Form a Committee including PDS Director, Long Range Planning Manager, Planning Commission Chair or appointed member, Residential Plans Examiner, and one Tacoma citizen appointed by the Planning Commission Chair.
 - iii. All Pilot Program proposals must demonstrate a proposal that:
 1. Responds to Basic Neighborhood Patterns:
 - a. Street frontage characteristics
 - b. Rhythm of development along the street
 - c. Building orientation
 - d. Front setback patterns
 - e. Landscaping and trees
 - f. Backyard patterns and topography
 - g. Architectural features
 2. Pedestrian-friendly design
 3. Integrates parking without allowing it to dominate the site
 4. Minimizes scale contrasts
 5. Limits privacy impacts
 6. Creates usable outdoor (or yard) spaces
 7. Except for DADU's, must provide one or more sustainability feature (Built Green or equivalent, GreenRoads, or Low Impact Development features)
 - iv. Meets requirements of the Pilot Program and other applicable code
 - v. Pilot Program sunset
 1. No default time limit proposed
 2. The Pilot Program will be reassessed as directed by the City Council or PDS Director, after projects have been completed in three or more of the permitted categories, or after three or more of any single category has been completed.

- b. Pilot Program - Detached Accessory Dwelling Units (DADU's) in R-2, R2-SRD and HMR-SRD
 - i. Meet current code requirements for DADU's (updated in 2014)
 - ii. DADU may not be taller than main house



- c. Pilot Program - Two-family development on corner lots in R-2 Districts
 - i. Current code: 2-family dwellings (duplexes or townhouses) currently prohibited in R-2
 - ii. Proposed: Allow 2-family development on corner lots as a Conditional Use. Corner lots provide an opportunity for attached houses to respect established neighborhood patterns, by providing the appearance of distinct houses.



1. Minimum parcel size: 5,000 sf
2. Units oriented onto different frontages
3. Must provide standard Rear Yard Setback on one side
4. Parking for both from rear of site when feasible
5. Compatible scale and bulk with neighborhood patterns

- d. Pilot Program - Multi-family in R-3 Districts
 - i. Current code: Multi-family not permitted below R-4L or R-4
 - ii. Proposed: Develop CUP criteria for multi-family developments that fit the scale and character of R-3 Districts.



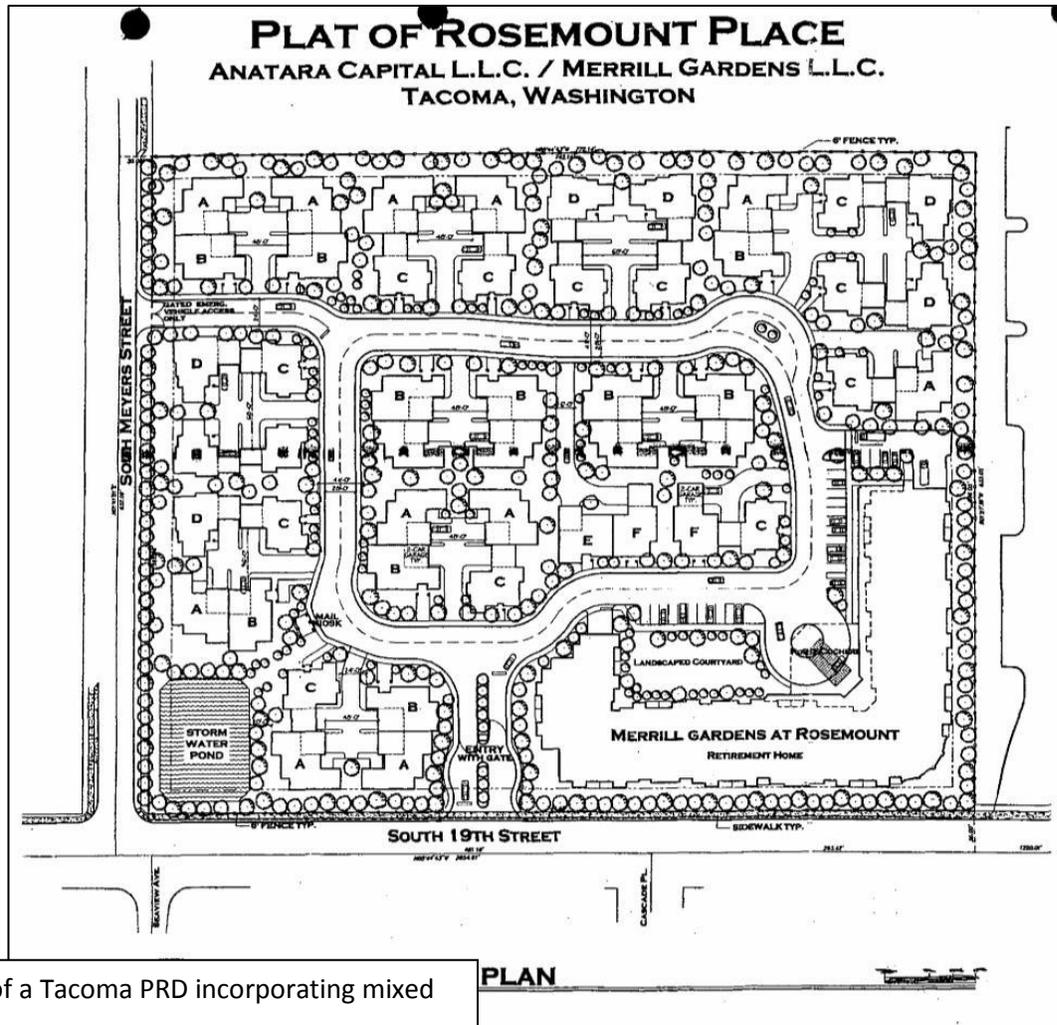
- e. Pilot Program - Cottage housing developments (proposed new land use):
 - i. Site size threshold: 10,000 sf
 - ii. Review Process: Conditional Use
 - iii. Number of units: 4 to 24, maximum of 12 per cluster
 - iv. Density: 1.5 times the permitted underlying density (to a maximum of one unit per 1600 sf of lot area)
 - v. Unit size:
 - 1. Cottages (detached single-family dwelling) – 1,200 sf
 - 2. Carriages (unit located above garage) – 800 sf
 - 3. Two/Three-Dwelling Buildings – 1,000 sf each
 - vi. Attached units: Allowed in R2-SRD and above
 - vii. Maximum height: 18 feet, up to 25 feet with 6:12 sloped roof
 - viii. Floor area: Maximum 800 sf main floor area
 - ix. Parking: 1 space per unit
 - x. Setbacks: same as underlying zone for exterior setbacks
 - xi. Separation between units: 8 feet
 - xii. Open Space: 400 sf common, 300 sf private per unit
 - xiii. Design Standards: Attached covered porches, transparency, street-facing pedestrian features, attractive exterior appearance
 - xiv. Connectivity: All units connect to the public sidewalk
 - xv. Landscaping: Screening parking areas, street trees
 - xvi. Community Buildings: Incidental in use and size to cottages, owned in common by residents
 - xvii. ADUs: Not permitted
 - xviii. Must provide one or more sustainability feature
 - 1. Built Green or equivalent
 - 2. GreenRoads
 - 3. Low Impact Development features

Danielsen Grove, Kirkland WA



4. **Planned Residential Districts** (PRDs) code updates to make PRDs an effective tool for innovative site development, with optional density bonuses tied to affordability and sustainability features. The following is an overview of pertinent current and proposed PRD standards:
- a. Minimum site area:
 - i. Current Code: Minimum site size ranges from 2 to 10 acres
 - ii. Proposed: 1 acre minimum site size for all PRDs
 - b. Circulation:
 - i. Current Code: Show connections within area and to public thoroughfares.
 - ii. Proposed:
 - 1. Enhanced emphasis on pedestrian environment and connectivity (e.g., denser circulation pattern, connections to key destinations)
 - 2. Maintain and connect with city street network and bicycle routes
 - 3. Provide bicycle route improvements
 - c. Allowed land uses:
 - i. Current code: Allows townhouses in all PRDs, recreation facilities and day care centers in all PRDs. Allows multi-family in R-3-PRDs.
 - ii. No changes proposed
 - d. Common open space:
 - i. Current code: One-third of gross site area
 - ii. Proposed: 15 percent of gross site area
 - e. Design guidance:
 - i. Current code: Meet the Comprehensive Plan intent
 - ii. Proposed: In addition to meeting the Plan intent, PRDs must demonstrate a site and building proposal that:
 - 1. Demonstrates urban design excellence in addressing Basic Neighborhood Patterns:
 - a. Street frontage characteristics
 - b. Rhythm of development along the street
 - c. Building orientation
 - d. Front setback patterns
 - e. Landscaping and trees
 - f. Backyard patterns and topography
 - g. Architectural features
 - 2. Provides a pedestrian-friendly design
 - 3. Integrates parking without allowing it to dominate the site
 - 4. Minimizes scale contrasts and limits privacy impacts at PRD edges
 - iii. Proposed: PRD's must provide one or more sustainability feature
 - 1. Built Green or equivalent
 - 2. GreenRoads
 - 3. Low Impact Development features

- f. Density:
 - i. Current code: Density consistent with underlying zoning
 - ii. Proposed:
 - 1. 1.25 times underlying density for all approved PRD's
 - 2. Optional bonuses available up to 2.0 times underlying zoning density
 - 3. Density bonus options:
 - a. Inclusion of Affordable Housing units: Developer can add up to 0.5 times the underlying permitted density in exchange for the following:
 - i. 10% of total units affordable at 80% AMI
 - ii. 5% of total units affordable at 50% AMI
 - b. Incorporating a second sustainability feature in addition to the one required (0.25 times additional density)



Example of a Tacoma PRD incorporating mixed housing types.

5. **Affordable Housing Incentives & Upzone Requirements:** Offer density and permit fee reduction bonuses in exchange for voluntary inclusion of affordable housing, and require inclusion of affordable units with private residential upzones.
 - a. Create Affordable Housing Incentives Code:
 - i. Follow provisions of *RCW 36.70A.540 Affordable housing incentive Programs – Low-income housing units*. The RCW and WAC set out requirements for establishing the program.
 - ii. Set renter and owner income level targets:
 - Maximum 50% Area Median Income (AMI) for renters, 80% AMI for owners*
 - iii. Maximum rent per unit:
 - No more than 30% of annual income*
 - iv. Maximum purchase price per unit:
 - No more than 45% of back-end ratio (Principal, Interest, Taxes, and Insurance (PITI) + household expenses/income) of the home buyer*
 - v. Affordable Units must be/have:
 1. *Comparable in size, number of bedrooms*
 2. *Distributed around the development*
 3. *Substantially the same functionality*
 4. *Substantially the same amenities*
 - vi. Committed to continuing affordability:
 1. *Must be maintained at affordable level for 50 years*
 2. *Measures to enforce affordability/income standards: covenants, violators would have to remedy or pay fee in-lieu*
 - vii. Fee in lieu/buyout option:
 - Applicants may choose to pay fee in lieu of continuing affordability. The fee in lieu would be the difference between the market and affordable rates, plus a 15% administrative fee.*
 - viii. Minimum of units threshold:
 - Developments with 20 units or more*
 - ix. How many of the units must be affordable to qualify for bonuses?
 1. *10% of total units affordable at 80% Area Median Income, or*
 2. *5% of units affordable at 50% of Area Median Income*
 - Example: Take a site that can be developed with 100 units through underlying zoning. The total increases to 125 with approval of the PRD. Up to 175 units may be constructed if 18 of them are affordable at 80% AMI, or 9 at 50% AMI.
 - b. Affordable Housing Incentives & Bonuses – where available:
 - i. Downtown
 1. Current code: Floor Area Ratio bonus above the “By Right” thresholds is available for inclusion of additional Design Standards (each worth 0.5 bonus FAR to a maximum of 2.0):
 - a. Enhanced pedestrian elements
 - b. Exterior public space

- c. Public art
- d. Green roofs
- e. Including a Public Benefit Use
- f. Historic Renovation

The Maximum FAR is available with Transfer of Development Rights (TDR).

- 2. Proposed: Add Affordable Housing into the list of features that provide an 0.5 FAR bonus.

Downtown Tacoma Floor Area Ratio table:

District	Residential FAR			Non Residential FAR			Height Limits
	"As-of-right"	Maximum with Design Standards	Maximum with TDR	"As-of-right"	Maximum with Design Standards	Maximum with TDR	
DMU	3	5	7	2	4	6	100'
WR	4	5	7	3	4	6	100'
DR	2	4	6	1	2	4	90'
DCC	3	6	12	3	6	12	400'

- ii. Planned Residential Districts
 - 1. Current code: No density bonuses available.
 - 2. Proposed: Provision of affordable housing within a PRD provides a bonus of up to 0.5 times the underlying density.
- iii. For approval of private residential upzone requests
 - 1. Proposed:
 - a. Private applications for residential upzones required to include affordable units
 - b. City initiated residential upzones: Add a rezone criterion committing the City to analyze housing affordability in the vicinity, assess potential affordability impacts from the

Three Types of "Inclusionary Upzoning"

A growing number of inclusionary housing policies tie affordability requirements to the option to build at higher densities or heights or to create housing where it was previously forbidden. These policies tend to fall into one of three categories:

1. **Voluntary inclusionary housing policies tied to specific areas where upzoning is offered as an option** (examples: New York City; Fairfax County, Virginia; Arlington County, Virginia; Santa Monica, California) In many cases, these policies are built into local land use plans that apply to designated corridors or neighborhoods, and condition specific, additional development opportunities on the provision of affordable housing.
2. **Voluntary inclusionary housing policies that apply wherever a developer seeks a zoning change** (example: Boston). These policies apply to requests from developers for site-specific zoning changes but are not limited to a particular neighborhood.
3. **Mandatory inclusionary housing confined to areas that have been upzoned** (example: Redmond, Washington). These policies require developers to include a share of affordable housing in new developments, whether or not they utilize the expanded development potential offered through neighborhood upzoning.

Center For Housing Policy, Inclusionary Upzoning: Tying Growth to Affordability, Robert Hickey, July 2014

upzone, and take action as appropriate to promote affordability.

6. **City process enhancements:** Pursue changes to City housing development review process intended to reduce the delay and cost.
 - a. Fee Reductions a bonus feature of proposed Affordable Housing Incentives Code
 - b. Pursue opportunities for pre-reviewed house plan library
 - i. Through implementation of the proposed Pilot Program, Tacoma could assemble useful examples, experience and information that could form the basis of a pre-approved plans library.



Portland, Oregon conducted a design competition resulting in code changes and a library of pre-approved house plans.

Infill/Affordable Building Tools (05/06/15)

Staff's preliminary recommendations in red

	R-1	R-2	R-2SRD	HMR-SRD	R-3	R-4L	R-4	R-5
ADU's – Attached	P	P	P	P	P	P	P	P
ADU's – Detached (DADU's)	N	N <i>p*</i> <i>(ADU Permit w/ notice)</i>	N <i>p*</i> <i>(ADU Permit w/ notice)</i>	N <i>p*</i> <i>(ADU Permit w/ notice)</i>	P ADU Permit	P ADU Permit	P ADU Permit	P ADU Permit
Single-Family – Standard Lots	P – 7,500	P – 5,000						
Single-Family – Small Lots (w/ Design Standards)	6,750	4,500	4,500 <i>3,500</i>	4,500 <i>3,500</i>	3,000 <i>2,500</i>	3,000 <i>2,500</i>	2,500	2,500
	Lot size flexibility: <ul style="list-style-type: none"> • Lot Size Averaging - Infill: Infill lot can be the average of lot size on the street or block • Lot Size Averaging - Plats: Allow smaller lots in plats if overall plat area meets standard density requirements • Incentivize protection for critical areas: Update Critical Areas (CAPO) density bonus tool 							
Two-family dwellings	N	N <i>CU*</i>	CU - 6,000 <i>(updates to CUP criteria)</i>	CU - 6,000 <i>(updates to CUP criteria)</i>	P - 6,000 <i>5,000</i>	P - 4,250	P - 3,750	P - 3,500
Three-family dwellings	N	N	CU - 9,000 <i>(updates to CUP criteria)</i>	CU - 9,000 <i>(updates to CUP criteria)</i>	P – 9,000 <i>7,500</i>	P - 5,500	P - 5,000	P - 4,500
Multi-family dwellings	N	N	N	N	N <i>CU*</i>	P - 6,000 (add 1,500 ft per unit over 4)	P - 6,000	P - 6,000
Cottage Housing	<i>CU* - Increased density (50% above base zoning) with design standards (small buildings, common open space, shared parking)</i>							
Planned Residential Districts (PRDs)	<i>Update PRD Code (for new PRDs): Lower site size threshold and common open space requirement; add sustainability and pedestrian requirements; add incentives/bonuses (up to 100% density increase for affordability, sustainability features).</i>							

P = Permitted

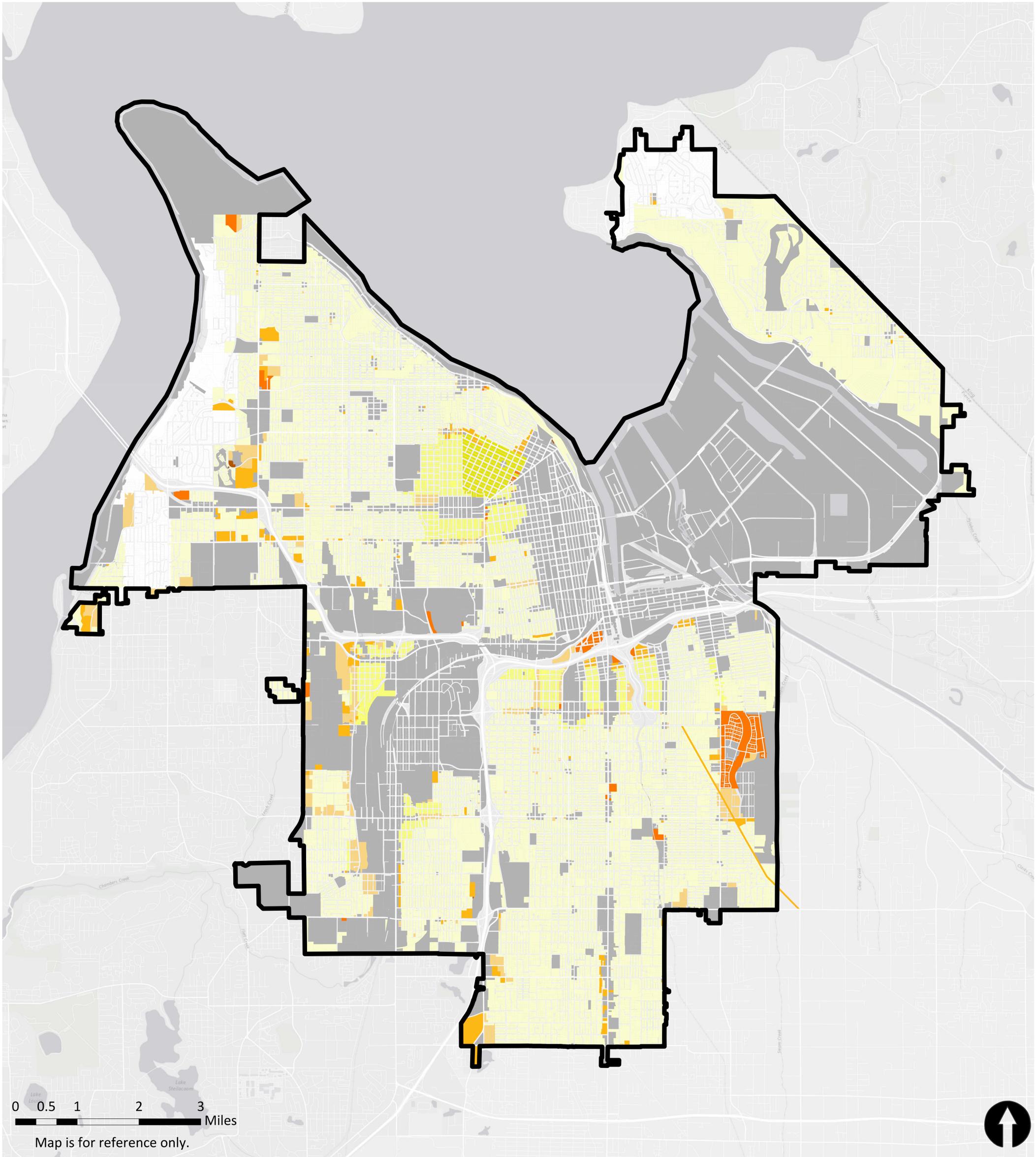
N = Not Permitted

CU = Conditional

* = Pilot Residential Infill Program (special administrative design review)

Affordable Housing Incentives & Bonuses/Residential Upzones: The proposal would create incentives to include affordable units within Downtown and PRDs, and require private applicants to include affordable units with private Residential Upzones.

Affordable Housing Policy Analysis - R-Zoned Parcels

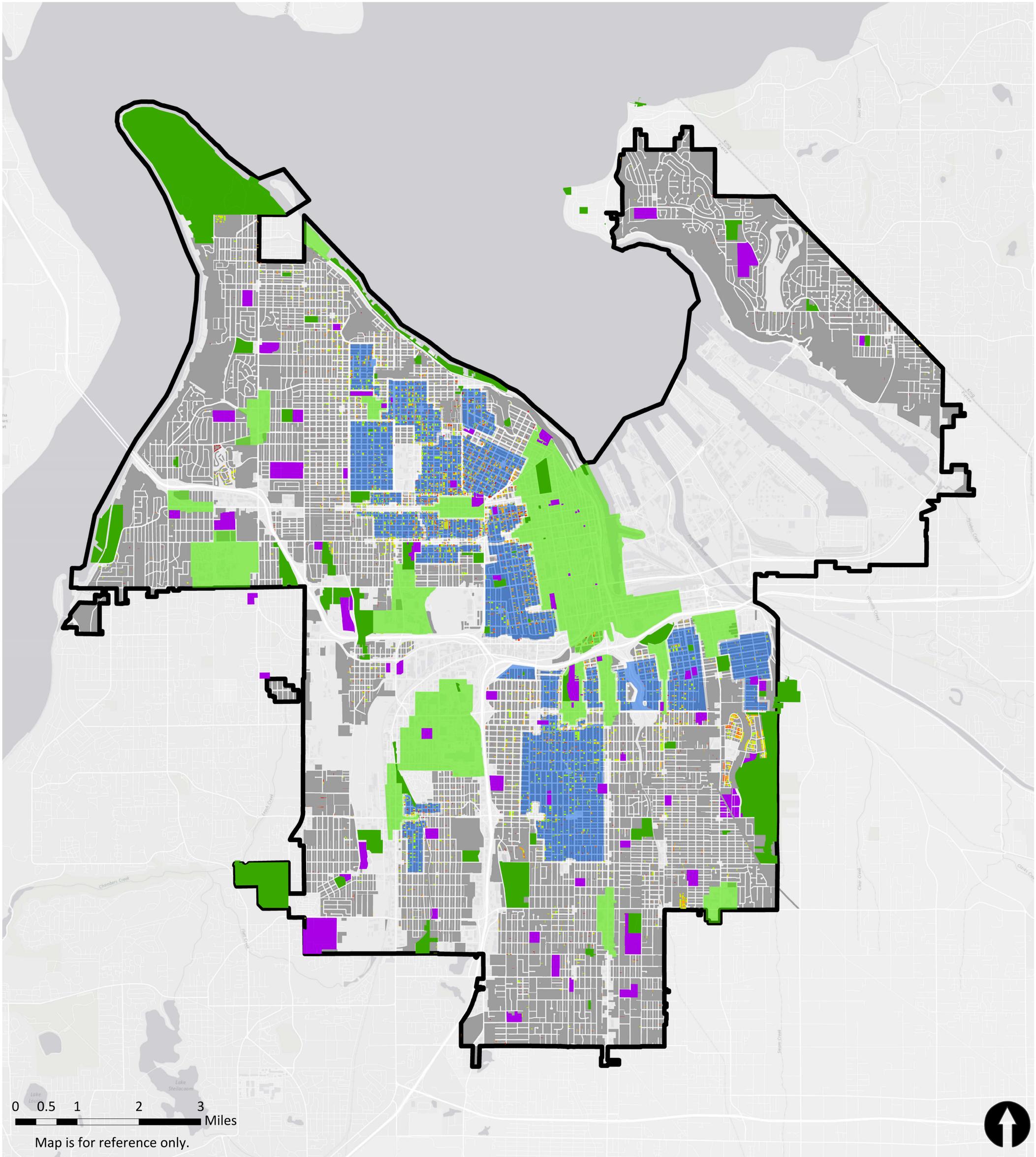


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|----|---------|-----|----|
| R1 | R2-SRD | R3 | R4 |
| R2 | HMR-SRD | R4L | R5 |

*Excludes Parks, Open Space, Right of Way, and Similar Large Irrelevant R-Zoned Parcels.



Affordable Housing Policy Analysis - Small Lot Study Areas

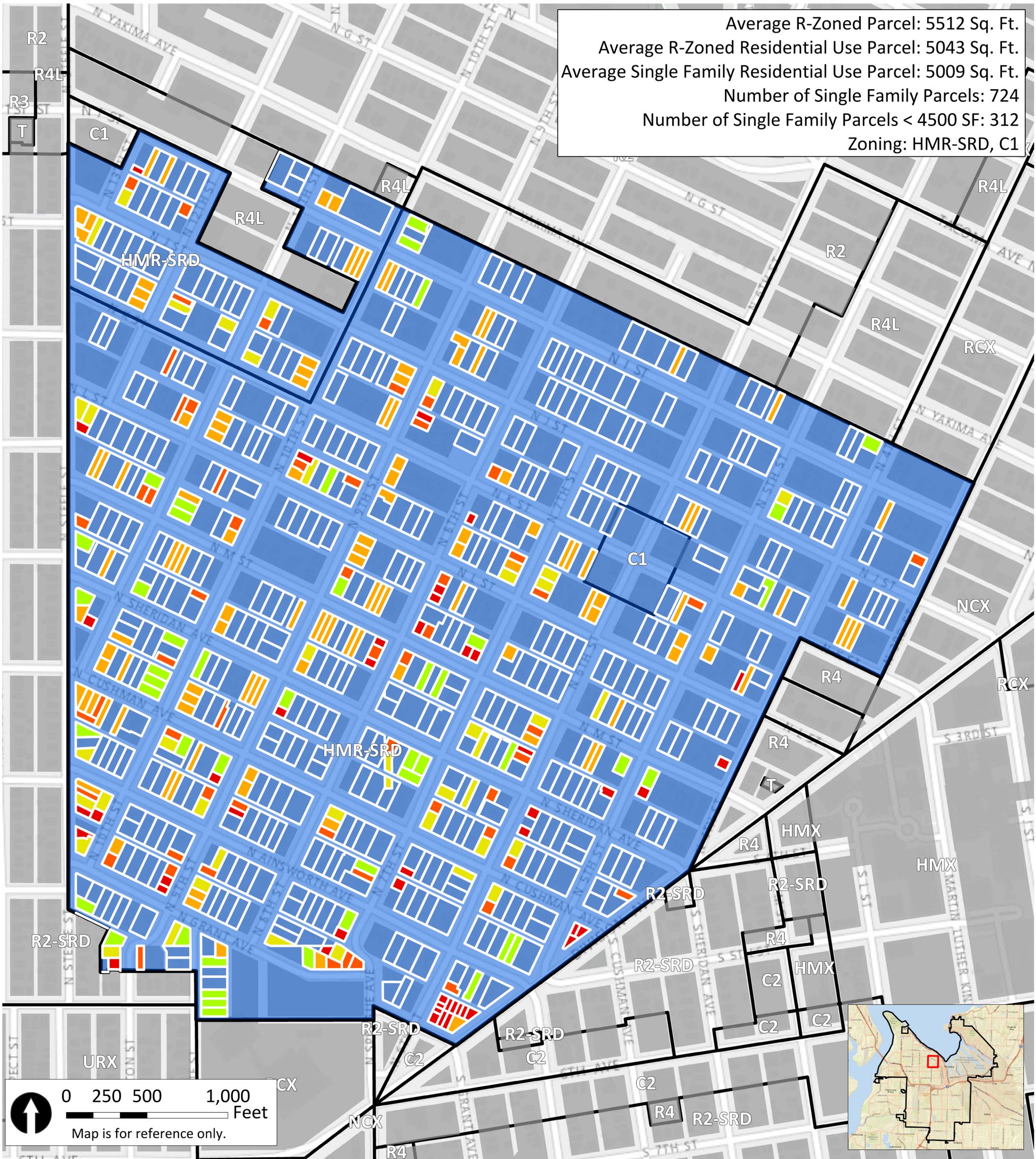


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|----------------------|-----------|-------------|-------------|
| Small Lot Study Area | Schools | < 2500 | 3500 - 4000 |
| R-Zoning | Park Land | 2500 - 3000 | 4000 - 4500 |
| Mixed Use Center | | 3000 - 3500 | |



Affordable Housing Policy Analysis - North Slope

Average R-Zoned Parcel: 5512 Sq. Ft.
 Average R-Zoned Residential Use Parcel: 5043 Sq. Ft.
 Average Single Family Residential Use Parcel: 5009 Sq. Ft.
 Number of Single Family Parcels: 724
 Number of Single Family Parcels < 4500 SF: 312
 Zoning: HMR-SRD, C1



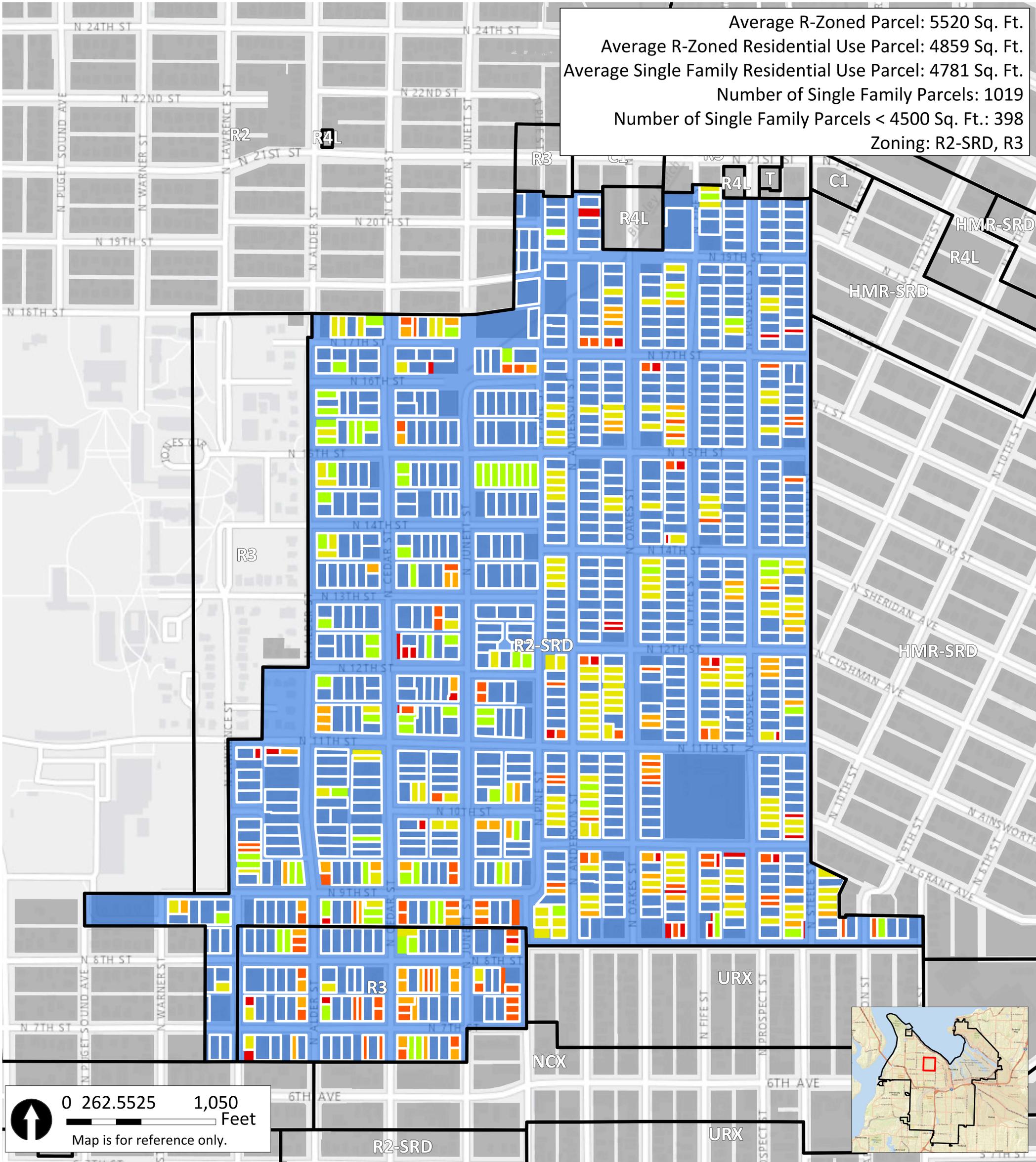
- Single Family Dwelling
- < 2500
- 2500 - 3000
- 3000 - 3500
- 3500 - 4000
- 4000 - 4500

*Colored parcels indicate a smaller residential lot size of 4500 square feet or less.



Affordable Housing Policy Analysis - U.P.S. East

Average R-Zoned Parcel: 5520 Sq. Ft.
 Average R-Zoned Residential Use Parcel: 4859 Sq. Ft.
 Average Single Family Residential Use Parcel: 4781 Sq. Ft.
 Number of Single Family Parcels: 1019
 Number of Single Family Parcels < 4500 Sq. Ft.: 398
 Zoning: R2-SRD, R3



- Single Family Dwelling
- < 2500
- 2500 - 3000
- 3000 - 3500
- 3500 - 4000
- 4000 - 4500

*Colored parcels indicate a smaller residential lot size of 4500 square feet or less.



Attachment D

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.]

