



City of Tacoma
Planning and Development Services

**Agenda Item
D-3**

To: Planning Commission
From: Elliott Barnett, Planning Services Division
Subject: **Affordable Housing Planning Work Program (Phase 3)**
Meeting Date: March 4, 2015
Memo Date: February 26, 2015

At the March 4th meeting, the Planning Commission will resume consideration of the Affordable Housing Planning Work Program. 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 will consider the third and final phase of these planning-related 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 in residential areas, and by promoting housing development generally. 2. Proposals to incentivize the inclusion of affordable housing in developments through offering height, density or other bonuses, as well as requiring the inclusion of affordable units in association with residential upzone requests.

At the October 1, 2014 meeting, the Commission discussed the background, key policy considerations, an overview of the proposals, benchmarking, and preliminary considerations for potential changes. The October 1, 2014 packet provides the starting point for this discussion. The packet, as well as AHPAG's 2010 report and other background information, is available on the project webpage: www.cityoftacoma.org/planning, **Current Initiatives**, *Affordable Housing*.

At this point, staff will begin to seek the Commission's guidance to formulate recommendations on the individual proposals. On March 4th, staff will bring forward preliminary options regarding Accessory Dwelling Units, Small Lots, and New Housing Options in Residential Districts. Attached please find staff summary pages on all the Infill Strategies under consideration and on these three policy tools. Staff will also highlight the linkages between this discussion and the 2015 Annual Amendments - Land Use Intensities update. In addition, staff will invite a broader, extended dialogue on this community's perspectives on residential character, density and mix.

Subsequent discussions will cover Cottage Housing and Planned Residential Districts, Incentives and Rezones, and permitting approaches (such as permit-ready house designs). Staff will continue to consult with the AHPAG throughout the process.






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

c: Peter Huffman, Director

Attachment (1)

Residential Infill/Affordable Building Strategies

Increasing Site Size

	Accessory Dwelling Units	Small Lots	Duplex, townhouses and Great Houses in Single Family Areas	Cottage Housing	Planned Residential Districts
Description	An accessory dwelling unit (ADU) is a small, self-contained residential unit built on the same lot as an existing single family home. ADU's can be attached to the main house, or Detached structures.	Small lot development allows single family homes to be built on lots that are smaller than typically allowed in single family zoning districts.	Duplexes and townhouses are separate but attached dwellings for occupancy by two (or more) families living independently. Great houses are buildings with two or more units designed to resemble a single-family house.	Cottage housing developments are groupings of small, attached or detached single family dwelling units, often oriented around a common open space area, and developed with a coherent plan for the entire site.	Planned Unit Developments (PRD's are a type of PUD) allow developers flexibility to depart from existing zoning requirements in exchange for fulfilling an established set of planning criteria.
Minimum Site Size	Any residential parcel.	Residential parcel meeting standards (i.e., 4,500 sf).	Residential parcels (typically allowed in multifamily zones).	6,400 sf - one acre (or larger).	1-2 acres or larger.
Key Permitting Considerations	<ul style="list-style-type: none"> -Design standards to ensure ADU fits in with main house (i.e., features, materials and finishes). -To promote privacy (i.e., setbacks, screening for neighboring yards). -For neighborhood fit (i.e., only one door per frontage). -Limit on number of residents and unit size. -Owner must live there. 	<ul style="list-style-type: none"> -Design standards to ensure neighborhood compatibility (i. e., street orientation, transparency, clear front entrances, height restrictions). 	<ul style="list-style-type: none"> Where permitted in single-family zones: -Design standards to ensure neighborhood compatibility and the appearance of a single-family home (i.e., one entrance per frontage). -Could be limited to larger/unique sites (i.e., only on corner lots, each frontage designed to look like a single-family residence). 	<ul style="list-style-type: none"> -Design standards to reduce height, bulk and provide open space. -Limit number of units (ranges from 4-24 units). -Designed around a common open space. -Units are smaller, generally around 1,000 sf. -Community buildings. -Separated parking area. 	<ul style="list-style-type: none"> - Flexible development standards. - Design standards to promote compatibility with surrounding area. - Broader range of land uses (single, multi-family, commercial). - Density bonuses are common in exchange for amenities such as affordable housing, open space, quality design.
Where is Tacoma at currently?	<ul style="list-style-type: none"> - Tacoma's ADU code is fairly permissive in terms of design standards and review process - Detached ADU's are not permitted in single-family areas. 	<ul style="list-style-type: none"> -Tacoma's 5000 sf minimum lot size (in R-2) is typical of established urban areas. -Small Lots flexibilities (4500 sf minimum) allowed with design standards. -Smaller lot sizes are allowed in higher density zones. 	<ul style="list-style-type: none"> -Tacoma does not allow duplexes, triplexes or multifamily development in single-family areas. -These uses are allowed in higher density zones and through PRD's. 	<ul style="list-style-type: none"> -Tacoma does not currently allow cottage housing in single-family zones. -Cottage housing could be allowed through PRD's or in multifamily or mixed-use districts. 	<ul style="list-style-type: none"> -Tacoma's PRD code offers standards and land use flexibilities, but not density bonuses. -PRD code requires large sites and setting aside substantial open space.
 <p>Detached ADU</p>	 <p>Small lot homes in Kirkland, WA</p>	 <p>Craftsman-Style Duplex on a Corner lot, Bend, OR</p>	 <p>Greenwood Avenue Cottages Shoreline, WA</p>	 <p>Example site plan showing clustering, mix of land uses.</p>	

Source: Primarily based on PSRC's Housing Toolkit

Accessory Dwelling Units

Recommendation:

The City should broaden its rules governing Accessory Dwelling Units. The rules presently permit ADUs if the unit is attached to the main house. The City should allow ADUs in detached structures as well, such as converted garages. – *AHPAG 2010 (Recommendation 3.5.1)*



Tacoma vs. other jurisdictions:

Several rounds of recent code updates have made Tacoma’s ADU code flexible and permissive as compared to other jurisdictions. Like many jurisdictions, Tacoma does not allow Detached ADUs in single-family zoning districts. Some jurisdictions (e.g., Portland and Seattle) do allow Detached ADU’s in single-family residential zones. Others are more restrictive (e.g., Everett only allows attached ADUs). *In 2008 Tacoma began allowing Detached ADU’s in R-3 and above. In 2014 the City Council adopted the following updates to increase flexibility and reduce process:*

- Allow Detached ADUs, where permitted, to 25 feet with design standards (previously required a Conditional Use Permit)
- Remove ADU parking requirement
- Reduce minimum ADU size to 200 sf (previously 300 sf)
- Allow ADUs on Small Lots meeting design standards (4,500-5,000 sf in R-2 Districts)
- Allow Attached ADUs on substandard lots (with no increase to building footprint)
- Allow Home Occupations (businesses) in both the main dwelling and ADU
- Provide flexibility for pedestrian walkways
- Relax design requirements for Detached ADUs (allow them to “complement” rather than “match” the main building)
- Remove the current 10 percent limit on Detached ADU building footprints (rely instead on Accessory structure limits already in place)
- Streamline the application process

Potential changes:

- Should Detached ADUs be allowed in Single-family Zoning Districts?
 - Could be allowed in a subset of single-family districts (R-1, R-2, R-2SRD, HMR-SRD)
 - Could be allowed outright or require a Conditional Use Permit
 - Are there design standards needed?
 - Other considerations?

AHPAG #3.5.1 Accessory Dwelling Units (ADUs)

Potential for Creating/Preserving Affordable Units [* low, ** medium, *** high]				Owner/Renter	Priority
Population Served By Income Tier					
Tacoma Area Median Income (AMI) = \$48,966					
Extremely Low <30% AMI \$14,698	Very Low <50% AMI \$24,498	Low <80% AMI \$39,197	Mod. <100% AMI \$48,966		
*	**	**	**	Renter** Owner**	Medium

Small Lots

Recommendation:

The City should allow smaller lot sizes in its neighborhoods to permit a greater diversity of housing types and sizes. Smaller lot sizes are necessary to take advantage of higher densities and to allow more creativity with lot arrangements. – AHPAG 2010 (Recommendation 3.8.1)



Tacoma vs. other jurisdictions:

Recent code updates mean that Tacoma's code is in the mid-range in terms of minimum lot dimensions and requirements. Typical minimum lot sizes for the most dense residential zones in Washington cities range between 7000 sf and 4000 sf, with 5000 sf a common minimum. Some jurisdictions do allow smaller lot sizes in single-family zones (for example, Portland, Oregon allows 2,500 sf in some zones). Some jurisdictions permit smaller lot sizes as you reach higher density zones. Tacoma uses this approach, allowing a sliding scale of lot sizes that decreases as you move up the scale from R-1 to R-5. Tacoma's X and Commercial zoning districts have no minimum lot sizes.

In 2008 the City created the Small Lots Design standards providing a 10 percent reduction in lot area and width, provided design standards are met. In 2014 the City Council adopted updates to encourage infill development and promote housing affordability and choice, while adding design criteria to promote neighborhood compatibility. Key changes included:

- Added flexibility and enhanced design standards for Single-family Small Lot Residential Development:
 - Sliding scale for minimum average lot width from 35 feet in R-2 to 25 in R-5
 - Sliding scale for minimum lot size: 6,750 sf in R-1; 4,500 sf in R-2; down to 2,500 in R-5
 - Additional design standards for Small Lot development
- Added flexibility and enhance design standards for Two-family and Three-family Dwellings in multi-family districts:
 - Two- and three-family development more consistent with approach to townhouses
 - Sliding scale for minimum lot size for two-family and three-family in multi-family zones (from 6,000 sf to 3,500 sf)
 - Two-family and three-family development subject to standards currently applicable in MUC Districts

Potential changes:

- Should Tacoma further reduce minimum lot dimensions or provide additional flexibility in some circumstances?
 - Current zoning allowances already at the upper density limit indicated by the Comprehensive Plan for single-family areas.
 - Consider additional flexibility without increasing density (such as lot size averaging).
 - Other proposals, including cottage housing and PRD's, provide an avenue to increased densities.
 - Consider rezones in areas where higher densities are desired.

AHPAG #3.8.1 Exception to Standard Lot Sizes for Specific Projects

Potential for Creating/Preserving Affordable Units [* low, ** medium, *** high]				Owner/Renter	Priority
Population Served By Income Tier					
Tacoma Area Median Income (AMI) = \$48,966					
Extremely Low <30% AMI \$14,698	Very Low <50% AMI \$24,498	Low <80% AMI \$39,197	Mod. <100% AMI \$48,966		
*	*	**	**	Renter** Owner**	Medium

Summary of Benchmarking:

	Other Codes ⁱ	Tacoma
<i>Minimum Site Size</i>	2,500-5,000 sf 1,800 sf in some infill housing codes, not in single family areas.	5,000 sf 4,500 sf or legally non-conforming with standards Sliding scale down to 2,500 sf in multifamily districts
<i>Unit Size</i>	N/A	N/A
<i>Maximum Height</i>	Typically 25-35 ft	35 ft (25 in View areas)
<i>Density</i>	1 dwelling unit per lot	Controlled by lot size, height, and setbacks.
<i>Parking</i>	1-2 off-street parking stalls per unit.	2 off-street stalls per house
<i>Setbacks</i>	Front: 10-20' Rear: 10-20' Side: 3-5'	Front: 20 Rear: 25 Side: 5
<i>Open Space</i>	N/A	N/A
<i>Design Standards</i>	-Small lot units must have doors and windows which face the street, a distinct entry features such as a covered front porch, use context sensitive site design to ensure infill development fits in with existing neighborhood.	-All lots: Functional yard space; -Small lot development must meet design standards: street orientation, garages/vehicular access from rear, driveway max size, roof pitch, façade transparency, visible entrance, style variety, materials, street tree.
<i>Land Uses</i>	Single-family	Single-family
<i>Other</i>		
<i>Bonuses</i>	N/A	N/A
<i>Where Permitted</i>	Residential districts	All districts allowing residential development (must comply with minimum densities in some zones)

ⁱ Sources: Bellingham, Everett, Portland, Seattle, Marysville, PSRC Housing Innovation Toolkit

New Housing Options in Single Family Districts

Recommendation:

The City should allow “great houses” – multi-family units, such as four-plexes, designed to appear as large single family homes, in single-family zones with design standards.

– AHPAG 2010 (Recommendation 3.5.4)

Further discussions have broadened this to include duplexes in single-family areas, following the same principle of design standards to ensure compatibility with single-family neighborhoods.



Tacoma vs. other jurisdictions:

Permitting two-family or higher density development in Single-Family Zoning Districts is uncommon. Most jurisdictions limit land uses to Single-family, and others considered compatible (such as churches, schools, parks, in home daycares, etc.). There are exceptions—some jurisdictions allow more dense housing types in single-family areas in limited instances (e.g., Eugene and Portland, Oregon allow duplexes on corner lots).



Tacoma follows the general approach limiting land uses to single-family and compatible associated uses. One exception is that in the R-2 Special Review District, duplexes are permitted with a Conditional Use Permit. Tacoma also allows a broader range of uses of historic structures through a Conditional Use Permit process. Tacoma’s Comprehensive Plan contains strong policy direction calling for protecting single family neighborhoods.

Potential changes:

- Should Tacoma allow more dense housing types in single-family zones?
 - Design standards needed to ensure compatibility with neighborhood
 - Limited to larger sites, corner lots, arterial streets, other special circumstances?
 - Review process options: by right, Conditional Use Permit
 - There may also be opportunities to become more permissive or provide increased density in multi-family zones in exchange for design standards

AHPAG #3.5.4 Great House Design

Potential for Creating/Preserving Affordable Units [* low, ** medium, *** high]				Owner/Renter	Priority
Population Served By Income Tier					
Tacoma Area Median Income (AMI) = \$48,966					
Extremely Low <30% AMI \$14,698	Very Low <50% AMI \$24,498	Low <80% AMI \$39,197	Mod. <100% AMI \$48,966		
*	*	*	*	Renter*	Medium

Summary of Benchmarking:

	Other Codesⁱ	Tacoma
<i>Minimum Site Size</i>	Same as base zone.	N/A
<i>Unit Size</i>	Same as base zone.	N/A
<i>Maximum Height</i>	Same as base zone.	N/A
<i>Density</i>	One extra unit, up to two units	N/A
<i>Parking</i>		N/A
<i>Setbacks</i>	Same as base zone.	N/A
<i>Open Space</i>		N/A
<i>Design Standards</i>	-Entrances face separate streets -Exterior finishes must be the same or visually match in type, size, and placement -Windows must match in proportion and orientation -Trim must be the same size, type, and location	-All lots: Functional yard space
<i>Land Uses</i>	2-family	Considered 2-family, 3-family or multi-family
<i>Other</i>		
<i>Bonuses</i>		N/A
<i>Where Permitted</i>	Single-family zones and above	Permitted in R-3 and above, as well as other districts allowing residential development

ⁱ Sources: Bellingham, Everett, Portland, Seattle, PSRC Housing Innovation Toolkit