

Housing Committee

City of Leavenworth Zoom Meeting

3:30 – 4:30 PM

June 22, 2021

<p><u>Members:</u> Mia Bretz* Sharon Waters Zeke Reister</p>
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Agenda Items:

1. Mayor's Update (10 minutes)
 - a. RFP – Workforce Housing sent out
 - b. Potential County Project discussions possible in the fall
2. ADU Construction Plans Questions & Options – Consultant (25 minutes)
3. Affordable Housing Options – RCW 36.70a.540 (25 minutes)
4. Future Agenda Items
 - a. Mixed Use Incentives
 - b. Financial Analysis of available funds for affordable housing programs
 - c. Consider removing Financial Policy #5Capital Investment Budget Policies
 - d. Suggestions

Committee Goals:

- a. Initiating a discussion regarding the collaboration on regional housing issues and potential regional solutions.
- b. Exploring possible funding options for assistance of work force level housing.
- c. Reviewing and monitoring the implementations of municipal code language as it is developed and approved via the City Council and Planning Commission. The Committee shall evaluate the effectiveness of implementation of the code language.

*Chairperson

Audio recording available upon request for 90 days

ADU Construction Plan Project

MEETING GOALS:

1. Introduce ourselves!
2. Understand and discuss the Committee's priorities interests relating to the ADU Project
3. Establish a few more specifics about the ADU units before jumping into the design process (see "design considerations" below)

TIMELINE:

4. We have proposed meeting w/ the Housing Committee on their regularly scheduled meeting days of June 22nd, July 27th, and August 24th. Are these the preferred dates, or does the Committee have the ability or desire to meet more often?

DESIGN CONSIDERATIONS:

5. Specific design requirements for each size of ADU:
 - Are the square footages for each size ADU listed still the desired sizes? (Small ~400sf, Medium ~600sf, Large ~900sf + 2 car garage)
 - # of bedrooms in each ADU type.
 - # of full and partial bathrooms preferred in each ADU type.
 - Tubs vs. Showers
 - Outdoor spaces such as decks or covered porches
 - Fireplaces?
6. Stylistic preferences.
 - We recognize these ADUs will want to appeal to the most people possible, and do not want to push any particular aesthetic if there are strong preferences within the Committee.
 - Potential for different styles for each unit, or all three being similar in style.
 - Any project imagery, inspiration images, or ideas from the Committee are encouraged for discussion.
 - Modern
 - Traditional
 - Based on cost estimates

UPCOMING MEETINGS:

1. How long ahead of each meeting would the Committee like to have drawings/ concepts to review?
2. Are emailed documents acceptable, or is there a preference for hard copies?

Different approaches for different needs

Lower housing costs require greater public intervention



From Regional Housing Needs Assessment – King, Kitsap, Snohomish & Pierce counties, October 2020

How to measure or establish as target goal of affordable housing is challenging. For affordable low-income there are tools because this type of housing unit is controlled/managed. For other income levels such as workforce housing, it is more challenging because the rent/sale price is not controlled/managed. For this reason, Commerce guidance focuses on new production targets by housing type which we can address at the next meeting.

For this meeting we will review incentives for affordable housing for low-income housing units as outlined by RCW 36.70A.540.

LMC 18.xx Affordable Housing Incentive Program - Draft Code Option

18.xx.010 Purpose

Affordable housing incentive program is intended to provide housing for entry level jobs, such as, cashiers, hotel staff and retail and restaurant workers, which make up the majority of employees within Leavenworth. By providing housing incentives, as authorized by RCW 36.70A.540, the city intends to improve the quality of life for all residents of varying income levels by supporting health, increasing financial stability, reducing travel demands, and expanding population diversity.

18.xx.020 Applicability

- A. Affordable housing for low-income housing units is permitted in all zoning districts and encouraged within planned development and commercial district mixed use incentives developments.

B. For developments serving:

- a. Low-income renters with incomes of 50 percent or less of the county median family income, adjusted for family size
- b. Low-income households with incomes of 80 percent or less of the county median family income, adjusted for family size
- c. Notwithstanding the City Council may increase, through a public hearing, the rental housing up to eighty percent of the county AMI or owner occupancy housing up to one hundred percent of the county AMI

18.xx.030 Other Affordable Housing Options

The following list of options is provided for overall education of what the City of Leavenworth has developed in support of affordable housing units. Use of these options, or others, is not required part of this affordable housing chapter.

- A. LMC 3.42 Affordable Housing Grant/Loan
- B. LMC 3.44 Affordable Housing Funds
- C. Pre-approved Accessory Dwelling Unit construction plans
- D. Manufactured/Tiny home parks
- E. Partnerships with nonprofit housing authorities/groups

18.xx.040 Requirements for Affordable Housing Options

Any development affordable housing for low-income housing units shall ensure that each affordable unit be retained as affordable housing for a minimum of 50 years from the date final occupancy.

18.xx.050 Incentives for Affordable Housing

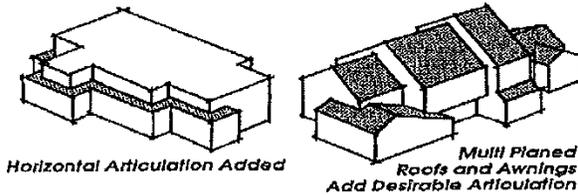
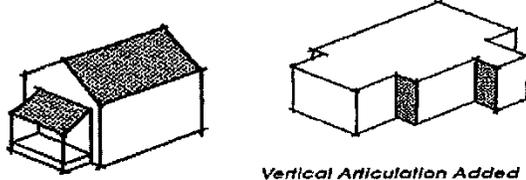
When a development includes affordable housing for low-income housing units, the project may request any of the following deviations from the standard regulations:

- A. Density, each affordable housing unit shall not count against the overall project density. For example, a development of 10 market rate units and 5 affordable housing units shall be counted as a density of 10.
- B. Lot coverage, when a development includes a minimum of three affordable housing units, the lot coverage may increase to 75% or the underlying zoning, whichever is greater.
- C. Setbacks, when a development includes at least one affordable housing unit, the front and rear yard setbacks may be reduced by 50%; however, the allowance for a front porch within the front yard setback is not permitted.
- D. Alley access, any development that includes affordable housing may have a primary access from the alley, if the alley meets the fire code standards.
- E. Parking, any development that includes affordable housing which is located ½ mile from a public transit park-n-ride may reduce the parking standards by 50%.

18.xx.060 Design Standards for Affordable Housing

All development using this chapter shall meet the following development standards for affordable housing for low-income housing units:

- A. Half of the affordable housing units must be of a similar size and makeup (number of bedrooms and bathrooms) as market rate units within the same development. The remaining half may be smaller or larger than the market rate units within the same development.
- B. Entrées and Front doors shall be consolidated whenever feasible so that only one entrance or front door is facing a city street.
- C. Corner lots, the development may include driveway access from each city street and the alley.
- D. The design of the structures shall include, at least one, articulation of the facade (vertical articulation) or multi-planed roofs to soften the appearance of the structure.



- E. Over hangs/eaves shall be a minimum of three feet
- F. Storage – for every dwelling unit under 500 square feet, a separate area for personal storage shall be provided at least 90 cubic feet, for example: length 5', width 3', height 6'. Area under 4' in height will not be calculated as storage.

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.