

# MBAKS Housing Toolkit

## Local Planning Measures for Creating More Housing Choices

Prepared by Master Builders Association of King and Snohomish Counties with input from LDC, Inc. The four-county Puget Sound region (King, Snohomish, Pierce, and Kitsap) is expected to add 1.5 million more people by 2050. As our population grows, there must be a clear plan for building new housing that works for current residents while ensuring that the region is affordable for newcomers and future generations.

To meet the strong demand, we need more housing, including the full range of housing types such as condominiums, accessory dwelling units (ADUs), and townhomes, as well as single-family homes.

Regulations and long permit timelines can create significant obstacles for those seeking housing by driving up costs and pushing new homes even further out of reach for many buyers and renters. There are, however, simple steps cities and counties can take today to help ease some of these regulatory burdens and reduce certain cost pressures on new housing without compromising environmental protections or other important policy goals.

This toolkit is intended to serve as a useful guide for local governments, listing specific code updates and process improvements jurisdictions can take to help provide more diverse, more affordable housing for our growing population. All these tools can be adopted locally and do not require state legislative action. Included throughout the toolkit are examples of local jurisdictions already utilizing these tools and model codes, where applicable, that other cities can reference.

Single-Family Neighborhoods

Missing Middle Housing Types

Multifamily Neighborhoods

#### ACKNOWLEDGEMENTS

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#### **ABOUT MBAKS**

Founded in 1909 and headquartered in Bellevue, Washington, the Master Builders Association of King and Snohomish Counties (MBAKS) is the nation's oldest and largest local homebuilders association. Like our founders, our members continue to take a leading role in all facets of homebuilding and support the planning for a growing region. From new technology to advances in sustainability, from collaborative public policy efforts to investing in our communities, our commitment to a thriving, inclusive, and wellplanned region never wavers. We are the professional homebuilders, architects, remodelers, tradespeople (carpenters, framers, roofers, plumbers, electricians), planners and engineers, suppliers, manufacturers, and sales and marketing professionals in your community who believe everyone deserves access to a healthy and productive place to call home.

**Note:** Several of the items listed below are also included as options for increasing housing capacity and affordability in Rep. Joe Fitzgibbon's bill, HB 1923, adopted in 2019. Those items are indicated with an asterisk.

Cover: 602 Flats is located in Seattle. This project by BUILD LLC includes four flats built on a 2,600 square-foot corner lot. Photo: Andrew van Leeuwen

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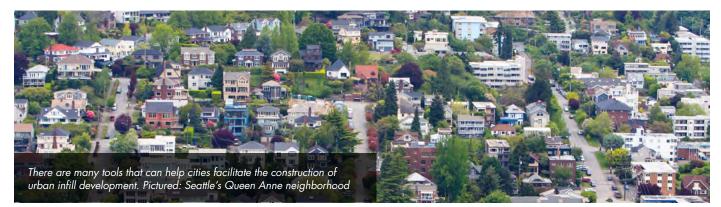
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## SEPA-RELATED AND PLANNING TOOLS

There are a variety of planning tools related to the State Environmental Policy Act (SEPA) cities and counties could adopt to facilitate the construction of "infill" housing inside urban growth areas. Many of these tools would alleviate some of the redundancies and time delays encountered by developers seeking to build more infill housing. At the same time, these planning tools can be implemented without compromising important environmental protections. Most environmental issues that SEPA was intended to address are already mitigated by requirements to comply with existing local code, state, and federal regulations. Importantly, local governments can adopt these tools while still protecting the environment and offering strong public participation during the permitting process.



## **1**

## Raise SEPA exemption thresholds for minor new construction projects

The Department of Ecology updated SEPA rules in 2012 in response to legislative direction to allow for higher flexible thresholds. Local jurisdictions could adopt the highest level of flexible thresholds allowed by <u>WAC 197-11-800</u> (up to 30 for single-family and 60 for multifamily construction) for minor new construction. This would increase the SEPA categorical exemptions for minor new construction to the state maximum allowed, specifically for those projects located within the urban growth area (UGA).

Many jurisdictions fully planning under the Growth Management Act (GMA) are choosing to raise the exempt levels up to the maximum specified in WAC 197-11-800(1) (d) in order to encourage development in UGAs and streamline permit processes. Most environmental issues that SEPA was intended to address are already mitigated by local code, state, and federal regulations. Increases to exemption levels would significantly reduce the duplication and administrative costs of environmental review while still protecting the environment and offering strong public participation during the permitting process.

### **RESOURCES:**

 MBAKS Issue Brief on SEPA Reform: Categorial <u>Exemptions</u>

Among the jurisdictions that have adopted SEPA exemption thresholds above the minimum required by WAC 197-11-800 are the following:

- Des Moines
- Everett
- Federal Way (14.15.070)
- Kent
- Kirkland
- Lake Stevens
- Lynnwood
- Marysville
- Mountlake Terrace
- Mukilteo
- North Bend
- Seattle (uses SEPA threshold exemption in five urban centers and villages and in Downtown)
- Shoreline
- Snohomish County (maximum for multifamily within a UGA, not at the maximum for single-family)
- Redmond
- City of Snohomish
- Woodinville (21.52.090)

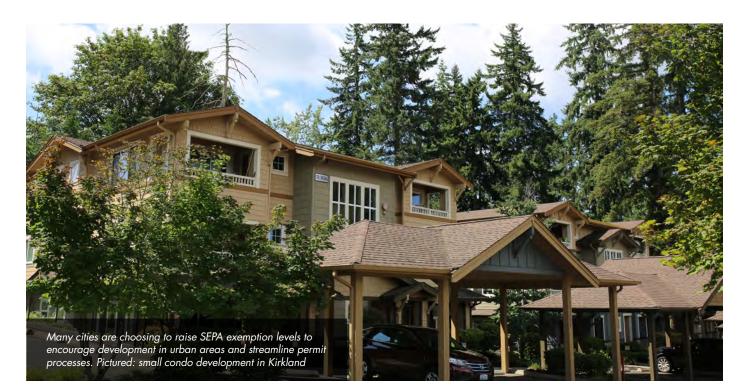
## 

### Raise short plat thresholds to nine

Currently, under state law <u>(RCW 58.17.020(6))</u>, short subdivisions are defined as including four or fewer lots, but local jurisdictions have the option to include up to nine lots in urban growth areas. Despite this authority, many cities in the Puget Sound region still require a formal subdivision for projects between five to nine lots. This can cost months of time and tens of thousands of dollars for small infill developments, which are important as the region continues to grow.

- City of Arlington
- City of Auburn (17.09.010)
- City of Bellevue (20.50.046) see Subdivision, Short
- City of Bothell
- City of Covington
- City of Des Moines
- City of Everett
- City of Federal Way
- City of Kenmore
- City of Kent
- City of Kirkland (KZC 22.20)
- City of Lake Stevens (14.18.010)
- City of Lynnwood (Chapter 19.50)

- City of Maple Valley
- City of Marysville (22G.090.310)
- City of Monroe
- City of Mountlake Terrace
- City of Newcastle
- City of North Bend
- City of Redmond
  - (RMC 20F.40.150-40)
  - Short Plat Checklist
- City of Renton (4-7-070)
- City of Sammamish
  - Short Subdivision Application and Fees
- City of SeaTac
- City of Seattle
- City of Shoreline
- City of Stanwood
- City of Sultan
- City of Tukwila
- City of Woodinville
- King County (<u>19A.04.310</u>)
- Snohomish County (30.915.280)

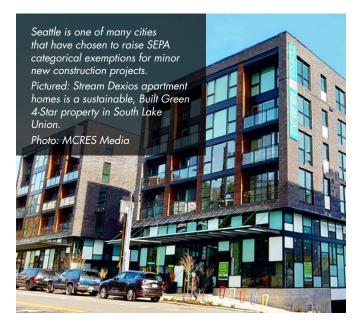


## Subarea planning/programmatic EIS<sup>•</sup>

Local jurisdictions could use the planned action ordinance provisions under <u>RCW 43.21C.420</u>. This is a tool of the State Environmental Policy Act that allows upfront SEPA review in order to facilitate environmental review of subsequent individual development projects. Local governments can assess environmental impacts within a defined sub-area and reduce a layer of regulation for developments proposed within the area that meet the planned uses. SEPA also allows a categorical exemption from SEPA review for infill development proposed in an urban growth area, consistent with a GMA comprehensive plan.

#### **RESOURCES:**

- Lynnwood City Center Planned Action EIS (2004-2012)
  - <u>Ordinance</u>
  - <u>Final EIS</u>
- Bothell Downtown Planned Action (2008-2009)
  - <u>Website</u>
  - <u>Ordinance</u>
  - <u>Final EIS</u>
- Shoreline 185th St Station Subarea Plan (2015)
  - <u>Website</u>
  - Ordinance
  - <u>Final EIS</u>



## **1**

## SEPA exemptions for infill development

Under <u>HB 2673, legislation that went into effect June</u> 11, 2020, cities now have a local option to grant SEPA exemptions for residential, mixed-use, and commercial development up to 65,000 square feet where current density or intensity of use in the area is equal to or roughly equal to standards in a local government's Growth Management Act comprehensive plan. This is an important tool allowing flexibility with local options for jurisdictions who want to plan for growth. Adopting SEPA exemptions in this way would alleviate some of the redundancies and time delays encountered by developers, which often acts as a barrier in efforts to build more infill housing inside urban growth areas. Jurisdictions conduct significant environmental review and public outreach in the comprehensive plan update. SEPA exemptions for infill development avoids doing the same work twice.

In 2023, the legislature took the next step of adopting up-front SEPA planning with the passage of <u>2SSB</u>. <u>5412</u>. Under this new law, individual residential projects are no longer required to go through the SEPA process. All SEPA planning must now be completed upfront at the comprehensive planning level. The city of Seattle has done the sub-area plan work to do the SEPA planning upfront, so the city can implement this change immediately. Everywhere else project actions that propose to develop one or more residential housing or middle housing units within the city may utilize the categorical exemption in the manner provided for cities and counties after September 30, 2025.

Completing this environmental analysis upfront will create more consistency and streamline projects with upfront expectations of mitigation costs and requirements, saving time and money.

- MBAKS Issue Brief on SEPA Reform: Infill
- Snohomish County (Ordinance 22-037)
- Federal Way (14.15.070)
- City of Kent (11.03.215)
- City of Woodinville (21.52.230(1)(4)(b)(i)



## **AFFORDABLE HOUSING**

Most of the tools in this toolkit are intended to enable the full range of housing, from market-rate to affordable housing built by nonprofit builders. However, there are additional steps local governments can take to facilitate housing that serves community members experiencing the greatest need for affordable housing. These tools are designed to help provide affordable housing for seniors, low- and moderate-wage workers, and formerly homeless individuals and families. These tools are important so communities can be more affordable and inclusive for all.

## **1**

## Adopt affordable housing levies

To help create more affordable housing choices, local jurisdictions could pursue the adoption of a local housing levy. Affordable housing levies are authorized under <u>RCW 84.52.105</u>, which states "A county, city, or town may impose additional regular property tax levies of up to fifty cents per thousand dollars of assessed value of property in each year for up to ten consecutive years to finance affordable housing for very low-income households when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levies."

Housing levies represent an important funding tool for ensuring cities are inclusive, affordable, and livable for everyone. For example, Seattle's housing levy, when combined with other city funding, has led to the creation and preservation of more than 13,000 affordable homes for seniors, low- and moderate-wage workers, and formerly homeless individuals and families. It has provided down payment assistance to more than 900 first-time low-income homebuyers, as well as emergency rental assistance for thousands of families in need.

#### **RESOURCES:**

- <u>Seattle Housing Levy</u>
- The Bellingham Home Fund
- Bellingham's <u>Home Levy and Fund</u> <u>Resolution No. 2018-09</u>
- Jefferson County Resolution No. 35-17

## 0

### Multifamily tax exemption

Multifamily tax exemptions (MFTE) are helpful in encouraging the development of multifamily housing. Jurisdictions must designate certain areas in which the tax exemption may apply. New multifamily construction within the designated area may defer taxes on the value-added portion of new or rehabilitated property investment for eight years if adding multifamily housing units, and up to 12 years if 20% of housing units are affordable to low- and moderate-income households.

#### **RESOURCES:**

- See <u>RCW 82.02</u> for details.
- As part of its building and land use/zoning code updates for ADUs and missing middle/upzone, the city of Kirkland has been adopting a series of master lease agreements and MFTE ordinance amendments to promote more affordable housing, including reserving 46 units in the new urban downtown development for city staff and other public sector employees at certain area median incomes (AMIs).
- <u>City of Bellevue</u>
- <u>City of Everett</u>
- City of Marysville



Left: Housing levies can be used to fund a range of affordable housing programs, including homeownership assistance for first-time homebuyers. Pictured: Family receives new home at Habitat for Humanity-Seattle King County dedication.

Right: The Sammamish Cottages Community, a Habitat for Humanity Seattle-King County project, features 10 affordable homes ranging from 1,000 to 1,500 square feet. Habitat for Humanity is a member of MBAKS.

## ALLOW A VARIETY AND MIX OF HOUSING TYPES AND INNOVATION

The following tools will help cities and counties provide more housing choices for residents and support a more affordable future for our communities. Allowing more housing types, such as accessory dwelling units, townhomes, and microhousing, would create more home choices for Washington families in neighborhoods close to jobs, transit, schools, parks, and other amenities.

## 

## ADU code changes\*

Cities could adopt an accessory dwelling unit code to enable more ADUs as a housing option. State legislation adopted in 2023 (<u>EHB 1337</u>) requires GMA planning jurisdictions to lift local barriers on ADU construction by removing owner-occupancy requirements, legalizing two ADUs per lot, establishing a baseline minimum ADU size of 1,000 square feet, among other changes. ADUs make



it easier for younger buyers to qualify for their first home, enable seniors to age in place, and expand options for multigenerational living. ADUs also give homeowners a way to earn rental income. Furthermore, by offering an affordable housing choice in cities, ADUs are critical tools for accommodating growth in the very places where many families want to live—near job centers and existing infrastructure. ADUs are also an environmentally friendly housing option, given their small size and the fact that residents tend to drive less, resulting in lower carbon emissions. Enabling ADUs benefits communities by adding much-needed, affordable housing options.

- Department of Commerce Draft ADU guidance
- City of Seattle Ord 125854
- City of Seattle ADUniverse Guidance for Homeowners
- City of Burien Ord No. 724 memo
- City of Everett <u>ADU Resources</u>
- City of Kirkland Pre-Approved DADUs
- City of Renton Permit Ready ADU Program
- City of Arlington
- King County Urban ADU Standard
- Snohomish County
- <u>Burien Encourages Accessory Dwelling Units</u> <u>in New Reform</u>: Fesler, Stephen—The Urbanist, December 5, 2019
- <u>Accessory Dwelling Unit Ordinances</u> (includes model code): Master Builders Association of King and Snohomish Counties, Updated September 2021
- <u>All About Accessory Dwelling Units</u>: AARP Livable Communities resources
- <u>Why Mother-in-Laws Matter</u>: Fahey, Anna and Morales, Margaret—Sightline Institute, January 16, 2020
- <u>Housing Choices for Everyone: Backyard Cottages</u>— MBAKS, June 11, 2019



## Fee simple townhomes

To help create more affordable homeownership options that make efficient use of our limited land supply, local governments could adopt fee simple townhouse code, allowing for fee simple unit lot subdivision of attached homes. In short, fee simple is an ownership style. With condos, you own the space within the unit. With fee simple, you own the lot on which the home sits, much like most detached single-family neighborhoods. These homes, which are typically townhomes, look exactly the same as homes created as condos.

The primary benefit of fee simple is that this ownership type makes it easier for buyers and builders alike to obtain financing from banks and acquire insurance. Adopting a unit lot subdivision code would remove a hurdle to homeownership and provide better access to townhomes, which are a more affordable and popular housing type. This change would also improve the ability of owners to refinance and sell their homes, allowing more families to enjoy the benefits of ownership. Townhomes make efficient use of scarce land and help us meet GMA planning goals. The change would also help enable what has become a very popular housing choice.

### Some key components of fee simple:

- Submit under commercial code
- Allow drive aisle or internal driveway
- Covenants, conditions, and restrictions (CC&Rs) in lieu of Homeowners Association
- Zero lot line law in Seattle
- Serves both entry level and retirees

- City of Lynnwood—LMC 19.40
  - <u>Code</u>
  - Depending on underlying zoning, can be processed as short/long plats or as binding site plans
- Snohomish County
  - <u>SCC 30.41A.205</u>—Design Standards unit lot subdivision
  - <u>Townhouse code</u>
  - Zero lot line development definition
  - Single-family attached definition
  - Townhouse dwelling definition
- City of Everett—EMC 19.15A
  - <u>Code</u>
- City of Lake Stevens <u>Unit Lot Subdivision Code for</u> townhomes
- City of Mountlake Terrace—MTMC 17.09 - <u>Code</u>
- City of Bothell <u>(New Detached Condominium or</u> <u>Townhomes Building Permit Checklist)</u>
- City of Bellevue—<u>Fee Simple Ordinance</u>
- City of Enumclaw
- City of North Bend
- City of Redmond
- City of Seattle
- City of Shoreline
- City of Tukwila
- MBAKS fee simple slide presentation

## Allow separate ownership of ADUs

Separate ownership of ADUs is one of the most critical pathways for success of Missing Middle Housing, financial security, and bridging economic and opportunity divides. ADUs are more affordable to build and own; they offer affordable first-time homeownership opportunities, safe aging-in-place living for seniors, reliable single-parent ownership, and opportunities for BIPOC homeownership to build valuable equity.

#### **RESOURCES:**

City of Kirkland: <u>KZC 115.07</u> allows for the maximization of density on small and substandard lots including the provision of two cottages, two carriages, two-unit homes, or combinations of these with ADU/ DADUs. While not expressly enumerated in code, the city continues to support separate ownership of all ADUs. The allowance of separate ownership for ADUs will be explicitly allowed under forthcoming interpretations.



Situated in Seattle's Maple Leaf neighborhood, Best Practice Architecture's Granny Pad is an award-winning detached additional dwelling unit (DADU). Photo: Ed Sozinho Photography



The Roost, by Neiman Taber Architects, features 33 microhousing units like the one pictured here, and was designed with a focus on affordability, livability, community, support for the arts, and sustainability. Photo: Alex Hart Photography

## Enable microhousing

Microhousing can fill an important need for residents who do not want, or cannot afford, a larger apartment. Microunits are small living spaces, typically less than 350 square feet, with a fully functioning kitchen and bathroom. They offer an innovative solution to urban housing affordability. This housing choice provides increased access to desirable neighborhoods and offers renters another option that may better fit their needs.

- King County microhousing demonstration project ordinance
- <u>Micro-Units: Another Tool in Your Affordable Housing</u> <u>Toolbelt</u>: Bollard, Sarah—MRSC Insight blog, December 12, 2019
- <u>When is Seattle Going to Fix Micro-Housing</u>?: Neiman, David— Sightline Institute, February 4, 2021
- <u>Are City Regulations Squeezing Microhousing</u>?: De La Rosa, Shawna—Bisnow, December 2, 2019
- <u>Housing Choices for Everyone: Microhousing</u>— MBAKS, September 18, 2019



## **OPTIMIZING RESIDENTIAL DENSITIES**

The following tools are designed to optimize residential densities in single-family neighborhoods inside urban growth areas. To the extent that cities and counties can create more housing choices in these neighborhoods, they will be better positioned as our region grows. Many local jurisdictions already have a significant portion of their residential neighborhoods zoned for single family. These tools are designed to ensure single-family neighborhoods are more equitable and are being used as efficiently as possible to accommodate new residents near jobs, schools, parks, transit, and other amenities.

## 

## Establish a minimum gross density of six dwelling units per acre in all residential zones.

Local governments could establish a minimum density of six homes per acre in all residential zones. Establishing a minimum gross urban density standard would encourage more density and housing supply in the areas where it's needed most, near job centers. This is a key step toward creating a healthy, sustainable balance between housing supply and demand. It would also help cities meet the GMA goal of creating new housing near employment centers while helping the environment by reducing vehicle miles traveled.

### **RESOURCES:**

- City of Index
- City of Snohomish
- City of Tukwila

## Allow cluster zoning in single-family zones.

Cluster zoning is a development option that provides density bonuses in exchange for public amenities such as open space. A cluster subdivision will typically include several houses grouped together on a tract of land next to undeveloped land held for the common enjoyment of neighboring residents or the community at large. Grouping homes together in this manner can lower the cost of housing by making more efficient use of the land and reducing the initial investment in streets and utility lines needed to service these communities.

Communities that choose to allow cluster zoning should also make sure that the tool is easy to find in code and straightforward to implement.

- Carnation (15.48.070)
- Everett (18.28.210)
- Lake Stevens (14.48.070)
- Seattle (23.44.024), see also Seattle Zoning Chart
- Bothell <u>(12.30.070)</u>

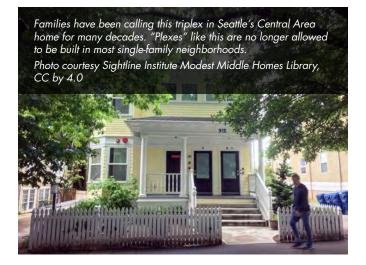
## Lot size averaging<sup>\*</sup>

Lot size averaging is an innovative development technique that puts buildable land to more efficient use by allowing smaller lots on constrained sites while complying with the underlying zoning. Specifically, this technique encourages a more efficient use of land for subdivision and short subdivision development. The size of individual lots within a subdivision or short subdivision using lot size averaging can be less than the required minimum lot size, provided that the development density achieved is not greater than the gross site area divided by the underlying zone. The flexibility allowed by lot size averaging can be useful for developing single-family housing on unusually shaped parcels or on properties constrained by critical areas. It will also ensure that the densities anticipated in code can be met. Smaller lot sizes may also provide more affordable housing opportunities.

Communities that choose to allow lot size averaging should also make sure that the tool is easy to find in code and straightforward to implement.

### **RESOURCES:**

- Burien (19.15.005)
- Carnation (Chapter 15.48)
- Redmond (20C.30.25-050)
- Snohomish County (30.23.210)
- Sultan (19.44)
- Mark Villwock/LDC Inc. slides





Cottage housing, like the cottage cluster seen here, is a charming and innovative type of development. Photo: Sightline Institute

## Allow cottage housing

Cottage housing refers to multiple detached dwelling units that share common areas. This housing choice provides more compact urban development, expanding the range of housing types available to consumers. It generally works best if allowed in single-family zones.

- MBAKS Cottage Housing Issue Brief
- City of Kirkland: <u>Zoning Code Ch. 113</u>, Cottage, Carriage, and Two/Three Unit Homes
- City of Redmond: <u>21.08.290</u>, Cottage Housing Developments
- <u>MRSC Cottage Housing Overview and Resources</u>

## Allow duplexes, triplexes, and fourplexes in areas zoned for single-family residences

Many people who want to live in our cities are finding it harder and harder to find a home that fits their lives and budget. Allowing more home choices, such as duplexes and triplexes, in addition to single-family detached homes, would create more housing choices for Washington families in neighborhoods close to jobs, transit, schools, parks, and other amenities. Multiplexes, such as duplexes, triplexes, fourplexes, and sixplexes, are more affordable than detached, single-dwelling houses because land costs, which account for a significant portion of a home's value, can be shared across several households.

Legislation adopted in 2023 (<u>E2SHB 1110</u>) will for the first time legalize diverse housing options like multiplexes, townhouses, stacked flats, courtyard apartments, or cottage housing on most lots in Washington's residential neighborhoods. This new law is a major reform to zoning in the state that will provide more housing options for more people. Cities or counties planning under the GMA must comply with provisions of the new law beginning six months after the next periodic comprehensive plan update but have the option to adopt sooner than this date.

#### **RESOURCES:**

- <u>Middle Housing in Washington</u>: Resources from the Washington State Department of Commerce
- MBAKS Missing Middle Housing Issue Brief
- City of Lake Stevens Infill and Redevelopment Code
- City of Olympia Housing Code Amendments
- City of Portland, Oregon Residential Infill Project
- City of Walla Walla Zoning Code 2018 Update
- State of Oregon House Bill 2001
- <u>Why Minneapolis Just Made Zoning History</u>: CityLab, Dec. 7, 2018
- Expanding Affordable Housing Options Through Missing Middle Housing: MRSC, May 17, 2021
- Sightline Institute <u>Missing Middle Housing Photo Library</u>
- <u>Spokane already ahead on expanding 'middle</u> <u>housing'</u>: KREM 2 News, May 8, 2023
- <u>Spokane Laps Seattle, Legalizes Missing Middle</u> <u>Housing</u>: The Urbanist, July 19, 2022

## Adopt form-based code<sup>\*</sup>

"Form-based code" means a package of land use regulations that use physical form, rather than separation of use, as the organizing principle for the code. These land use regulations are adopted into city or county code and represent an innovative alternative to conventional zoning regulation. Form-based codes are linked to a plan that designates the appropriate form and scale of development, as well as the appearance and placement of buildings and their connection to the street, rather than only distinctions in land use types.

Form-based codes can be beneficial because they enable local governments to eliminate restrictive zoning, while providing the regulatory means to achieve development objectives, such as compact, pedestrianfriendly walkable neighborhoods, with greater certainty. Form-based codes can be adopted as a new zoning district or as an overlay district.

#### **RESOURCES:**

See also Subarea Planning/Programmatic EIS (p. 6)

- City of Bothell Downtown Subarea Plan
  - <u>Website</u>
  - Code and Regulations (separate documents)
- Clark County Highway 99 Subarea Hybrid Code
  Website
  - <u>VVebsite</u>
  - <u>Village Center Code</u>—very permissive on use, detailed form/design regulations
  - <u>Woodland District</u>—hybrid code; Urban
    Neighborhood 1—Woodland Square is form-based
- City of Shoreline—Mixed Residential Zoning/Subarea Planning
  - <u>Subarea Planning Website</u>
  - Mixed Residential Zones description
  - Code Section-see Table 20.50.020(2)
- City of North Bend
  - Downtown Form Based Code



## 

## Allow a duplex on each corner lot within all single-family zones

Allowing a duplex on each corner lot within all singlefamily zones is a simple and modest way to add housing capacity and more affordable housing choices in desirable areas. Because they can be built with wood frames, duplexes are significantly less costly to construct than taller concrete or steel apartment and condo structures. Additionally, they can fit seamlessly within existing singlefamily neighborhoods, compared to a three- or four-story apartment building. When updating codes to allow duplexes on corner lots, density allowances should be adjusted to account for additional duplex units.

- <u>Snohomish County</u> (duplexes are permitted use in all single-family zones)
- Sammamish
- <u>Bothell Legalizes Duplexes on Corner Lots and Trims</u> <u>Red Tape:</u> The Urbanist, March 3, 2021



## **INCREASE HOUSING CAPACITY NEAR TRANSIT AND JOBS**

The following tools are designed to increase housing capacity near transit and jobs and can help cities meet a variety of important goals. Housing located near transit reduces our reliance on cars, reducing traffic congestion and greenhouse gas emissions and creating more sustainable communities. It also supports walkable neighborhoods and helps to accommodate growth by enabling higher-density housing in the very places where the Growth Management Act intends for our region to grow inside our urban areas. Doing so successfully helps protect forests and farmland.

## 

### Transit/employer-oriented development

#### PROACTIVELY PLANNING FOR INCREASED HOUSING CAPACITY AROUND MAJOR TRANSIT AND EMPLOYMENT HUBS

At its core, transit-oriented development (TOD) is designed to better connect higher density housing options and jobs to planned transit stations or transit corridors. TOD involves a mix of uses, allowing residents to commute to work and take advantage of a variety of amenities without needing a car.

Employer-oriented development (EOD) is a similar concept that refers to increasing zoning to allow more homes near employment centers. Some major job centers simply do not have mass transit nearby and are also surrounded by low-density, single-family zoning. Allowing more people to live near work both enriches their lives by shortening commutes and relieves government from the financial burden of paying for commuters.

Examples of high-job areas with single-family zoning nearby include the University of Washington, the Washington State Capitol Campus, and Northwest and West Bellevue.

- <u>Transit-Oriented Development</u>: MRSC
- City of Shoreline Light Rail Station Subarea Planning
- <u>Lynnwood Link officially breaks ground</u>: Englehardt, Bruce—Seattle Transit Blog, September 4, 2019
- City of Mountlake Terrace Town Center Subarea Plan
- <u>Large Residential Projects Approved by Lynnwood and</u> <u>Mountlake Terrace</u>: Englehardt, Bruce—Seattle Transit Blog, June 4, 2018
- <u>Bellevue Takes Steps Toward Transit Oriented</u> <u>Development</u>: Pappas, Evan—The Bellevue Reporter, July 22, 2019
- <u>Redmond Waits for Light Rail</u>: Giordano, Lizz—Seattle Transit Blog, February 5, 2018
- City of Redmond—<u>Marymoor Village</u>
- <u>Lynnwood Plans for a New Light Rail-Linked Urban</u> <u>Village</u>: Thompson, Joseph—HeraldNet, November 23, 2019
- <u>Mountlake Terrace Envisions a Dense, Walkable Town</u> <u>Center</u>: Giordano, Lizz—HeraldNet, October 28, 2019
- Kenmore Missing Middle Housing Resources

## BRoads and access flexibility

There are several options jurisdictions could employ to create more flexibility when it comes to roads and access to certain subdivisions. They could simplify the process to apply for a private versus public road, change pedestrian design requirements in rural cluster subdivisions, better allow for shared drive aisles and simplify fire access rules. By simplifying these processes and creating more flexibility for roads and access, local jurisdictions can ease a significant cost pressure on new housing.

#### **RESOURCES:**

Snohomish County Roads and Access Ordinance

## 

## Allow low-rise zoning/higher density within proximity to frequent transit

Another tool for increasing density near transit is to provide infill housing at higher densities in transit-served areas. Allowing land by transit to be developed at higher densities would enable more people to live within easy walking distance of transit, helping to maximize its use. It would also encourage more equitable, sustainable, and less expensive housing exactly where it makes the most sense.

#### **RESOURCES:**

• City of Seattle LR Zoning

#### CONSIDERATIONS FOR COMPREHENSIVE PLANNING

Under the state Growth Management Act, every city and county must have a comprehensive plan in place guiding housing and land use in that community, as well as local government decisions on transportation, parks, capital facilities, and the natural environment.

King, Snohomish, and Pierce counties must complete their comprehensive plan update every eight years. The next deadline for comp plan updates is December 31, 2024. The 2024 update will plan for population and employment growth through the year 2044.

The housing element of this plan establishes each local governments' visions for housing development, preservation, and new construction over the next 20 years. Housing elements rely on policy and land use tools to establish a work plan to address a community's housing needs.

As comprehensive plan updates move forward, cities and counties should look to this toolkit as a resource for specific measures—development regulations and best practices—to help implement broader planning goals around housing. In general, comp plans are an opportunity to adjust planning efforts to account for the latest population and job growth projections. With this comes an obligation to ensure cities and counties are planning appropriately to meet current and future housing needs in their communities.

Local jurisdictions should review their planning goals and ensure they have the right policies in place to facilitate these goals. Comprehensive plan updates are a good time to make sure planning goals related to housing translate into needed actions on the ground. Now is the time for local governments to review implementation and make sure they have sound housing policies in place that support their comprehensive planning goals.

To ensure new and revised policies developed as part of the 2024 Comprehensive Plan update assist with solving the housing crisis, cities and counties should consider the following questions as new and revised policies are drafted and reviewed:

- How will the proposed new or revised policy be implemented?
- Could implementation of the new or revised policy require additional applications, fees, or studies for housing projects?
- Could implementation of the policy require additional internal review processes for permit applications? Could this increase the overall time to review permit applications for housing?
- Could the proposed new or revised policy increase the cost to build and provide housing by increasing requirements related to housing projects?

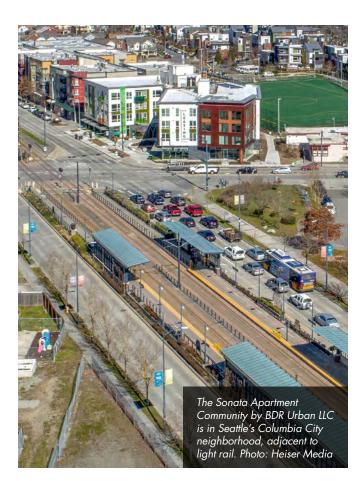
## Reduced or no parking requirements near transit

Local governments can choose to eliminate off-street parking requirements for developments near transit, such as frequent bus service, or where transit services are planned. Parking requirements add to the cost of housing by increasing the land area required or the need for structured parking, both of which are very significant expenses. With each stall in a parking garage costing tens of thousands of dollars to build, parking requirements can impose significant costs on new housing, directly increasing the cost of housing for both renters and owners. These requirements end up forcing people who buy or rent housing to pay for parking regardless of their actual needs.

In many cases, minimum parking requirements also go beyond what is necessary to ensure that residents have adequate parking and may encourage higher rates of car ownership and driving, which not only increase congestion and pollution, but ignores the benefits of living near high-capacity transit. In addition, one-size-fits-all parking requirements can lead to excess land dedicated to parking that might otherwise be used for housing. Where parking standards are reduced or eliminated, areas typically devoted to parking stalls can be utilized for housing, providing more housing choices and benefiting the environment.

#### **RESOURCES:**

- King County Right Size Parking Calculator
- City of Seattle <u>Off-Street Parking Requirements</u>, amended 2019
- <u>People Over Parking</u>: American Planning Association—Planning magazine, October 2018
- City of SeaTac, <u>amendments to Ch 15 of the SMC</u>, allowing residential developments located within the City Center Overlay District to reduce the number of required parking spaces by up to 35%



## 

## Periodic review of underutilized land for potential redesignation and possible rezoning

A jurisdiction could consider expanding its allowed uses for underutilized land near transit and job centers, such as Business Park zones, to include residential development of a range of housing types. This tool could support the critical need for diverse housing types, particularly missing middle housing, near transit and employment hubs.

#### **RESOURCES:**

• Snohomish County <u>Ordinance 22-014</u>: Ordinance allows for single family homes, cottage housing, duplexes, multiple family and townhomes in zones designated for Business Parks.

Specific requirements for development include that the site must be a minimum of 25 contiguous acres under the same ownership or control, and the Business Park zoning on the site must have been in effect prior to the effective date of the ordinance.

## WIN-WINS FOR HOUSING AND THE ENVIRONMENT

Cities and counties seeking to create more sustainable housing should adopt tools that provide win-wins for housing and the environment. Following are positive examples of tools local governments could adopt that promote housing choices alongside environmental protection.



## Image: Image of the second se

Local governments could adopt a green building incentive program to encourage more environmentally sustainable building practices and new home development that is affordable, equitable, healthier for residents, and better for the environment. Built Green is the green home certification program of the Master Builders Association of King and Snohomish Counties. Built Green incentive programs are a helpful part of local and regional development plans for environmentally sustainable housing to meet climate action plan targets.

Many municipalities and utilities already offer incentives for certifying through Built Green. These incentives range from cash rebates, cost departure possibilities, and reduced fees to expedited permitting and zoning bonuses. Incentives are a proven way to increase the amount of green building. Over 50% of all green buildings in Washington State are Built Green certified, representing over 42,0000 housing units.

- Built Green: Green Building Incentives Resources
- Built Green: Green Building Incentives Handout
- City of Seattle: <u>Priority Green Permitting and</u> <u>Zoning Incentives</u>
- City of Shoreline: Deep Green Incentive Program
- City of Issaquah: Expedited Permitting
- City of Kirkland: <u>High Performing Green Building</u>
  <u>Program</u>
- City of Redmond: Green Building Incentive Program
- City of Bellevue: <u>Parking Minimum Reductions</u> and FAR Bonuses
- City of Tacoma: <u>Planned Residential Development</u> <u>Density Bonus</u>
- City of Tacoma: Priority Permitting
- City of Everett: Development Height Incentives Program
- Puget Sound Energy: Multifamily Construction Rebates
- Snohomish County (SnoPUD): Better Built Homes Rebates
- Seattle City Light: <u>Multifamily Construction and Retrofit</u> <u>Rebates</u>
- Marysville Built Green incentives
- <u>Kirkland Update to Expedited Permitting</u>
- Kirkland High Performance Building Standards
- Shift Zero Net Carbon Incentive Policy Toolkit
- Inflation Reduction Act energy efficiency tax credits
- Issaquah Sustainable Building Design Standards
- Energy Smart Eastside: Heat Pump Incentive Program





Trees and other vegetation help to infiltrate stormwater runoff in neighborhoods. Pictured: Verde Community in Bothell by Element Residential

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## Balanced tree policies allowing for flexibility

When adopting tree codes, local jurisdictions should consider regulations that take a balanced approach to ensuring a sustainable tree canopy while working to accommodate a growing population, as required by our state's Growth Management Act. Recognizing there is not a one-size-fits-all ordinance for regulating trees, cities should adopt smart, targeted, and flexible approaches when developing tree canopy targets. In doing so, cities should consider a variety of factors, as recommended by American Forests, such as development densities and land use patterns, climate, equitable distribution of canopy across income levels, age and species diversity, and tree condition. There are a variety of ways this can be accomplished, such as assuring potential plant-able and tree retention areas, soil quality and stability, incentive programs and bonuses, and location prioritization such as the Arbor Day Foundation's "Right Tree Right Place" concept, which retains and plants trees in optimal areas on a site. Allowing for flexibility to strike the right balance between houses and trees is the key.

- MBAKS Tree Code Issue Brief
- 2023 MBAKS Fact Sheet
- <u>Seattle Tree Code</u>
- Snohomish County: example of tree canopy approach
- <u>Snohomish County 2022 Tree Canopy Monitoring</u> <u>Report</u>
- Arbor Day Foundation: "Right Tree Right Place" concept
- <u>Newcastle MC 18.16</u>, Kenmore: examples of incentives and bonus measures for retention
- Bellevue: Exemplary public/municipal tree retention and replanting program, as well as tree prioritization location
- <u>Why We No Longer Recommend a 40 Percent Urban</u> <u>Tree Canopy Goal</u>: Leahy, Ian—American Forests, January 12, 2017
- King County Tree Code
- <u>American Forests</u>: They work to restore forest landscapes, create tree equity, advance forest policy, and implement programs to build canopy and re-leaf forests and cities. "Tree canopy cover targets are difficult to specify broadly because the opportunities to create canopy are highly variable among cities, even within a climatic region or land use class. Targets are best developed for specific cities and should consider constraints to creating canopy such as:
  - Development densities (i.e., dense development patterns with more impervious surfaces have less opportunity for cover);
  - Land use patterns (i.e., residential areas may have more opportunity for canopy than commercial areas, but canopy cover tends to be less in residential areas of disadvantaged communities versus wealthy ones);
  - Ordinances (i.e., parking lot shade ordinances promote cover over some impervious areas); and
  - Climate (i.e., canopy cover in desert cities is often less than tropical cities)."



## 

## Contingency-based parking

### ALSO KNOWN AS ADAPTIVE PARKING

Many cities provide more than enough parking—data from the Puget Sound Regional Council and the Office of Financial Management shows that parking stalls in the Puget Sound Region increased by 13% from 2013–2018, while the population increased by 9% and housing only increased by 6%. Likewise, a King County parking study found that, on average, multifamily buildings in King County supply 40% more parking than is actually utilized. Much like transit-oriented development (p. 15), contingency-based parking allows cities to reduce or eliminate parking minimums while addressing constituent concerns about parking availability. Contingency-based parking is an option even outside of areas served by frequent transit.

Under contingency-based parking, rather than building costly reserved parking onsite, developers submit plans for addressing parking demand should it become a problem after the building is constructed. A builder could agree to install bike storage, partner with a nearby building with excess parking to share a parking lot, or pay a fee-in-lieu to fund public parking and transportation infrastructure that serves the entire neighborhood. The conditions of such an agreement may not ever be triggered, reducing car-dependency, vehicle miles traveled, and impervious surfaces, and stormwater runoff. Even in cases where a parking contingency plan is triggered, adaptive parking offers flexibility, reduces the cost of housing, and encourages both sharing existing underutilized parking and alternative modes of transportation.

- <u>Reinventing Parking</u>
- <u>Victoria Transport Policy Institute</u>
- <u>King County Metro Right Size Parking Model Code</u>
- Lynnwood (<u>21.18.200–300</u>, <u>21.18.820-900</u>) (Shared and remote parking, administrative capacity adjustment, commute trip reduction, bicycle parking)
- Redmond (<u>21.40.010.F</u>) (Shared parking and fee in lieu)
- Puyallup (20.55.011.3-4) (Parking demand analysis, shared parking, overflow parking, commute trip reduction)
- Friday Harbor (<u>17.68.040-050</u>) (Shared parking and fee in lieu)
- Renton (<u>4-4-080.E.3</u>) (Shared parking)
- Kirkland (<u>50.60.4</u>) (Fee in lieu)

## **ENHANCE PREDICTABILITY**

A key component of a more efficient permitting process that facilitates housing is predictability. There are some specific tools local governments could deploy that focus on predictability, which is a key factor in enabling project applicants to plan appropriately for housing they are seeking to build. Tools that enhance predictability related to project timelines and what land use laws and ordinances are in place are vital for planning timelines and financing for projects.

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## Local vesting of regulations and fees

Washington's vested rights doctrine gives property owners and developers the right to develop properties according to the land use laws and ordinances in place when they submit a complete permit application. Vesting provides certainty for all parties to development that rules won't change, which could otherwise jeopardize a project after initiation. Vesting is crucial to ensuring certainty, stability, and fairness in the development process. Homebuilders depend on vested rights to successfully plan new communities on time and within budget, two factors critical to housing affordability and availability.

However, several court rulings in recent years have reached inconsistent conclusions and severely limited Washington's common law vested rights doctrine. In one case, one Washington Court of Appeals severely restricted vested rights by going so far as to conclude that the doctrine is only statutory in nature, meaning that vested rights are afforded only to building permit and subdivision applications. In short, the Courts said there is no "common law" vesting; there is only statutory vesting. Thus, for vesting to be recognized, according to the Courts it must be delineated in code, whereas the common law vested rights doctrine previously extended to a broader range of applications.

In the absence of the common law doctrine, a city or county may re-nstitute vested rights by ordinance. Having a code on vesting provides both customers and staff clear guidance and predictability regarding how long an application or approval is good for. This is especially important given the fact that most submittals require multiple permit applications and permit processes.

#### **RESOURCES:**

- Snohomish County School Impact Fee Vesting
  - Ordinance 18-306
  - <u>SCC 30.66C.100</u>



## Imit scope and duration of moratoria

Local governments should resist enacting building moratoria and instead work within their communities to expand housing supply and choices for families. While a moratorium is legal and can be put in place for a variety of reasons, they harm our region's economy and ability to add much-needed housing supply, making it even harder for current and future residents to find a home they can afford. Moratoria can also run counter to our region's transportation investments that contemplate the need for more transit-oriented development in certain areas.

Even for projects put on hold by a moratorium that are completed after it is lifted, the cost of delay can add significantly to the selling price of these housing units once they finally reach the market. Some projects in earlier stages of planning, for which significant resources have already been invested, simply never move forward due to a moratorium. In these ways, a building moratorium limits supply and worsens our housing affordability crisis.

Building moratoria also represent a missed opportunity for cities, who stand to lose significant revenue from potential new construction that does not materialize. Cities that enact a building moratorium lose local income, jobs, taxes, and other benefits of new housing. Not only does housing provide for a basic human need, it is also a major economic driver that benefits our entire region by helping to fund valuable local services, including schools and parks.



## 

## Ensure required timeline data is provided

Issuing estimates of permit review timelines is an important step that local planning departments could take at the time of permit submittal. Transparency in timeline permit data provides much-needed predictability for permit applicants so they can plan appropriately. There are many steps of the development process that rely on permits being processed within the timelines expressed by counties or cities. The predictability of timelines also drives some of the costs for development.

Permit reform legislation adopted by the 2023 state legislature (<u>2SSB 5290</u>) makes clear that cities or counties required to establish Urban Growth Capacity Reports under the Growth Management Act must produce an annual performance report outlining time periods for certain permit types associated with housing. This includes:

- Permit timelines for certain permit processes in counties and cities;
- The total number of decisions issued during the year for preliminary subdivision, final subdivisions, and binding site plans;
- Permit processes associated with the approval of multifamily housing;

- Construction plan review for each of these permit types when submitted separately;
- The total number of decisions for each permit type which included consolidated project permit review; and
- The total number of days:
  - from a submittal to a decision being issued
  - the application was in review with the county or city, and
  - the permit is the responsibility of the applicant.

- MBAKS SB 5290 issue brief
- BIAW issue brief on permitting reform

## PERMIT EFFICIENCIES AND PROCESS IMPROVEMENTS

Cities and counties looking for ways to improve the climate for housing and to make housing less expensive should consider ways to streamline the permit process so that it's more efficient and predictable. To the extent that permit timelines can be reduced and made more predictable to project applicants, these improvements can go a long way toward alleviating a significant cost pressure on new housing.

## 

## Model home permits

Local governments could amend their zoning code to provide more flexibility in the number of model homes allowed to be constructed in approved preliminary subdivisions. This would enable developers to display a wider variety of housing styles. For example, In the city of Lake Stevens, for short plats consisting of a subdivision of nine or fewer lots, the city allows a maximum of two model home building permits or 20% of the total number of single-family residences proposed, whichever is less. For all other subdivisions, the maximum number of model home permits allowed is six or 20% of the total number of single-family residences planned for the development, whichever is less. The city of Monroe allows up to seven model homes or 20% of the total number of single-family residences planned for the development. Snohomish County and the city of Marysville allow up to nine model home lots.



#### **RESOURCES:**

- City of Lake Stevens Model Homes code <u>14.44.025</u>
- City of Marysville Model Homes code <u>22C.010.070</u> (<u>30</u>)
- City of Monroe Model Homes code 22.68.050
- Snohomish County model home permit code <u>30.41A.520</u>

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## Online permitting and tracking

Providing online permitting and tracking creates a much more efficient and streamlined process for applicants by saving them unnecessary trips to the permit counter and enabling them to follow the progress on their permit reviews. Furthermore, online permitting proved to be an invaluable tool during the COVID-19 pandemic when strict physical distancing measures were in place. To be successful, a human element must be part of any online permit process so applicants can access the permit review team as questions and individual issues arise.

- <u>MyBuildingPermit</u>
- City of Kent online permitting portal



## Eliminate design review

Cities looking to adopt solutions that address rising housing costs and create a more streamlined and efficient permit process should consider eliminating design review. This is a process some cities have adopted for reviewing certain projects for their aesthetic and architectural quality and urban design. The design review process often adds unnecessary delays and costs to the homebuilding process, creating a significant hurdle in the effort to add more housing choices. Furthermore, the design review process is sometimes used by residents as a tool to block new housing altogether in their neighborhoods. Design review can create a great deal of uncertainty over the development timeline on any given project. This lack of predictability and potential for delays makes projects having to undergo design review riskier to investors and more expensive to finance.

For cities that choose to maintain a design review process, local governments should strive to make it as streamlined, timely, and predictable as possible. Some argue for eliminating volunteer boards and enabling professional city staff to take on this role via administrative design review. This is preferable to full design review, assuming a timely and predictable process can be maintained.

Legislation adopted by the 2023 state legislature, ESHB 1293, will streamline development rules and provide more clarity by limiting design review to "clear and objective" regulations that do not reduce development capacity. The new law also prohibits more than one public design review meeting. Local governments are encouraged to adopt further project review provisions to provide prompt, coordinated, and objective reviews.

### **RESOURCES:**

- Sightline: How Seattle's Design Review Sabotages Housing Affordability
- <u>Recently signed bill takes aim at design review</u>: Seattle Daily Journal of Commerce

#### LESSONS LEARNED FROM COVID-19 PANDEMIC

In the wake of the COVID-19 pandemic, it became clear some jurisdictions were better prepared than others to keep permitting and other planning processes on track during the crisis when strict physical distancing measures were suddenly put in place. For example, cities that had already adopted online permitting prior to COVID-19 were better able to continue delivering on their permitting functions during the Governor's Stay Home, Stay Safe order.

There are other constructive steps local governments can take now to be better prepared for future emergencies, and many are tools and best practices that are already featured in this toolkit. These steps are designed to help jurisdictions continue operating during such times, or to recover from these episodes more quickly.

- Adopt permit extensions, either by ordinance or administratively, so permit holders can more easily pick up where they left off when work is interrupted without having the restart the process.
- Adopt procedures that enable housing to continue during social distancing, such as video inspections and planners working from home.
- Hire pro tem hearing examiners and third-party inspectors to work through building backlogs.
- Allow vesting of building permits.
- Allow for building permit applications to be submitted for review at preliminary plat approval, so construction can commence at approval of final plat.
- Adopt administrative approval for final plats.
- Suspend design review or allow development projects that would normally move through the full design review process to move through administrative design review.



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## Streamlined utility availability certificate process

Cities can streamline the water, wastewater, and stormwater design review of entitlement applications and increase process predictability, creating a more efficient process.

### **RESOURCES:**

• City of Redmond: Applicants may submit the application for UAC in tandem with a pre-application meeting submittal or at least 14 days in advance of a planned entitlement submittal.

## 

## Administrative approval of final plats

In 2017, Governor Jay Inslee signed into law legislation providing a local option to allow administrative approval of the final plat process on long subdivisions—that is, the division of land into multiple lots. Specifically, the law allows local jurisdictions to change the final plat approval process for subdivisions to one that is administrative. This means local governments can delegate final plat approval to planning directors or other designated officials. Administrative approval of final plats can save weeks and even months of delay in getting on council agendas for final approval, bringing greater efficiency to the permit process, and reducing an unnecessary cost pressure on housing.

- City of Arlington
- City of Auburn
- City of Bothell
- City of Covington
- City of Everett
- City of Federal Way <u>18.40;</u> see also <u>Administrative</u> <u>Approval of Plat Alternations</u>
- City of Kent
- City of Kirkland 22.16.05
- City of Lake Stevens 14.18.035
- City of Lynnwood
- City of Maple Valley
- City of Marysville
- City of Mercer Island
- City of Mill Creek
- City of Mountlake Terrace
- City of Newcastle
- City of Normandy Park
- City of Renton
- City of Shoreline
- City of Snohomish
- City of Stanwood
- City of Sultan
- City of Tukwila <u>17.14.030(B)</u>
- City of Woodinville 29.91.070(2)(a)
- King County
- Snohomish County

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## Completeness review within 10 days vs. current 28+ days

Under the Local Project Review Act (RCW 36.70B) local governments have 28 days to perform a procedural completeness review and 14 days for a re-review before beginning a substantive review of a permit application. This process can add weeks, if not months, to a permit application timeline without adding any corresponding value. However, cities and counties have the option to reduce timelines associated with completeness review. Local governments could modify code to shorten the 28-day completeness review to 10 days or fewer when accepting applications online and eliminating the 28-day completeness requirement when requiring a submittal appointment. Where an appointment is required, the procedural completeness determination could be made during the submittal appointment. If an application is procedurally incomplete, it would not be accepted by the city or county. The 14-day re-review timeline could be reduced to five days or fewer.

Many cities and counties already make the completeness determination at submittal in practice, but others don't. Shortening completeness review would not only save time during the permit process, it would also save jurisdictions resources by not having to generate letters stating an application is incomplete or complete. It would improve the climate for housing by streamlining an expensive and unnecessary step in the permit process, thereby alleviating a significant cost pressure on new housing. It would also make the permit process more predictable.



## dVideo inspections

During the COVID-19 pandemic, local governments have employed various approaches to help facilitate permits and the development review process amid physical distancing requirements. One such tool is video inspections. Video inspections enable cities and counties to remotely inspect development and construction sites by having the project manager use a smartphone app, such as Zoom or FaceTime, to display sites for inspectors. This innovative approach enables local jurisdictions to continue operating their inspection function during the crisis. Furthermore, video inspections have great potential to continue to support a more efficient inspection process long after social distancing has ended and should be made permanent.

- City of Everett Remote Video Inspection Instructions
- City of Seattle SDCI Guide to Video Inspections



## 

## Ensure needed capacity for reviews by maintaining appropriate staffing levels and providing training

Maintaining proper staffing levels in planning departments is key to ensuring timely permit processing. Furthermore, regular training of planning staff is critical for maintaining consistency of application of the rules as staffing changes occur. Knowing how the rules are going to be interpreted and applied from project to project helps to create muchneeded predictability for permit applicants.

Pursuant to RCW 82.02.020, cities and counties can fully recover the costs of processing permit applications. The development community is oftentimes open to fees covering staffing costs as long as predictable and timely service can be provided. Local governments can reach out to MBAKS and other stakeholders if permit fees are a barrier to providing predictable and timely service. Cities and counties could also use on-call services. Having people in place in advance of permit volume increases or staffing level changes is a great way to make sure planning departments don't fall behind. To facilitate this, local governments could include budget dollars for outside services each year to ensure resources are available to planning departments during times of high permit volumes.

Lastly, many permits are now reviewed by multiple departments, including planning, traffic, engineering, and fire to name a few. Maintaining an efficient permit process requires that internal review processes be well coordinated. We often see project reviews that are held up for weeks or months because one of the reviewing departments is far behind. Keeping on top of this issue will cut down on the amount of time needed to review an application.

## 

## Commit to meeting or exceeding established review timelines

Under <u>RCW 36.70B.080</u>, cities and counties planning under the GMA must establish and implement time periods with timely and predictable procedures. The time period for action by a jurisdiction for each type of permit should not exceed 120 days unless the jurisdictions makes written findings that additional time is needed.

In practice, government decisions on permit applications often exceed this timeline for reasons ranging from inadequate staffing to complex codes with complicated standards that are sometimes at cross purposes with each other. A commitment to meeting or exceeding the review timelines established in code (or the 120-day state backstop) is important to ensure housing can be brought to market. There is an enormous amount of cost associated with having unpredictable review timelines.

Legislation adopted by the 2023 state legislature (<u>2SSB 5290</u>) clarifies, consolidates, and streamlines the permit review process. It establishes project permit review time periods for local governments to act on permit applications and adds accountability measures in the annual timeline reporting requirements. This law is effective January 1, 2025 and will be implemented in phases.

#### **RESOURCES:**

- <u>MBAKS Permit Review Timelines issue brief</u>
- MBAKS SB 5290 issue brief
- BIAW issue brief on permitting reform

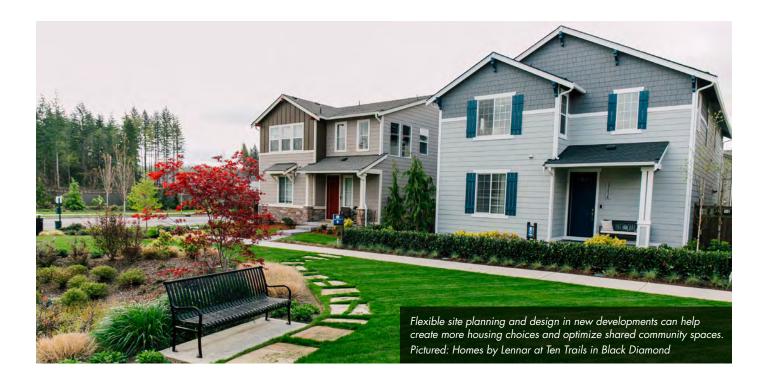


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## Concurrent review of preliminary plat and civil plans

A city could allow for civil engineering plans to be reviewed at the same time as the preliminary plat application, with the applicant assuming risk. Allowing this as an option could save up to a year on the permit process and ensure houses get to market faster.

- City of Auburn
- City of Bellevue
- City of Lake Stevens
- City of Redmond (pilot program)
- Snohomish County



## FLEXIBILITY IN SITE PLANNING AND DESIGN

The following tools are intended to create more flexibility in site planning and design. Like the previous section, these tools can help cities and counties optimize residential densities inside urban growth areas. What can be built and how it can be laid out on a site is governed by an array of local development regulations. How these regulations work together determines how much of a site can be utilized for housing and whether density goals can be met. By increasing flexibility in site planning and design, cities and counties can improve their ability to provide more housing choices and help ease cost pressures on new housing.

## 

## Reduced building setback requirements

A setback is the minimum distance which a building or other structure must be set back from a street or road. In housing developments, setbacks are often required along front, rear, and side property lines. Local governments create setbacks through ordinances, zoning restrictions, and building codes.

Larger setbacks can lower the density of a given neighborhood, creating an added cost pressure on these homes. They are also a less efficient use of our region's limited land supply.

Reducing building setbacks is often used in tandem with lot size averaging or clustering of homes (p. 12–13). Lot sizes are reduced to ensure zoned densities may be achieved and open space is focused on common open space areas.

#### **RESOURCES:**

- Lake Stevens PRD code
- Oak Harbor PRD code
- Marysville PRD code

## 

## **Reduced street widths**

Many communities have adopted roadway and parking standards, which can act as a barrier to new development. This includes the requirement for public roads within single-family and townhome developments where proposed roads are not connecting two arterials. Alternative road and parking designs that include reduced street widths could help lower costs of new housing, because there is less pavement to construct. There is also a significant environmental benefit as less impervious surfaces are created within the project site. Lastly, the allowance for private roads eases the requirements of the city or county to maintain infrastructure that can be maintained privately through covenants, conditions, and restrictions (CC&Rs) and homeowners' associations.

All roads, whether public or private, are always required to meet fire code requirements. In some cases, reduced street widths may allow higher site densities. Importantly, this can also help lower the cost of new housing by creating more efficient use of our limited land. Alternative designs featuring reduced street widths can provide safe access for cars and pedestrians and offer sufficient parking.

Street standards with reduced widths can allow more flexibility in lot fit, which can result in one or more additional lots in a development over what would be possible with wider streets. The ability to use private streets where appropriate can also provide flexibility in site design.

#### **RESOURCES:**

- Marysville's PRD street width/standard detail
  - <u>Code</u>
  - Engineering Standards (Ch. 3, pp. 48–49, Standard Details 3-218-001 and 3-218-002)
  - Snohomish County Townhouse Code (Chapter 30.31E)

## Reduced on-street parking in single-family areas

Finding ways to reduce street widths in single-family developments can also be linked with limiting the oversupply of parking in single-family areas. Reducing the requirements for on-street parking in denser residential zones, whether using private streets or narrow-section public streets, can cut down on overprovision of parking while potentially creating more space within a development to add much-needed density (especially when combined with more flexible lot sizes as described under lot size averaging and cluster subdivisions on p. 12–13). If single-family developments provide two-car garages along with driveways for each unit, for example, reduced street widths by way of reducing or eliminating on-street parking requirements can help provide more land for lots/units while avoiding an oversupply of parking.

Where significant on-street parking is required as part of a code, consider allowing flexibility to those requirements where a parking study is provided that highlights why reduced parking for that project will work (see more on contingency-based parking on p. 19). Since every site is different, providing some flexibility will ensure sites are not overparked even when less parking is necessary for the project.

#### **RESOURCES:**

• Marysville's PRD code and street standards (see left)



## FEES

Local governments looking for ways to facilitate housing should implement tools to reduce the cost impacts created by fees and inefficient regulatory frameworks. Fees and regulations can drive up housing costs unnecessarily. Following are some best practices to help minimize the cost burden associated with fees and enable more affordable housing.

## 🗈 🖪 🗍

## Use fair and broad-based funding mechanisms

Any plan for new housing should include work to reduce the cost impacts created by fees and inefficient regulatory frameworks. Fees and regulations that make it unnecessarily expensive to build more housing choices create financial barriers to new home construction, which can result in fewer projects moving forward because they are not feasible to build. For example, banks will not lend to fund housing construction if the potential financial returns are too low. When fewer homes are built especially in areas where demand is high—prices rise. To the extent we can make it less expensive to build new housing, more projects can move forward. This is true for market rate and nonprofit builders alike.

Local governments should use fair and broad-based funding mechanisms, such as bond measures and levies, to help pay for necessary infrastructure improvements benefiting all community members. Cities and counties should also be mindful of the cumulative impact of fees on housing affordability.

#### **RESOURCES:**

- MBAKS Impact Fee Issue Brief
- <u>Washington's Housing Attainability Crisis</u>: BIAW, April 2022

## 🗈 🖪 🏮

## If fees are imposed, ensure they are properly set and defer collection

If a local government decides to impose fees on new development, they should first ensure they are properly set (proportionality, nexus, etc.). For example, Washington state law authorizing impact fees is clear that these fees must not be solely relied upon for financing new improvements.



Instead, there must be a "balance between impact fees and other sources of public funds." The statute is also clear that impact fees cannot be imposed arbitrarily or in a duplicative manner for existing impacts. They must be designed so that the impact fee cost is proportionate to the benefit that new growth and development will receive from improved and expanded public services.

Additionally, when local governments impose these fees, they should defer collection until later in the process. Impact fees are challenging for builders to finance and can be significant upfront costs, especially for small and mid-sized builders. Deferring their collection until occupancy or closing, when impacts are realized, would help reduce a significant cost pressure on new housing and enable more projects to move forward.

- <u>Chapter 82.02 RCW</u>
- Impact Fee Payment Deferral Programs: MRSC
- <u>Impact Fee Deferral Report</u>: Department of Commerce, March 2019
- See fee deferral options by jurisdiction in <u>MBAKS'</u> <u>impact fee chart</u>

## Toolkit effectiveness rating chart

The following chart assigns the housing type or types that best fit each code change or best practice while also rating them on their effectiveness in facilitating housing.

#### HOUSING TYPE



#### **Housing Tool/Best Practice Housing Type Potential Impact Tier** SEPA-RELATED AND PLANNING TOOLS Raise SEPA exemption thresholds for minor new construction 0 1 projects 1 Raise short plat thresholds to nine 1 1 Subarea planning/programmatic EIS\* SEPA exemptions for infill development 🖪 📋 1 **AFFORDABLE HOUSING** 1 1 Adopt affordable housing levies A Multifamily tax exemption 1 ALLOW A VARIETY AND MIX OF HOUSING TYPES AND INNOVATION Accessory dwelling unit code changes\* 1 1 Fee simple townhomes Allow separate ownership of ADUs 1 A 2 Enable microhousing **OPTIMIZING RESIDENTIAL DENSITIES** Establish a minimum gross density of six dwelling units per 1 acre in all residential zones\* 1 Allow cluster zoning in single-family zones\* 1 Lot size averaging\* 1 Allow cottage housing Allow duplexes, triplexes, and fourplexes in areas zoned for 1 single-family residences\* 🙆 🚺 🔒 Adopt form-based code\* 2 Allow a duplex on each corner lot within all single-family 🙆 🖪 3 zones\* **INCREASE HOUSING CAPACITY NEAR TRANSIT AND JOBS** A Transit/employer-oriented development 1 1 Roads and access flexibility 2 Allow low-rise zoning/higher density near frequent transit\* 1 Reduced or no parking requirements near transit 2

POTENTIAL IMPACT TIER

**Most Effective** 

**Very Effective** 

Effective

Periodic review of underutilized land for potential redesignation and possible rezoning		2
WIN-WINS FOR HOUSING AND THE ENVIRONMENT		
Offer Built Green incentives	<b>1</b>	1
Progressive tree ordinance allowing for flexibility		2
Contingency-based parking		2
ENHANCE PREDICTABILITY		
Local vesting of regulations and fees		1
Limit scope and duration of moratoria		1
Ensure required timeline data is provided		3
PERMIT EFFICIENCIES AND PROCESS IMPROVEMENTS		
Model home permits		1
Online permitting and tracking		1
Eliminate design review		1
Streamlined utility availability certificate process		2
Administrative approval of final plats		2
Completeness review within 10 days vs. current 28+ days		2
Video inspections		2
Ensure needed capacity for reviews by maintaining appropriate staffing levels and providing training		2
Commit to meeting or exceeding established review timelines		3
Concurrent review of preliminary plat and civil plans		3
FLEXIBILITY IN SITE PLANNING AND DESIGN		
Reduced building setback requirements		2
Reduced street widths		2
Reduced on-street parking		2
FEES		
Use fair and broad-based funding mechanisms	<b>1</b>	2
If fees are imposed, ensure they are properly set and defer their collection		2

#### **OTHER RESOURCES**

- <u>Housing Memorandum: Issues Affecting Housing Availability and Affordability</u>: produced in accordance with Senate Bill 5254, Buildable Lands, June 2019
- Creating Housing for All-Creative Solutions to the Affordability Crisis: National Association of Home Builders
- Diversifying Housing Options With Smaller Lots and Smaller Homes: National Association of Home Builders, June 2019
- <u>Washington Housing Affordability Index</u>: BIAW
- <u>2022 Housing Underproduction™ in the U.S.</u>: Up for Growth
- Strong Foundations: Financial Security Starts With Affordable, Stable Housing: The Aspen Institute, January 2020

## CONTACT US D

We welcome your comments and suggestions on this toolkit. Contact abutcher@mbaks.com if you'd like more information and/or to share your ideas and success stories.

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