

Memorandum

TO:Mayor and City CouncilFROM:Bryan Snodgrass, Principal Planner, Community and Economic Development Department.RE:September 20 workshop review of Housing Code Updates projectCC:Eric Holmes, City Manager	DATE:	September 10, 2021
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Executive Summary

The Housing Code Updates project proposes to amend City zoning standards to increase housing choices and the availability of different types of housing citywide. It is the next step in City efforts to implement the recommendations of the 2016 Affordable Housing Task Force, and to update local regulations to help address the ongoing regional affordable housing crisis. The project has several components and includes both regulatory updates and proposed incentives. Taken together, these components are intended to result in the following outcomes:

- Expand the range of housing densities permitted under the City's development code, in areas with existing services.
- Expand the type, size and diversity of housing choices available in the community, including incentivizing "visitable" design to support aging in place.
- Comply with recent state mandates related to local codes that regulate housing.

The below information summarizes the project components and provides information on project initiation, public outreach, and planned next steps, with the intent of getting additional Council feedback and confirmation on approach prior to bringing forward draft code language for Council and stakeholder review later this year.

Background

The Housing Code Updates project is an initiative to amend various City zoning standards to increase housing choices and supplies citywide. The amendments are intended to respond to various recommendations from the 2016 Vancouver Affordable Housing Task Force Report, recognize changing market and demographic trends, and facilitate efficient development in areas with services. The project was initiated in 2018 and first before the City Council in November 2019, before being largely suspended in 2020 with the onset of the pandemic. It was most recently discussed at the Council on June 7, 2021.

Most project components address in this memorandum and discussed at prior workshops were recommended specifically or generally by the Affordable Housing Task Force, and/or are required

by recent changes to the Growth Management Act. Most are already allowed in other jurisdictions statewide, and in some cases by local jurisdictions.

Not included are changes to allow duplexes or triplexes in single-family zoning under limited circumstances. Although recommended by the Affordable Housing Task Force and conceptually supported at the June 6, 2021 Council discussion, this would require much more extensive public outreach than envisioned for the code update items addressed in this memorandum. It will be considered in follow up work.

Staff is also monitoring ongoing housing efforts in other jurisdictions, particularly the Clark County <u>Housing Study and Action Plan</u> for the unincorporated Vancouver UGA. City staff are represented on the advisory committee for that process, which is in the process of identifying a wide range of potential policies but has not established priorities.

Outreach

As noted in more detail the June 2021 Council materials, as well as those from November 2019, City staff initially consulted with comparable jurisdictions and local residential developers, and conducted initial community outreach through notice in the neighborhood newsletter and <u>project</u> <u>website</u>. Staff presented at an October 22, 2019 quarterly meeting of neighborhood leaders. Meeting feedback was primarily about the substance of the issues, with parking concerns for small lot single-family development specifically cited. Staff also presented at a March 5, 2020 joint meeting of the Hough and Carter Park Neighborhood Associations, where reaction was mixed. Primary concerns were that the future rezones to apply denser standards could undermine the historic character of those neighborhoods, and the requirement that any such rezone would need Council approval through a public hearing process is not sufficient.

With the onset of the pandemic in spring 2020, outreach became digital and the project team has been gathering community input through an online survey available on Be Heard Vancouver since April 2020. Approximately 35 community members have provided feedback on the general recommendations for to-date.

Project Components

1. Standards for a new single-family zoning district category allowing smaller lots than current baseline standards. A new R-17 zoning district is envisioned allowing lots 2,500 to 5,000 square feet in size. Vancouver's densest existing baseline single family district, R-9, only allows lots averaging as small as 5,000 square feet. Existing smaller lots have been created in Planned Developments, or through Infill Standards in the case of smaller remnant parent parcels, or through single family development in the multi-family zones.

A new R-17 zoning district would create more viable options for small lot development. To be established in a particular location, zone change approval including a site-specific analysis and review and approval by the Planning Commission and City Council at public hearings would be required. Once the R-17 zone is established, land division approval would be required to create the new lots. The R-17 concept was well received in development community discussions. Some attendees at a Carter Park and Hough joint neighborhood meeting in March 2020 expressed concern that the R-17 zone would be widely applied through rezones even though public hearing review and Council approval is required.

The development standards of the R-17 district in terms of allowed uses, height limits and most other provisions would likely be similar to the other existing single family districts, with some differences because of the smaller lots involved. To ensure small lot developments are functional and walkable, additional standards are envisioned to facilitate locating garages on back alleys where feasible, and limiting the width of garages that face front streets in cases where alleys are not feasible. Standards preventing immediately adjacent homes from having identical front facades are also envisioned, similar to those proposed by the applicant of recently approved Vancouver Innovation Center for single family homes in that development. These additional standards may also be appropriate not just for a new R-17 zone, but also for proposals utilizing Vancouver's existing narrow lots standard options, or development in the existing R-9 zone. Staff is also exploring ways of maximizing on-street parking options within new small lot developments.

2. Standards for a new multi-family zoning district category allowing denser apartments than current baseline standards. A new R-50 zoning category is envisioned allowing apartments at densities of up to 50 units per acre. The densest current baseline zone in Vancouver is the R-35 zone, allowing 35 units per acre. Higher densities than that can only be achieved presently in mixed use developments or in downtown Vancouver. Clark County has an R-43 designation. Implementation of the R-50 zoning district would also require a rezone, which includes a site-specific analysis and public hearing review before the Planning Commission and City Council.

Establishing an R-50 zoning category was acknowledged as a step in the right direction by multifamily developers in discussions with staff, but viewed as potentially insufficient to generate development proposals, or less expensive multi-family housing, unless parking standards are made more flexible. There have been limited comments about R-50 zoning thus far from citizens.

Staff is considering recommending lowering the current parking standard of 1.5 spaces per multi-family unit to 1 space per unit, to be consistent with the current requirement for single family homes.

- 3. New standards allowing Cottage Cluster developments in single family zones. Many jurisdictions statewide, including Clark County and the Cities of Battle Ground and Ridgefield locally, allow developments of multiple cottages clustered near common open space in single family zones. The cottages are required to be smaller and shorter than typical single family homes, but can be built at greater densities. Staff envisions standards similar to best practices from nearby jurisdictions. Cottages would likely be limited to 25 feet in height, and 1600 feet in space, or 3000 feet for a duplex. Four to 12 cottages would be allowed per cluster, at densities no more than twice what is allowed for conventional single family homes by the underlying zoning district. Sloped roofs and porches would be required. One on-site parking per unit would be required.
- 4. Standards allowing apartments in multi-family zones to have shared bathroom and kitchen facilities, often called cohousing. This change would not increase allowed apartment densities or locations where they could be built, but would allow for a sharing of bathroom and kitchen facilities not currently allowed.

- 5. Update to existing Accessory Dwelling Unit (ADU) standards allowing historic garages with non-conforming setbacks to be eligible to apply if ADU and building code standards are met. Such garages exist in older westside neighborhoods. The level of demand to convert the garages to ADUs, and ability to meet building and ADU standards is not known.
- 6. New building code fee incentives to encourage new single family homes to use "visitable" features to support aging-in place. Such features include first floor bathrooms, wider doorways, and zero-step entries. The City of Ridgefield has offered a 10% fee rebate for similar features since 2019.
- 7. Updates to setbacks for new apartments abutting single-family homes. The Fircrest Neighborhood Association has made a request to the Vancouver Planning Commission to review and update current standards in this area. <u>VMC 20.925.030-1</u> only requires new development in high density residential zones directly abutting lower density residential zones to be setback 5 feet from the property line, and to apply an L3 buffer requiring a 6-foot high shrub screen or fence. A larger setback may be appropriate in such cases citywide.
- 8. Limited density bonuses for residential proposals from faith institutions, per statutory changes. RCW 36.70.A.545 adopted in 2019 requires local governments to allow density bonuses for affordable housing developments on land owned or controlled by religious organizations. All single or multi-family units proposed must be affordable to households earning 80% or less of Area Median Income (AMI), and guaranteed though a lease or other binding obligation to remain so for a least 50 years. The statute has the unusual provision that local governments can develop policies to implement it if there is a request from a religious organization. No requests have been received, but following recent Council interest staff will explore developing standards to address the issue pro-actively.
- 9. Minimum parking reductions for market rate, affordable, disabled and senior housing near transit, per statutory changes. <u>RCW 36.70.A.620</u> adopted in 2019 and amended in 2020 requires reduced parking requirements for new housing developments near transit as follows:

Category	Maximum Parking Requirement Allowed	Where Requirement Applies
Market rate Multi- family housing	0.75 spaces per unit, or one space per bedroom.	Within ¹ / ₄ mile of transit stops providing service every 15 minutes for half the day.
Affordable housing (50% AMI)	0.75 spaces per unit or one space per bedroom.	Within ¹ / ₄ mile of transit stops providing service every 30 minutes for half the day.
Senior housing (undefined)	Zero spaces per resident unit. Parking for staff and visitors can be required	Within ¹ / ₄ mile of transit stops providing service every 15 minutes for half the day.
Disabled housing (undefined)	Zero spaces per resident unit. Parking for staff and visitors can be required	Within ¹ / ₄ mile of transit stops providing service every 15 minutes for half the day.

As of 2020 the C-Tran Transit Development Plan indicates that local Vancouver service every 15 minutes or less is provided on the Vine BRT and #37 Mill Plain/Fisher's routes. Local Vancouver

service every 30 minutes or less is provided on the #6 Fruit Valley/Grand, #25 St. Johns, #30 Burton, #31 Hazel Dell, #32 Evergreen/Andresen, and #80 Van Mall/Fisher's Landing routes, as well as the BRT and #37.

Code changes to comply with the original version of the statutory changes that did not include the market-rate multi-family component were considered by the Council in late 2019 and remanded to the Planning Commission. In February 2020 the Commission recommended staff explore a more granular approach recognizing different types of senior housing which have differing parking needs. Staff work slowed in 2020 with the onset of the pandemic and subsequent changes to the statute to include market rate multi-family housing.

Next Steps

Staff anticipates developing draft code language for the above for purposes of public and stakeholder comment in fall 2021, and bring forward proposals for Planning Commission and Council workshops and hearings in winter 2021 and early 2022.

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