Morgan's Notes

Proposed Comp Plan 2024 zoning and policy changes, Ordinance 19555, and existing RDIs & SDO

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1. My Analysis – Email Excerpt

From: Morgan Brown <morgan@wholewater.com>

Sent: Thursday, February 23, 2023 11:45 AM

To: Amy Drayer (drayer.amy@gmail.com) <drayer.amy@gmail.com>

Cc: Diane Emerson (dianeemerson@yahoo.com) < dianeemerson@yahoo.com>

Subject: Thoughts on Proposed Comp Plan 2024 Zoning Changes

Hi Amy,

In my role as chair of the affordable housing committee – and at the request of VMCC board president Diane Emerson – I've spent quite a bit of time now reviewing King County's "2024 Comprehensive Plan Draft Executive Conceptual Proposals, January 30, 2023" and the two sections of current code that these proposals are intended to replace: Residential Density Incentives (RDIs) and Vashon's Affordable Housing Special District Overlay (SDO). Since, the proposals reference specifically Ordinance 19555 for Skyway-West Hill and North Highline as the example King County intends to follow for a new "voluntary inclusionary housing incentive program", that is the document that I've been comparing to our existing RDIs and SDO.

Because these documents are fairly complex with a variety of formulas for calculating density bonuses depending on the type and amount of affordable housing provided, it takes some effort to evaluate and compare. (See tables below for my comparison.) Initially, discussions with the VMCC and the AH Cmte involved concerns we had that the new proposals would somehow remove or lessen the current affordable housing incentives. After further study, my conclusion is that the proposals do not differ in significant fashion from the existing RDIs and SDO that they are intended to replace. The affordable housing and conditions required to gain the density bonuses are very similar in both the existing and proposed programs. There is arguably one notable exception: a new "fee-in-lieu" of construction option.

By choosing to pay In-lieu fees — essentially a specified amount of money per affordable housing unit that they would otherwise be required to build — property owners can take advantage of the density bonuses without constructing affordable housing units. Those fees would be used by the County to construct affordable housing within the same subarea. My understanding is that the in-lieu fee option is generally offered by municipalities that have an affordable housing **mandate** (Seattle). I suspect it is included because it was a necessary compromise to pass the ordinance requiring affordable housing in the first place. I suspect King County is including it here with this voluntary program because they feel they'll need it to incentivize property owners to build (or pay for)

affordable housing in unincorporated areas. Personally, I would support making it mandatory to include a reasonable percentage of affordable housing in any projects in Vashon Town and NOT allowing "fee-in-lieu" of construction. But I strongly suspect that would be politically difficult or impossible at this time.

Worth noting is one other aspect of the proposed changes which isn't part of the voluntary density incentives, but has been very controversial when debated and enacted elsewhere. The proposals mention upzoning by allowing "duplex, triplex, and fourplex multifamily developments in all residential zones in unincorporated King County." They say it will apply to Vashon Town, but no where else on the Island. This is similar to legislation allowing middle housing that has recently been passed in California, Oregon, several cities nationwide and is currently up for debate in the Washington Legislature. There are a limited number of "low-density" parcels in Vashon Town that I think would be affected by this, so perhaps it is less of an issue in our case.

I put together the two tables below to compare what I thought were the most relevant elements of the existing and proposed incentives. Please note that — even though the word "mandatory" appears occasionally — both the existing and proposed incentives, are entirely voluntary. They are intended to incentivize market rate developers to build affordable housing by granting them density bonuses (more units) if they choose to do so. More background information on the proposals, the RDIs and the SDO can be found in the attached documents which contain my notes.

2. Proposed Zoning Changes

My notes in green, and yellow highlighting, otherwise copied from the respective documents.

King County Document on Proposed Zoning and Policy Changes for Comp Plan 2024

2024 Comprehensive Plan Draft Executive Conceptual Proposals, January 30, 2023 (17 pages), see also

Ordinance 19555 (for Skyway-West Hill and North Highline which this document references as the guide for how it will be implemented in rest of unincorporated King County)

Pro-Equity

- A. **Scope of Work Topic**: Reduce housing and business displacement and advance equity for those who are Black, Indigenous, People of Color, immigrants, and/or refugees, especially those who also earn less than 80 percent of the area median income.⁶
 - Support housing stability and mitigate and prevent residential displacement in unincorporated King County through strategies that increase access to affordable housing for historically underrepresented populations who experienced systemic racism or discrimination in accessing housing opportunity. Some examples include:

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g. create a voluntary inclusionary housing incentive program for unincorporated King County modeled after recently adopted voluntary and mandatory inclusionary housing regulations for Skyway-West Hill and North Highline. The program would offer density bonuses and other regulatory flexibilities (such as increases in building heights and reductions in requirements for parking) in exchange for providing on-site affordable units as part of a marketrate residential or mixed-use development project. The program would apply to residentially and commercially zoned properties in urban unincorporated King

County and in the Rural Towns of Snoqualmie Pass and Vashon. A "fee-in-lieu" of construction of affordable units with market-rate units and offsite development options would be incorporated in the program. This program would update and replace the current Residential Density Incentive Program and the Vashon Rural Town Affordable Housing Special District Overlay.

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⁷ Ordinance 19555 [LINK]

Housing

- **B.** Scope of Work Topic: Improve affordable housing supply, especially for those who are Black, Indigenous, People of Color, immigrants, and/or refugees and that earn less than 80 percent of the area median income.
 - 8. Repeal the Vashon Rural Town Affordable Housing Special District Overlay, and rely instead on the new inclusionary housing program discussed in the Pro-Equity section above. The Overlay was not successful in producing any affordable units, and the new inclusionary housing program is anticipated to more effectively support the improved affordable housing access intended by the Overlay.
- C. Scope of Work Topic: Expand housing options.

Draft Executive Conceptual Proposals

- 1. Incentivize development of new affordable housing that includes sufficient two-, three-, and four-bedroom dwelling units to meet space needs of anticipated households and promote culturally relevant housing options.
- 2. Expand housing options by increasing the types of housing allowed in low-density urban residential zones to support development of middle housing, which is typically more affordable than traditional single-detached homes. Allow outright duplex, triplex, and fourplex multifamily developments in all residential zones in unincorporated King County. Limit building heights to 35 feet in lower-density zones, to support compatible development with existing neighborhoods. Adjust minimum and maximum lot widths to keep scale of buildings small to support multiple units and improved affordability. Reducing landscaping and on-site recreation requirements, and reduce parking requirements, to incentivize development of the middle housing types and improve affordability. Allow outright apartments (five units or more) in lower-density zones if the site allows.

Proposed Ordinance 19555 referenced as example they will follow:

SECTION 21. Sections 22 through 30 of this ordinance should constitute a new chapter in K.C.C. Title 21A.

<u>NEW SECTION. SECTION 22.</u> There is hereby added to the chapter established in section 21 of this ordinance a new section to read as follows:

A. The purpose of the inclusionary housing regulations is to provide for the creation of new affordable dwelling units, particularly in areas where there is a high risk for displacement.

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<u>NEW SECTION. SECTION 23.</u> There is hereby added to the chapter established in section 21 of this ordinance a new section to read as follows:

B. New or substantially improved residential or mixed-use developments shall provide affordable dwelling units, and may exceed the base density allowed in the zoning classification, in accordance with the standards listed below.

Mandatory Affordability Requirements				
Occupancy Type and AMI	Minimum	Maximum		
	Percentage	Density (as		
	of Total	percentage of		
	Units	base density)		
	Required			
	to be			
	Affordable			
Developments with 9 or	0%	100%		
fewer units				
Rental at 60% AMI	100%	200%		
	20%	150%		
	10%	125%		
Rental at 50% AMI	100%	200%		
	15%	150%		
	7%	125%		
Owner Occupied at 80%	100%	200%		
AMI				
	30%	150%		
	15%	125%		
Any combination of 80%	100%	200%		
AMI (Owner) and 60% AMI				
(Rental)				
	25%	150%		
	12%	125%		
Rental at 60% AMI	100%	200%		
	20%	150%		
	10%	125%		
Rental at 50% AMI	100%	200%		
	15%	150%		
	7%	125%		

Note: In the Ordinance, the table above has an additional column for "TDR Allowance, Additional Maximum Density Allowed with purchase of TDRs". This was removed here for simplicity since TDRs are not allowed on Vashon.

Section 25:

- 2. Affordable dwelling units in the development shall be calculated as follows:
 - a. Studio dwelling units shall be counted as one-half of one affordable dwelling unit;

- b. One-bedroom and two-bedroom dwelling units shall be counted as one affordable dwelling unit;
- c. Three-bedroom dwelling units shall be counted as one and one-half affordable dwelling units; and
- d. Dwelling units with four or more bedrooms shall be counted as two affordable dwelling units.

King County information on the proposed zoning and policy changes:

Draft Conceptual Proposals

Comprehensive Plan 2024 Update

The County is asking for your feedback on these ideas. Comments can be submitted by email to compPlan@kingcounty.gov or online through February 24, 2023.

Your feedback on these proposals will inform the development and refinement of a full "Public Review Draft" of the 2024 Update, which is anticipated to be issued in June 2023 along with a State Environmental Policy Act (SEPA) Draft Environmental Impact Statement. Additional opportunities for public review and feedback on the 2024 Update will also occur as part of Council review of the proposals throughout 2024.

3. Existing Affordable Housing Incentive Programs

Vashon Affordable Housing Special Overlay District:

Use of the special district overlay is voluntary and these eligible parcels retain all existing development and land use rights and may exercise those without using this special district overlay.

1. A minimum of fifty percent of the units in each development shall be affordable to households with incomes at or below sixty percent of area median income, and the remainder of the units in each development shall be affordable to households with incomes up to a maximum of eighty percent of area median income;

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- 1. The maximum density shall be as follows:
- a. any parcel zoned R-1 may develop up to a maximum density of four dwelling units per acre;
- b. any parcel zoned R-4 may develop up to a maximum density of eight dwelling units per acre;
- c. any parcel zoned R-8 or R-12 may develop up to a maximum density of eighteen dwelling units per acre;
- d. any mixed use development in the Community Business (CB) zone that contains a residential component may develop up to a maximum density of eighteen dwelling units per acre;

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4. Affordable housing units shall remain as affordable housing for a minimum of fifty years for ownership affordable housing units and for a minimum of thirty years for rental affordable housing units, starting from the date of final certificate of occupancy for the development;

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Morgan's comparison of existing Special District Overlay (SDO) to proposed "voluntary inclusionary housing incentive program" (VIHIP)

	SDO	VIHIP
% of project that's affordable	100%	From 7% to 100%, depending
		on % affordable and AMI level
Income levels (AMI)	50% at ≤ 60% AMI	Different incentives for
	50% at ≤ 80% AMI	different AMI levels for owners
		(≤ 80% AMI) and renters (≤ 50%
		or 60% AMI)
Duration of affordability	30 yrs for rental	In perpetuity for rental
	50 yrs for ownership	50 yrs for ownership
R-1 max units	4	NA
R-4 max units	8	8
R-8 max units	18	16
R-12 max units	18	24
CB max units	18	200% base
"Preference" for local tenants	Yes ¹	No ²

- 1. Not in SDO, but VHH has local "preference" agreement (presumably through King County Housing Authority)
- 2. VIHIP specifically says, communities can ask for subarea preference for locals, but only up to 40%. But, we asked this at Town Hall and gave Vashon unique rationale and were told we'd be able to have 100% "preference" for locals.

Current Residential Density Incentives (to be replaced by VIHIP), from <u>King County's Title 21A Zoning</u> 21A.34 General Provisions – Residential Density Incentives:

21A.34.010 Purpose. The purpose of this chapter is to provide density incentives to developers of residential lands in urban areas and rural activity centers, in exchange for public benefits to help achieve Comprehensive Plan goals of affordable housing, open space protection, historic preservation and energy conservation, ...

Morgan's comparison of current Residential Density Incentives

	RDIs	VIHIP
Where they apply (on Vashon)	R-4 thru R-12	Vashon Town (zoning areas
	CB, NB when mixed-use	TBD)
Max units (100% affordable)	200% of base	200% of base
Max units (< 100% affordable)	150% of base	150% of base
Benefit to gain incentive	Affordable Housing,	Affordable Housing
	Open Space, Trails and Parks,	
	Historic Preservation,	
	Energy Conservation,	
	Public Art,	
	Compact Housing,	
	Walkable Communities	
Max units calculation	Depends on % affordable and	Depends on % affordable and
	AMI levels	AMI levels
Income Levels Owners	≤ 80% AMI	≤ 80% AMI
Income Levels Renters	≤ 50% AMI	≤ 50% and ≤ 60% AMI
Duration of affordability	For rental: in perpetuity	For rental: in perpetuity
	For ownership: 0, 15 or 30 yrs	For ownership: 50 yrs
	depending on incentive	
In lieu fee option	no	yes
In lieu fee location	NA	Vashon
Incentive for senior housing		
incentive for semor mousing	yes	no

King County's email for reference:

From: King County, WA KingCounty@subscriptions.kingcounty.gov

Sent: Monday, January 30, 2023 4:49 PM

To: morgan@wholewater.com

Subject: Early look at key housing, climate, and social equity policies for King County

Comprehensive Plan Update

中文 | Español | 한국어 | Русский | af Soomaali | Tiếng Việt

King County is sharing the early concepts of proposals for the 2024 Comprehensive Plan, a 20-year plan that guides people live, work, and play in unincorporated communities (places outside of city limits). We want to hear from you — via email, a short feedback survey, or at a virtual town hall meeting — on whether these proposals are headed in the right direction.

The overview document below provides a high-level summary of the specific actions King County is considering to address social equity, affordable housing, and climate change in our region. Some highlights include:

- Strategies to mitigate cultural, economic, and residential displacement in unincorporated area communities
- Proposals to allow "middle housing" types and "inclusionary housing" in unincorporated area communities
- Plans to manage and reduce wildfire risk and extreme heat made worse by climate change
- Strategies to phase out fossil fuel usage in buildings and improve transportation equity
- Updates to critical area regulations and Four-to-One program and Transfer of Development Rights program
- Limited zoning changes on Vashon-Maury Island
- Development of the Snoqualmie Valley/Northeast King County Community Service Area Subarea Plan, including potential land use and zoning changes

Read the overview

Take a brief survey

Send us an email

Virtual town hall meetings

There will be two opportunities in February to learn more about these proposals at a virtual town hall meeting. Please click on the links below for more information. These meetings will be held on:

- Thursday, February 9, 2023 (6-8:30 p.m.)
- Thursday, February 16, 2023 (6-8:30 p.m.)

Learn more

King County will use the results of public feedback to guide the refinement of these proposals for the Public Review Draft of the 2024 Comprehensive Plan, which will be available for public review and comment in June 2023, along with a State Environmental Policy Act (SEPA) Draft Environmental Impact Statement.

The County will also be working with an Equity Work Group that is comprised of community members that are supporting the plan update, including reviewing the results of this feedback. The group will help ensure that the experiences of those who are Black, Indigenous, People of Color, immigrants, refugees, and/or living with low incomes are centered in the final proposals. Additional opportunities for public review of and feedback on the 2024 Update will also occur as part of King County Council review of the proposals throughout 2024.