

City of Kenmore



City of Kenmore - 18120 68th Avenue NE - Kenmore, WA 98028

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City of Kenmore Planning Commission Meeting Agenda

Tuesday, August 18, 2020 @ 7:00 p.m. via Zoom

Log-in Information for the Commission Meeting:

Please click the link below to join the webinar or copy and put this link in your address bar in your web browser:

<https://zoom.us/j/97058251277>

Or iPhone one-tap :

US: +13126266799,,97058251277# or +19292056099,,97058251277#

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Webinar ID: 970 5825 1277

International numbers available: <https://zoom.us/j/97058251277>

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please contact Maura Query at mquery@kenmorewa.gov.

1. CALL TO ORDER

2. CITIZEN COMMENTS

This is an opportunity to express your views on issues that are important to you and to the community. Please email comments to Maura Query at mquery@kenmorewa.gov by 5:00 p.m. on Tuesday, August 18, 2020. All comments received will be forwarded to the Planning Commission for consideration. You can also use the "raise hand" feature in Zoom during the Citizen Comment portion of the meeting or by calling in. The 3-minute limit still applies.

3. APPROVAL OF MINUTES

[August 04, 2020 Planning Commission Meeting Minutes](#)

4. AGENDA ITEMS

[Staff Memo](#)

[Attachment 1 - Land Use Decision Processes](#)

[Attachment 2 - Housing unit information](#)

[Attachment 3 - Comments on the value of expedited processing](#)

5. ADJOURNMENT

6. UPCOMING MEETINGS:

September 1, 2020, 7:00 p.m. – meeting to be cancelled

September 15, 2020, 7:00 p.m. – via Zoom

**City of Kenmore
Planning Commission Meeting
August 4, 2020 @ 7:00 p.m.**

Planning Commission Members – In Attendance (the meeting was held virtually using the Zoom online platform)

Mark Ohrenschall, Chair
Carol Baker
Suzanne Greathouse
Nathan Loutsis
Mike Mulcare
Dennis Olson
Mike Vanderlinde

Consultants & Staff

Lauri Anderson, Principal Planner
Debbie Bent, Community Development Director
Maura Query, Administrative Assistant

1. CALL TO ORDER

The meeting was called to order by Chair Ohrenschall at 7:00 p.m.

2. CITIZEN COMMENTS

There were no citizen comments at this meeting.

3. APPROVAL OF MINUTES

A motion to approve the July 7, 2020 Planning Commission Minutes was made by Commissioner Greathouse and seconded by Commissioner Vanderlinde. Commissioner Olson recommended some minor changes to the minutes. The minutes, with the changes recommended by Commissioner Olson, were approved unanimously by a roll call vote.

A motion to approve the July 21, 2020 Planning Commission Minutes was made by Commissioner Olson and seconded by Commissioner Greathouse. The minutes were approved unanimously by a roll call vote.

4. AGENDA ITEMS

City Staff introduced the Affordable Housing Review Process. The purpose of this meeting was to have an initial conversation regarding a review process for affordable housing projects.

In November 2019, the City received a request from a private citizen for a zoning change related to a senior housing project that also included affordable housing. City Council determined they do not want to take up zoning changes at this time as these are being looked at as a whole later, and suggested that this private project be considered as a type of project that might fit in with this affordable housing process.

The Affordable Housing Review Process was brought to City Council as a topic, before the Planning Commission, in the hopes of determining if there were specific parts of the process that they were particularly concerned about. The City Council wants to be sure that the process includes affordable housing for seniors and those with disabilities. They also wanted to separate the discussion of expedited process from the discussion of waivers of development standards.

In this meeting, the Planning Commission was asked to walk through the same set of policy questions that were brought to City Council to get a sense of what the Planning Commission is interested in. This was a preliminary open discussion about what this process might look like.

City Staff shared Attachment 1: Affordable Housing Review Process Questions. The Planning Commission discussed each question.

The Commissioners had questions regarding the Council's specific interests in addressing low income housing projects rather than moderate income housing, and the current percentages of affordable housing Kenmore currently has. City Staff confirmed City Council is specifically interested in addressing low income housing at this time. Staff will return at the next meeting with more information regarding the current percentages of affordable housing in Kenmore.

The Commissioners in general felt that the special review or expedited process should be open to all levels of affordable housing, rather than limiting it to specific levels of income. It was felt by the Commissioners that low income appears to be the greatest need in affordable housing so some form of weighted criteria would be beneficial. There was a desire to see special review processes of neighboring cities and more current numbers on housing needs. The Commissioners also would like to understand what the current pain points are for developing affordable housing to better address those in the special review process. City Staff can talk to ARCH and other communities to determine these pain points.

The current affordable housing process was discussed. Currently there is no specific process related to affordable housing. The process is site specific depending on variables like zoning and use. City Staff can provide a table that illustrates the different processes of development.

There was a discussion on whether senior housing and housing for people with disabilities should be eligible for this quicker process regardless of income of the people living there. A comment was made about requiring developers to explain

what accommodations they are making in their design that facilitates safe and reasonable care for those living there as part of the criteria for the exception process.

The topic of project size was discussed. In general, the Commissioners agreed that every unit of affordable housing created has an impact, and so eligibility for the special review process should not be limited to how many units the building has. A couple of concerns about small unit buildings the Commissioners mentioned are financial viability or the expedited process being somewhat exploited.

The Commissioners at this time are considering allowing the expedited process to extend to privately owned properties. Concerns related to this are the impacts to zoning and density limitations, and whether those would be relaxed as a part of the exceptions in this process.

Limitations on the appeals process could help expedite the process of approving affordable housing projects because the appeals process takes additional time. There will be more information about appeals included in the table of current permitting processes that City Staff will be providing for the next meeting. City Staff will also double check if there are any state level mandates on allowing an appeals process.

6. ADJOURNMENT

Chair Ohrenschall adjourned the meeting at 8:26 p.m.

Planning Commission

Approved by Planning Commission on: _____



City Of Kenmore, Washington

Memorandum

Date: August 13, 2020

To: Planning Commission

From: Debbie Bent, Community Development Director
Lauri Anderson, Principal Planner

Regarding: Affordable Housing Review Process

As a follow-up to your August 4 meeting on the Affordable Housing Review Process, staff has attached the following information:

- Existing land use decision processes;
- Updated information on Kenmore housing units at varying levels of affordability; and
- Comments from regional/national reports regarding the impact of expedited permit processing on housing affordability.

We also have explored review processes in several other jurisdictions--both locally and nationally. Local jurisdictions we have contacted include Kirkland, Redmond, Bothell, and Shoreline. None of these cities have a special review process for affordable housing, although Redmond has policy language that states, "Consider granting priority in the development review process for projects that offer 15 percent or more of the proposed residential units at affordable rates."

Commissioners asked whether State law requires local administrative appeals. For SEPA, local administrative appeals are not required. The SEPA Handbook states, "Administrative appeals are not required but some local agencies provide this process and appellants must complete this process prior to pursuing a judicial challenge. Not all agencies provide an administrative appeal process, or they may provide for a substantive appeal or a procedural appeal but not both. In some situations, the first appeal may be a judicial appeal filed in superior court.

Likewise, for land use permits there is no State requirement for local administrative appeals. WAC 365-196-845, Local project review and development agreements, states, "(14) Appeals. A county or city is not required to provide for administrative appeals for project permit decisions. However, where appeals are provided, procedures should allow for no more than one consolidated open record hearing, if not already held, and one closed-record appeal. Provisions should ensure that appeals are to be filed within fourteen days after the notice of final decision and may be extended to twenty-one days to allow for appeals filed under chapter 43.21C RCW (SEPA)."

To continue the discussion on the special review process, preliminary information on process options, along with pros and cons follows. The Planning Commission should discuss these various approaches and determine whether any seem appropriate for Kenmore. Future

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discussions will center on what types of projects should be considered for the special review process(es).

Staff would like to emphasize that it is not necessary for the Planning Commission to settle on a single process before moving on to the discussion of affordable housing project types and sizes. Staff anticipates that the characteristics used to determine eligibility for the special review process will influence the preferred process and vice versa.

1. Administrative process. Under this scenario, affordable housing projects would administratively be moved to the “head of the line” for permit review.

Pros:

- Simple approach. Affordable housing developers would know that they are always getting priority service.

Cons:

- Prioritizes affordable housing over all other types of development, potentially including school projects or other projects providing public benefits (parks or transportation projects, for example).
- Other applicants likely would not be aware of this prioritization until their project was delayed.
- May require additional staffing. Kenmore has a single reviewer for planning, a single reviewer for building issues, and a single reviewer for public works and engineering issues (transportation, drainage, etc.). The City also relies on outside reviewers to address fire safety issues (Northshore Fire Department), water and sewer provision (NUD) and some affordable housing issues (ARCH). This tight staffing and reliance on other agencies may make expediting difficult without additional resources.

2. Reduced review times specified in the Zoning Code. Under this scenario, reduced review times would be identified in the Zoning Code. For example, in the Phoenix, Arizona code, review times are to be halved for each step of the process. In the Bend, Oregon code, a specified number of days is given for processing. Washington State law requires that permits be processed within 120 days; the affordable housing processing time would have to be less than that to be “expedited.”

Pros:

- This approach is very clear and is codified so all applicants are aware of the affordable housing priority.

Cons:

- As discussed above, staffing may be an issue for this reduced review period, particularly if a number of projects were under consideration.

3. Reduction in level of process. The Zoning Code includes several different process levels (see Attachment 1). This scenario would allow affordable housing projects to “drop down” to a lesser process. For example, a conditional use permit for an affordable housing project would become a Type 1 permit, rather than a Type 2 permit.

Pros:

- This approach is very clear and would be codified so all applicants would be aware of the benefit to affordable housing projects.

Cons:

- Lesser review processes may eliminate opportunities for public input and appeal.

4. Developer applies for expedited review. Under this scenario an affordable housing developer could apply for expedited review based on his/her individual timeline. With this approach, the developer would explain their need for an expedited process and key dates. The City could then decide whether staffing was adequate to expedite the project or whether consultant help would be needed. If consultant help was needed, the developer would have to weigh the cost/benefit of expedited review versus paying for the consultant's time.

Pros:

- This approach leaves the determination of how much expediting is needed up to the developer.

Cons:

- There is no guarantee that a quicker review process will be provided; it would depend on staffing and whether or not the developer could pay for expedited service.

5. Elimination of appeals. Under this scenario, affordable housing projects would be subject to the regular review process, including public input opportunities, but no local administrative appeal would be provided. Appeal periods for SEPA and/or for a land use permit could be eliminated.

Pros:

- Eliminating local appeals reduces the potential timeline for permit issuance.

Cons:

- Eliminating local appeals does not provide the community an opportunity to request reconsideration of a project except through court action.

6. Unique new process for affordable housing projects. This approach could take some, or all, of options 2 through 5 described above and create a unique process (or set of processes) for affordable housing projects. The process would be described in the existing Affordable Housing chapter of the Zoning Code.

Pros:

- Approach could more easily be tailored to differing types and sizes of affordable housing projects.

Cons:

- Adds another process, or set of processes to the Zoning Code, increasing complexity and working against code streamlining.

Attachments

Attachment 1: Land Use Decision Processes

Attachment 2: Housing unit information

Attachment 3: Comments on the value of expedited processing

19.25.020 Classifications of land use decision processes.

A. Land use decisions are classified into five types, based on the amount of discretion associated with each decision. Procedures for the five different types are distinguished according to who makes the decision, whether public notice is required, whether a public hearing is required before a decision is made and whether administrative appeals are provided. The types of land use decisions are listed in Exhibit A of this section.

1. Type 1 decisions are made by the *city manager*. Type 1 decisions are nonappealable administrative decisions that require the exercise of little or no administrative discretion. Public notice is not required for Type 1 decisions.
2. Type 2 decisions are made by the *city manager*. Type 2 decisions are discretionary decisions that are subject to administrative appeal.
3. Type 3 decisions are quasi-judicial decisions made by the *hearing examiner* following an open record hearing. Type 3 decisions may be appealed directly to King County superior court, pursuant to Chapter [36.70C](#) RCW, the Land Use Petition Act, based on the record established by the *hearing examiner*.
4. Type 4 decisions are quasi-judicial decisions made by the city council based on the record established by the *hearing examiner*.
5. Type 5 decisions are legislative decisions made by the city council.

B. Except as provided in KMC [16.75.060](#) and [19.35.160](#) or unless otherwise agreed to by the *applicant*, all Type 2, 3 and 4 decisions included in consolidated permit applications that would require more than one type of land use decision process may be processed and decided together, including any administrative appeals, using the highest-numbered land use decision type applicable to the project application. KMC [16.75.060](#) sets out the combined hearing authority for shoreline exemptions, shoreline substantial development permits, shoreline variances, and shoreline conditional use permits.

C. Certain development proposals are subject to additional procedural requirements beyond the standard procedures established in this chapter.

D. Land use permits that are categorically exempt from review under SEPA do not require a threshold determination (determination of nonsignificance (DNS) or determination of significance (DS)). For all other projects, the SEPA review procedures in Chapter [19.35](#) KMC are supplemental to the procedures in this chapter.

Exhibit A

LAND USE DECISION TYPES

TYPE 1 ²	Decision by <i>city manager</i> ; no administrative appeal	Building; demolition; moving; engineering; clearing and grading; sign; change of use and/or classification under KMC Title <u>15</u> ; accessory dwelling unit; home occupation; boundary line adjustment; right-of-way; street standards variance; adjustment under Chapter <u>13.35</u> KMC; shoreline exemption; temporary use; binding site plan; preliminary subdivision or short subdivision revision if not a substantial change; short plat alteration if not a substantial change.
TYPE 2	Decision by <i>city manager</i> ; appealable to <i>hearing examiner</i> ; no further administrative appeal ^{1, 5}	Home industry; short subdivision; preliminary short subdivision revision; short plat alteration; zoning variance; conditional use permit; shoreline substantial development permit; shoreline variance; shoreline conditional use permit; site plan review for uses allowed by zone; wireless communication facility minor adjustment under Chapter <u>18.60</u> KMC; approval of residential density incentives under KMC <u>18.80.060</u> (A)(2) or transfer of development credits under KMC <u>18.80.090</u> (A); reuse of public schools; reasonable use exceptions under KMC <u>18.55.180</u> ; public agency and utility exceptions under KMC <u>18.55.160</u> ; other critical areas exceptions, variances and decisions to require studies or to approve, condition or deny a development proposal based on Chapter <u>18.55</u> KMC.
TYPE 3	Recommendation by <i>city manager</i> ; hearing and decision by <i>hearing examiner</i> ; appealable directly to King County superior court, pursuant to Chapter <u>36.70C</u> RCW, the Land Use Petition Act, on the record	Preliminary subdivision; plat alteration; preliminary subdivision revision; special use; wireless communication facility major adjustment under Chapter <u>18.60</u> KMC.
TYPE 4	Recommendation by <i>city manager</i> ; hearing and recommendation by <i>hearing examiner</i> ; decision by city council on the record	Zone <i>reclassification</i> not related to a <i>site-specific comprehensive plan land use map amendment</i> ³ ; shoreline environment redesignation; plat vacation; short plat vacation; site plan review for uses not allowed by zone pursuant to Chapter <u>18.105</u> KMC; master plans other than those required in order to obtain a <i>comprehensive plan</i> amendment or related zoning map or text amendment.
TYPE 5	Hearing and recommendation by planning commission or other city council-appointed advisory body ⁴ ; decision by city council on the record. Appealable to Growth Management Hearings Board pursuant to Chapter <u>36.70A</u> RCW	<i>Comprehensive plan</i> amendment; <i>development regulation</i> amendment; zoning map amendment related to a <i>site-specific comprehensive plan land use map amendment</i> ; master plans required in order to obtain a <i>comprehensive plan</i> amendment or related zoning map or text amendment pursuant to Chapter <u>18.120</u> KMC.

¹ All shoreline permits, including shoreline variances and conditional uses, are appealable to the State Shorelines Hearings Board and not to the *hearing examiner*.

ATTACHMENT 1

² Type 1 land use decisions that are not categorically exempt from environmental review under Chapter [43.21C](#) RCW (State Environmental Policy Act) shall provide a notice of application per KMC [19.25.060](#) and a notice of decision per KMC [19.25.090](#). The notice of decision may be a copy of the permit.

³ Approvals that are consistent with the *comprehensive plan* may be considered by the city council at any time. Zone *reclassifications* that are not consistent with the *comprehensive plan* land use map require a *site-specific comprehensive plan land use map amendment* and the city council's hearing, and consideration shall be considered a Type 5 land use decision and scheduled with the amendment to the *comprehensive plan* under Chapter [19.20](#) KMC.

⁴ If the proposal is being considered as part of the annual *docket* work program as described in Chapter [19.20](#) KMC. If the proposal is not part of the annual *docket*, the city council conducts the public participation process and makes the decision on the record.

⁵ Decisions on shoreline variance and shoreline conditional use permits require approval by the Department of Ecology.

[Ord. 19-0481 § 2 (Exh. A); Ord. 16-0426 § 8 (Att. F); Ord. 12-0334 § 18; Ord. 11-0329 § 3 (Exh. 1).]

ATTACHMENT 2

Kenmore housing units affordable by adjusted median income (AMI) - 2016

30% AMI or less (rental)	2.8%
31-50% AMI (rental)	9.3%
81% AMI or greater (rental)	5.5%
51-80% AMI (rental plus owned)	14.5%
50% AMI or less (owned)	5.4%
81-100% AMI (owned)	11.5%
101% AMI or greater (owned)	51%
TOTAL	100%
TOTAL HOUSING UNITS	8,380

2012 Countywide Housing Need

Less than 50% AMI (low- and very-low income)	24%
50-80% AM (moderate-income)	16%
More than 80% AMI (middle- and higher-income)	60%

Kenmore units

17.5%
14.5%
68%

Comments on Value of Expedited Review

Local

Regional Affordable Housing Task Force (RAHTF) Final Report, December 2018

The Regional Affordable Housing Task Force, co-chaired by Kenmore's Mayor Baker, was created in 2017 to bring together representatives from King County, the City of Seattle and other cities with the goal of developing a regional plan to address the affordable housing crisis in King County. The Task Force concluded its work in December 2018 with a final report and Five-Year Action Plan.

From the report:

STRATEGY B: Decrease costs to build and operate housing affordable to low-income households

iv. Streamline permitting process for affordable housing development and ADUs.

Housing Development Consortium (HDC) Report, 2017

By offering to prioritize processing and review of land use and construction permits, cities can encourage development of specific housing types or forms, such as affordable housing units or transit-friendly development, that are otherwise lacking in the current housing market.

Cities can incentivize affordable housing development by simplifying or combining steps of the permitting or review process for these developments and require these developments to commit to an affordability covenant to preserve the long-term affordability of the units created.

Pierce County Affordable Housing Incentives Evaluation, August 2019

Pierce County offers an expedited review process for building permits, subdivision applications, and road/sewer design reviews for affordable projects. Permitting staff with Pierce County Planning and Public Works (PPW) estimate that this expedited review may save an average of 30-60 days in a project's review process, shaving off 15-20% of the total timeline for project approval, although this is subject to variation depending on project size or resubmission requirements. Expedited review demonstrates the County's commitment to promoting affordable housing and can be an important part of a package of incentives. However, these incentives alone are not enough to influence a project decision.

ATTACHMENT 3

City of Mt. Vernon, Approaches to Housing Affordability, September 2017

Delays during the development process can add to the cost of new housing. Any efforts to reduce the time, costs, and uncertainty of obtaining permits and approvals will support affordable housing.

National

National Housing Conference (NHC) Housing Policy Guide

Complicated and lengthy approval processes extend development time, tying up developers' capital and resulting in a mounting price tag for project-related soft costs, such as architect and legal fees, insurance payments and property taxes incurred during the development period. The fees associated with obtaining development approvals and building permits further increase costs, driving up the price of the finished product and making affordable homes more difficult to deliver.

National Association of Home Builders (NAHB), Other Strategies for Encouraging Affordable Housing

Expediting the permitting process decreases costs to investors, causing investors to increase their likelihood to build affordable housing. According to PricewaterhouseCoopers, "shortening the permitting process by 3 months on a 22-month project cycle could make the difference in the decision whether or not to undertake a project."

Faster and easier navigation of the permitting process reduces development costs. These savings can be passed on to renters and buyers.