

# Middle Housing Discussion Guide

## Middle Housing Code Update

**Date** January 15, 2025  
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## Introduction

This discussion guide is intended to assist the Lake Forest Park Planning Commission in their discussion of the LCG report on Middle Housing Feasibility and Recommendations. The report has been provided to the Commission as part of its packet. It sets out relevant state, regional, and county requirements, policies, and background, and contains a series of discussion questions on Middle Housing policy and regulations.

## Middle Housing Grant and Scope of Work

In 2023, Lake Forest Park received a Middle Housing Grant from the Washington State Department of Commerce to study and implement code amendments in compliance with RCW 36.70A.635 and related RCW sections codifying House Bill 1110.

Adopted in 2023, HB 1110 requires 77 cities, including Lake Forest Park, to update their Comprehensive Plan housing elements and development regulations to allow for middle housing in all residential zones by June 30, 2025. If jurisdictions fail to meet this deadline, the State will impose a model code in the stead of a locally adopted option (Lake Forest Park would be subject to the [model code](#) that applies to Tier 3 cities).

As a part of this work, LCG analyzed middle housing typologies and development feasibility in Lake Forest Park. This analysis is part of a larger effort to ensure Lake Forest Park's implementation of middle housing regulations and policies is compliant with HB 1110 and meets the unique needs and contexts of the city.

Though this work is a separate effort, this same team worked in parallel as part of the City's Comprehensive Plan update, and the Housing Needs Assessment conducted as a part of that planning effort helped inform the potential for new middle housing types within the city's residential areas.

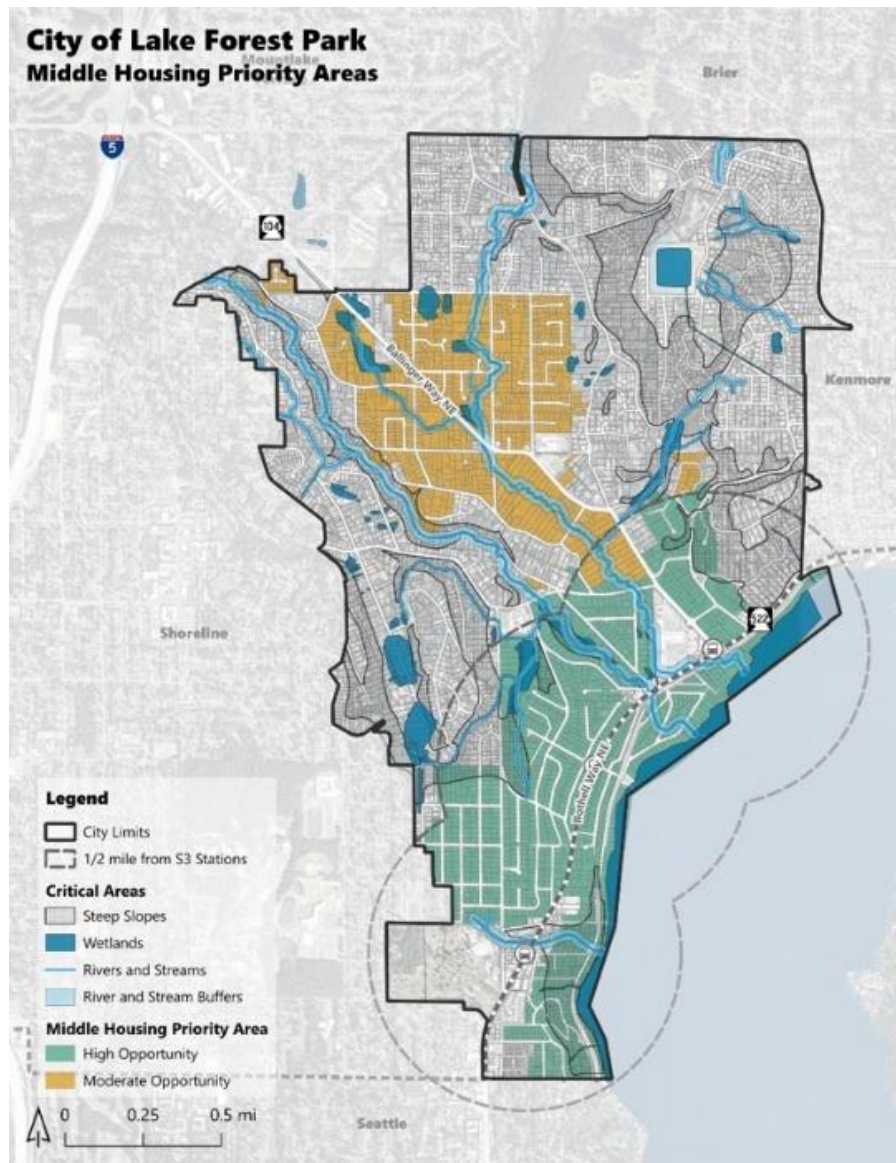
## Discussion Questions and Guidance

### Middle Housing

Lake Forest Park is required by HB 1110 to plan for middle housing in all residential neighborhoods. As the City works to update its regulations to conform to state requirements, it should ensure that these changes are aligned with local priorities, including **opportunities for affordable homeownership, environmental stewardship of critical areas, and maintenance of the city's lush tree canopy**. The questions below are intended to encourage discussion around how to balance state requirements and city priorities. The page numbers included with each discussion question reference additional detail in the Middle Housing Feasibility and Recommendations Report, also included in this packet.

1. **Location and Density.** While HB 1110 sets a baseline requirement that Tier 3 cities allow two units on all residential lots, Lake Forest Park could choose to allow more than two units in some residential areas. We recommend allowing more than two units in some areas of the city to balance housing needs and affordable homeownership goals with critical area and tree canopy protections. *Which of these options is most desirable?* (pgs. 59-60)

Option 1	Option 2	Option 3	Option 4
<p><del>Limit middle housing to two units per lot in all residential areas.</del></p>	<p>Allow more than two units on lots in RS-7.2 and RS-15 zones within ½ mile of future BRT stops (the green area in the Middle Housing Priority Areas map below).</p>	<p>Allow more than two units on lots in the RS-7.2 and RS-15 zones within ½ mile of future BRT stops AND on lots zoned RS-7.2, RS-10, and RS-15 zones adjacent to Ballinger Way (the yellow area in the Middle Housing Priority Areas map below).</p>	<p><del>Allow more than two units on all residential lots throughout the city.</del></p>



- 2. Typologies and Form.** Lake Forest Park has some unique environmental constraints as well as a lush tree canopy that the community prioritizes preserving, while also containing relatively large lots with the potential to accommodate existing housing types. Allowing a wider array of housing in residential zones could help the city achieve its housing goals of additional affordability while limiting disruption to the natural environment. Multi-unit dwellings can be regulated and built at a compatible form and scale to existing single-family dwellings through the introduction of a form-based code that defines allowable uses based on the form of the building rather than the density of units. Other novel housing types that allow for unconventional orientations, like cottage clusters or front/side-yard ADUs, can also be regulated in a way that integrates with existing tree canopy on lots. *To what extent is the City willing to explore building flexibility into its residential zoning code and development regulations to enable development around environmental constraints?* (pgs. 42-51, 61)

3. **Parking.** Many streets in Lake Forest Park are not designed to accommodate street parking. City code requires 1.5 parking spaces per unit of multifamily housing to ensure that there are adequate parking facilities for residents. However, if the City plans to allow more than two units per lot in some neighborhoods, it should consider reducing the parking requirements, calibrating required parking with the number of bedrooms and/or proximity to transit. This could potentially help limit tree removal and development in critical areas and improve the feasibility of a variety of middle housing types. *Are there neighborhoods within the city that could support additional on-street parking? Are there other ways that the City could support increased density while protecting the tree canopy?* (pg. 62)
4. **Development Regulations.** As the City embarks on writing its new middle housing code, it will have to determine how and whether to change existing development regulations to improve the feasibility of middle housing. Most impactful regulations include height, lot coverage, and floor area ratio (FAR). Lot coverage ratios are particularly important in the feasibility of middle housing types beyond two-units in some of your high opportunity areas. *Which (if any) of these regulations does the City view as essential to maintain, and which could be recalibrated to align with state regulations and city priorities?* (pgs. 62-64)
5. **Incentivizing Affordable Homeownership.** Allowing middle housing throughout the city will help increase opportunities for affordable homeownership, especially if denser typologies are allowed in some or all city neighborhoods. However, some additional policies and programs could help boost the supply of more affordable homes. These could include:
  - Partnering with affordable homebuilders and community land trusts to better understand the needs of the communities they serve and ensure that development regulations allow for these types of housing.
  - Incentivizing affordable housing development through density bonuses, fee waivers, or other programs.
  - Offering opportunities for fee-simple lot splitting to increase wealth building opportunities.
  - Establishing a funding source, such as an affordable housing trust fund, to support local affordable housing construction through direct subsidies or land purchases (the latter of which can contribute to a community land trust or similar).

*To what extent is the City interested in pursuing these types of policies or programs to achieve its goal of increasing more affordable homeownership opportunities?* (pgs. 26-27)
6. **Critical areas.** Lake Forest Park includes a number of critical areas, including waterways, slopes, wetlands and their buffers. It is a priority for the City to protect these areas and promote environmental resilience. HB 1110 offers two potential paths for protecting critical areas – a full exemption and an alternative compliance path. However, LCG recommends that the City not utilize these paths due to the number of large parcels with minimal constraints. *Which of the options below is most desirable?* (pgs. 32-33, 40, 65-70)

	<b>Option 1: Full Exemption</b>	<b>Option 2: Alternative Compliance Path</b>	<b>Option 3: Maintain Existing Regulations</b>
<b>Description</b>	HB 1110 gives cities the option to exclude all lots that contain critical areas (as defined by the GMA) from middle housing regulations.	The Alternative Compliance Path would allow Lake Forest Park to exempt up to 25 percent of its lots from increased density requirements. However, this must be weighed against the Racially Disparate Impacts of excluding middle housing in these areas.	Lake Forest Park currently prohibits the development of structures in critical areas and their buffers unless a property owner successfully pursues a Reasonable Economic Use Exemption.
<b>Considerations</b>	UPDATE: HB 2321 changed this to allow exemption of ONLY the portion of the parcel affected by critical areas	This option is complicated by the fact that there are a lot of parcels in Lake Forest Park that have racial covenants and would not be eligible for exclusion. In addition, this option is inferior to existing critical area regulations in Lake Forest Park.	Current regulations protect critical areas while ensuring that an adequate supply of housing can be built. The City may choose to consider allowing duplexes or other middle housing types with footprints no greater than 1,000 SF to be permitted through the Reasonable Economic Use Exemption.