

# **Technical Memorandum**

To: City of Lake Forest Park City Council

From: SCJ Alliance

Meeting

June 9, 2025

Date: Project:

Lake Forest Park Middle Housing, Accessory Dwelling Unit, and Unit Lot Subdivision Code

Updates

Subject: Review of an Ordinance amending the Lake Forest Park Municipal Code for compliance

with State-mandated regulations to implement Washington State Legislation, including

E2SHB 1110, ESHB 2321, and EHB 1337.

## **Summary**

In 2023, the Washington State Legislature passed, and the Governor signed into law, Engrossed Second Substitute House Bill 1110 (E2SHB 1110) for Middle Housing requirements and Engrossed House Bill 1337 (EHB 1337) for accessory dwelling unit requirements, amending the Growth Management Act, Chapter 36.70A RCW (GMA). Additionally, Engrossed Second House Bill 2321 (ESHB 2321) was adopted in 2024 to clarify housing requirements of E2SHB 1110. These legislative amendments require many cities to update their zoning regulations to allow additional densities and housing types defined as "middle housing" in predominantly residential land use districts, along with several other associated requirements to help encourage the development of these housing types.

EHB 1337 requires cities and counties to allow two accessory dwelling units (ADUs) per lot in urban growth areas and establishes standards for jurisdictions to use. Lake Forest Park has explored utilizing ADU's for meeting density requirements and has incorporated the ADU requirements into the proposed middle housing ordinance.

The adopted definition of "Middle housing" found within RCW 36.70A.030 is as follows:

"Middle housing" means buildings that are compatible in scale, form, and character with single-family houses and contain two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing.



Lake Forest Park has been classified by Washington State as a "Tier 3" City, which means that the City has a population of less than 25,000 in 2020, is in a county with a population of at least 275,000, and is in a contiguous urban growth area with the largest city in the county.

As a Tier 3 City, Lake Forest Park has fewer requirements than Tier 1 and 2 cities and is only required to allow for a minimum of two units per lot. As noted in the RCW definition, there are nine (9) types of housing that are identified as middle housing. Tier 3 cities are only required to accommodate for the housing unit types which can reasonably accommodate two units per lot. By default, the State is limiting the required housing types for Tier 3 cities to the following:

- Duplexes
- Stacked flats
- Cottage housing
- Courtyard apartments

The other requirements specific to Tier 3 cities have been incorporated into an ordinance that would amend the Lake Forest Park Municipal Code (LFPMC) in order to achieve compliance with state requirements. These revisions are outlined in the Proposed Revision section below. In addition, part of the legislation also required cities to allow subdivision for the middle housing units that are of a type that can be subdivided. RCW 36.70A.635(5). These changes are outlined under Subdivision Updates section below.

#### **State Mandates**

**Middle Housing.** Through adoption of the new housing legislation, the Department of Commerce was directed to provide technical assistance to cities to help with implementation of the new middle housing legislation.

RCW 36.70A.636(2)(a) states that "the department shall publish model middle housing ordinances no later than six months following July 23, 2023." A model housing ordinance was published and went through several iterations before a final version was completed in November 2024. RCW 36.70A.636(b) goes on further to state:

(b) In any city subject to RCW <u>36.70A.635</u> that has not passed ordinances, regulations, or other official controls within the time frames provided under RCW <u>36.70A.635</u>(11), the model ordinance supersedes, preempts, and invalidates local development regulations until the city takes all actions necessary to implement RCW <u>36.70A.635</u>.

**Subdivision Mandates.** As part of adopting the middle housing requirements, the State legislature included a requirement in <u>ESSHB 1110</u> requiring cities to allow "zero lot line" short subdivisions. <u>RCW 36.70A.635(5)</u>, provides in pertinent part: "A city must also allow zero lot line short subdivision where the number of lots created is equal to the unit density required in subsection (1) of this section."



This means that Lake Forest Park must allow zero lot line subdivisions that result in two lots for existing lots where residential uses are allowed.

In addition, by adoption of different legislation in 2023 (<u>ESSSB 5258</u>), the Legislature amended the State Subdivision Act (<u>Ch. 58.17 RCW</u>) to require the following:

(3) All cities, towns, and counties shall include in their short plat regulations procedures for unit lot subdivisions allowing division of a parent lot into separately owned unit lots. Portions of the parent lot not subdivided for individual unit lots shall be owned in common by the owners of the individual unit lots, or by a homeowners' association comprised of the owners of the individual unit lots.

## RCW 58.17.060(3).

So, while the middle housing legislation only requires the City to allow the zero lot line short subdivisions up to the two lots per residential lot, ESSSB 5258 requires the general allowance of unit lot short subdivisions, not just zero lot line short subdivisions. The proposed draft code accomplishes compliance with the middle housing requirements using the unit lot subdivision procedures as the most effective way to have the subdivision be consistent with the underlying zoning and built environment in Lake Forest Park.

The unit lot subdivision requirements have been incorporated into a proposed new subsection 17.12.90 of the LFPMC. Additional information summarizing the unit lot subdivision procedures is described beginning on page 4 of this memo.

As a Tier 3 City, Lake Forest Park **must** adopt new middle housing regulations **by June 30, 2025**. If the middle housing ordinance is not adopted by the June 30, 2025, deadline, the model ordinance adopted by the WA State Department of Commerce will preempt the City's regulations and take effect. The Lake Forest Park Planning Commission recommended meeting the minimum mandates in the recent legislation, thereby integrating only the required sections of the RCW at this time. If the City adopts the proposed amendments prior to June 30, 2025, it will not be governed by the model housing ordinance. Additional provisions, policies, regulations, amendments, and affordable housing incentives will be explored by the Planning Commission.

## **PROPOSED REVISIONS**

The full revisions to the code are outlined below. Where applicable, Staff has indicated which sections of code are required to be updated for compliance with the new housing legislation. Other minor edits have been made to improve flow and consistency within the code.



When reading the attached ordinance, please note that all amendments are in red font and the language which is <u>underlined</u> indicates that it is an addition to the existing city code. Language shows with a <u>strikethrough</u> indicates that it is existing language proposed for deletion. Page numbers from the attached draft ordinance have been included for ease of reference.

## **LFPMC 17.04.050 Definitions** (pg. 2)

New definitions have been added for the following terms:

- Parent Lot
- Unit Lot
- Split Lot
- Unit Lot Subdivision
- Zero Lot Line Subdivision

Edits have been made to the definition of "short subdivision" and "subdivision" for compliance with State legislation.

#### **LFPMC 17.12 Short Subdivisions and Dedications** (pgs. 9-10)

The chapter header has been modified to include the term "unit lot subdivision". Additionally, the terms "short subdivision" and "unit lot subdivision" have been incorporated in various sections of this chapter for consistency and clarity.

It is important to maintain the distinction between short subdivisions and subdivision, as the short subdivision process is available for subdivisions of land into four or fewer lots. The long subdivision process is for subdivisions of land into five or more lots. When incorporating unit lot subdivisions into the code, they have been incorporated into the short subdivision procedures because unit lots will be restricted to less than four possible units on a parent lot.

### LPFMC 17.12.90 Unit Lot Subdivisions (pgs. 11-12)

This is a new subsection created to incorporate the required unit lot subdivision requirements, utilizing the model ordinance language developed by the State. This new procedural allowance was created as a means of allowing ADU's and middle housing units to be sold as individual fee simple lots.

Following these new procedures, a **unit lot subdivision** allows a "parent lot" to be divided into multiple, separately owned unit lots and common areas, under the following conditions:

- 1. Process & Eligibility
  - Application Requirements: Must follow standard procedures for a short subdivision (for 4 or fewer lots) or long subdivision (for 5 or more lots, if densities increase in the future).



• Eligible Projects: Applies to lots developed with middle housing (which includes ADU's) or multiple detached single-family homes without stacked units.

#### 2. Development Standards

- The entire development must meet design and development standards as applied to the parent lot, not individual unit lots. This includes setbacks, open space requirements, etc.
- No new nonconformities may be introduced through future platting or modifications.

## 3. Common Area Management

- Must establish easements and legal agreements (e.g., CC&Rs) for shared use and maintenance of:
  - o Garages, parking, access, bike parking, solid waste areas
  - o Underground utilities, common open space
  - Shared structural elements (e.g., walls, facades, roofs)
- Unsubdivided portions of the parent lot must be owned in common by the unit owners or a homeowners' association (HOA).

### 4. Required Plat Notes

- Plat title must include "Unit Lot Subdivision."
- It must state that the development approval was based on the overall site plan for the parent lot.

#### 5. Approvals & Expiration

- Preliminary approval allows facility development upon public works review of construction drawings and may include city-imposed conditions.
- Subdivisions are subject to standard revision and expiration rules like other subdivisions.

#### 6. Tree Canopy Requirements

 Each developed unit lot must comply with tree canopy coverage standards as established for the parent lot under the Lake Forest Park Municipal Code.

# LPFMC 18.08 Definitions

The following definitions within the Municipal Code are being revised, deleted, or added. The definitions depicted in the color red are definitions that are required to be included within the code pursuant to the middle housing legislation which amended RCW 36.70A.030 Definitions. All definitions are followed by a brief rationale for the amendment.

• Accessory Dwelling Unit (ADU), attached (pg. 15)



This definition is being revised to specify that an ADU that exceeds the size limitations of MMC 16.34.020 shall be considered a duplex if attached.

# • Accessory Dwelling Unit (DADU), detached (pg. 15)

This definition is being revised to specify that an ADU that exceeds the size limitations of MMC 16.34.020 shall be considered a cottage if detached.

## • Administrative Design Review (pg. 15)

This is a new definition required pursuant to the middle housing legislation which amended RCW 36.70A.070.

## • Cottage housing (pg. 19)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030. Definitions.

## • Courtyard apartments (pg. 19)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions.

# • **Development Regulations** (pg. 19)

This is a new required definition, pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions

### • **Duplex** (pg. 19)

This is a new definition. The new housing legislation requires that Tier 3 cities allow duplexes as a permitted use in residential zones, but allows the jurisdiction to craft their own definition.

#### • **Dwelling, multifamily** (pg. 19)

This is not a requirement but this definition has been amended to include a statement that middle housing is a type of multifamily dwelling.

#### • Major Transit Stop (pg. 22)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions.

#### • Middle Housing (pg. 23)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions.

# • Single-family zones (pg. 25)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions.



### • Stacked Flat (pg. 25)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030. Definitions.

## • Tier 3 City (pg. 25)

This is a new definition that has been provided by the State but is optional. Staff recommends inclusion of this definition for clarity when describing Lake Forest Park as a Tier 3 city.

#### • Townhouses (pg. 25)

This is a new definition, required pursuant to the middle housing legislation which amended RCW 36.70A.030, Definitions.

# • Unit density (pg. 26)

This is a new definition recommended by the State for inclusion, but is one that the City may define.

Within the definition section, please also note that the term "Manufacture housing" was moved simply to place it in alphabetical order. The definition is not new, nor is it revised.

## LPFMC 18.12.010 Zones Established (pg. 27)

A minor edit has been made to reflect the new term SG-LD (Southern Gateway – Low Density), which has been modified from Southern Gateway – Single Family. Other minor edits have been made throughout the chapter to utilize new acronym.

#### LPFMC 18.16 RS-20 Single Family, Residential Low (pg. 28)

The title of this zoning district has been revised from RS-20 Single Family to RS- Residential Low. This reflects a Commerce requirement to remove the term "single-family".

#### **LPFMC 18.16.010 Permitted Uses** (pg. 28)

This has been updated to specify the middle housing types that will be allowed within the zoning district.

#### **LPFMC 18.16.010 Yards** (pg. 29)

This section has been amended to provide clarity on side yard setbacks.

#### LPFMC 18.16.090 Tree canopy coverage (pg.29)

This is a new subsection added at the request of the planning commission to account for tree canopy coverage.

#### LPFMC 18.18 R-15 Residential, Moderate (pgs. 30-31)



In line with the changes to 18.16, the title of this zoning district has been amended to remove the term "single-family", and the chapter has also been updated to specify the exact types of middle housing that would be allowed within the zoning district.

Other edits to this section mirror those of Chapter 18.16 regarding setbacks and tree canopy coverage.

## LPFMC 18.20 R-10 Residential, Moderate/High (pgs. 32-33),

The title of this zoning district has been amended to remove the term "single-family", and the chapter has also been updated to specify the exact types of middle housing that would be allowed within the zoning district.

Other edits to this section mirror those of Chapter 18.16, regarding setbacks and tree canopy coverage.

## LPFMC Chapter 18.21 R-9.6 Residential, Moderate/High (pgs. 34-35)

The title of this zoning district has been amended to remove the term "single-family", and the chapter has also been updated to specify the exact types of middle housing that would be allowed within the zoning district.

Other edits to this section mirror those of Chapter 18.16, regarding setbacks and tree canopy coverage.

## **LPFMC 18.22 R-7.2 Residential, High** (pgs. 36-37)

The title of this zoning district has also been amended to remove the term "single-family", and the chapter has also been updated to specify the exact types of middle housing that would be allowed within the zoning district.

Other edits to this section mirror those of Chapter 18.16, regarding setbacks and tree canopy coverage.

### LPFMC 18.24 RM-3600 Residential Multifamily (pg. 38)

Duplex has been removed as a permitted use from this multifamily zone.

## LPFMC 18.45 SG-SFR SOUTHERN GATEWAY RESIDENTIAL (pgs. 47-50)

The title of this zoning district has been amended to remove the term "single-family", with minor edits found throughout the section to replace "single-family" with "low density".

Other amendments include allowances for middle housing, as well as clarifying language regarding density calculations.

Finally, a new subsection (E) has been incorporated to specify the mandated off-street parking requirements for middle housing units.



# LPFMC 18.50.050 Accessory Dwelling Units (pgs. 61-62)

While the term "middle housing" does not include ADU's, Lake Forest Park is also including legislation (required by House Bill 1337) related to ADU's in the middle housing update. The code amendments within this section of the code are as follows:

- Up to two (2) ADU's may be permitted on a lot per each single-family dwelling located on the same lot, provided that the unit density standards are not exceeded. This section goes on to further state that if a lot is developed with a duplex, or with two units classified as middle housing, then no ADU is permitted on that lot.
- ADU's will need to comply with the development standards of the underlying zoning district
- The maximum gross floor area of an ADU is set at 1,000 square feet. (Although the maximum may be higher, it cannot be less than 1,000 square feet.)
- For any lot which is the result of a subdivision or a lot split and which is below the minimum lot size for the zone, no additional dwelling units, including accessory dwelling units, shall be allowed.
- ADU's will not be allowed on lots that are not connected to a public sewer system.
- The garage conversion allowance has been revised to provide more clarity about the parking requirements if the previous parking space has been lost through conversion to an ADU.
- Revision to incorporate statutory guidance that ADU's within one-half mile of a major transit stop do not need to provide parking.
- ADU's may be sold as a condominium unit or separate piece of property through the unit lot subdivision process (as required per RCW 36.70A.681(1)(k))

#### LFPMC 18.50.060 Accessory Structures and Buildings (pg. 62)

This section has been amended to include language that ADU's can be sited at the lot line when abutting a public alley, if it is not routinely snow plowed. This was added at the request of Commerce for compliance with the RCW.

#### LFPMC 18.58.030 Parking spaces required (pg. 67)

A new Row 5 has been incorporated to specify the off-street parking requirements for middle housing dwellings. This language is being included for compliance with RCW 36.70A.635(6).

The additional provisions are as follows:

- A maximum of one off-street parking space per unit shall be required on lots no greater than 6,000 square feet before any zero lot line subdivisions or lot splits.
- A maximum of two off-street parking spaces per unit shall be required on lots greater than 6,000 square feet before any zero lot line subdivision or lots splits.
- No off-street parking shall be required within one-half mile walking distance of a major transit stop.



# **LFPMC 18.62.080 Landscape Types** (pg. 74)

There are no substantial changes were made to this section, only a typo was discovered in subsection (D) to change "steam" to "stream".

#### PLANNING COMMISSION REVIEW

The Planning Commission reviewed the proposed amendments over several sessions beginning in November 2024. They then conducted a duly advertised public hearing held on May 13, 2025, after which they made a motion to forward a recommendation of approval of specific code amendments to City Council.

**ACTION:** Discussion at a Special Meeting of the City Council on Monday, June 9, 2025. A noticed public hearing is scheduled for 7pm, Thursday, June 12, 2025, followed by additional discussion of the draft code amendments.