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MEDINA, WASHINGTON

AGENDA BILL

Monday, February 24, 2025

Subject: Middle Housing Summary

Category: Discussion

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Summary

During the City Council study session, the Council members will have an opportunity to review the middle housing work that has been completed to date and engage in dialogue with staff and the consultant team.

Middle Housing Background

The Washington State legislature has been working rigorously to enact new legislation aimed at increasing the housing stock in the state, and also to address issues related to affordability and accessibility.

In 2023, HB 1110 was passed and took effect in July of the same year. This bill updated the Growth Management Act (GMA) and mandated that certain cities include middle housing types within their regulations. See RCW 36.70A.635.

ESHB 2321, which took effect in June of 2024, was passed within additional provisions related to middle housing and clarified several provisions of HB 1110.

HB 1337 took effect in July 2023 establishing new provisions for Accessory Dwelling Units.

As described previously, one of the outcomes of these bills is that Medina has been classified as a **Tier 3 city** by the State of Washington. Medina received this classification because the city had a population of less than 25,000 in 2020. It is in a county with a population of at least 275,000, and it is within a contiguous urban growth area with the largest city in the county.

What this means for Medina is that six months after its periodic comprehensive plan update, the City of Medina must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements and definitions for middle housing identified in the various house bills. The deadline for Medina to complete this work is June 30, 2025.

Middle Housing Ordinance

The City of Medina contracted with SCJ Alliance in September of 2024, after which they met with the City Council for the first time on October 14, 2024. Subsequent meetings with City Council included presentations on the State requirements, and the status of the mandated updates to the Uniform Development Code.

During the January 27, 2025 meeting, City Council reviewed a draft ordinance that was sent to the Department in advance of a January 31, 2025 deliverable deadline. **This draft ordinance has been attached again as Exhibit 1.**

Development of the ordinance took place in various stages. In addition to meetings with City Council, the Planning Commission and Development Services Committee also reviewed the State requirements and materials produced by SCJ in order to provide recommendations on the code amendments. To aid in this process, SCJ developed a gap analysis matrix to identify the sections of Medina's needed to be updated, and an accompanying code amendment document with all revisions shown in **Track Changes**.

Community Engagement

A robust community engagement also took place, which included the development of information for the City of Medina website, and the hosting of two well-attended community forums in January. These forums have been discussed at previous meetings, but in yet another summary, the events occurred:

- Thursday, January 9, 2025, 6 8 pm St. Thomas Episcopal Church.
- Wednesday, January 15, 2025, 6 8 pm Medina City Hall

The first forum at the church was offered as an in-person event, with the number of attendees at estimated at 71. The second forum held at City Hall was held in-person but also offered an option for virtual attendance. The number of attendees in person was 25, with approximately 50 participants attending online (not including Council members or staff).

Attendees were invited by means of postcard mailers, flyers, city website notification, email, and word of mouth. Invitations included a QR code that took people to the City's middle housing webpage to learn more about the project.

Community members were invited to participate in a survey to learn more about middle housing in Medina, and to provide feedback. The survey closed on February 14th. At the conclusion of the survey, 199 responses were received online, with a completion rate of 72.4%, with 144 surveys fully completed and 55 partially completed. Four (4) paper surveys were completed and submitted to City staff.

The results of the survey have been provided as part of the packet for City Council's regular meeting of February 24, 2025. The feedback received from the community may be used by Council as they consider priorities and policy recommendations specific to the Medina.

State Guidance

To aid jurisdictions in achieving compliance with the new state mandates, the Department of Commerce has produced guidance materials to help interpret the new state laws. These materials were reviewed to aid in the development of the code amendments, along with unique materials and graphics prepared by SCJ Alliance that were specific to Medina.

Included within the materials drafted by Commerce was a DRAFT middle housing ordinance that jurisdictions could choose to adopt. Jurisdictions were given the opportunity to review the

ordinance and make local policy decisions about certain items within the model ordinance. However, if jurisdictions DO NOT adopt an ordinance by their specified deadline, then the model ordinance goes into effect as written by the State.

Medina's effort to be more deliberate about what to include in the ordinance was important, as the model ordinance goes above and beyond what is required by State legislation. In comparison, the state model ordinance is much more restrictive than Medina's current draft ordinance.

The City of Medina has exerted great effort into understanding which portions of the housing legislation were required for the City. The objective of SCJ Alliance has been to help Medina achieve compliance, while taking into account local policy choice where allowed.

Summary of Requirements and Options

Middle Housing

In relation to HB 1110 and 2321, Medina **must**:

- Allow for the development of at least two units per lot, with certain exceptions. See RCW 36.70A.635(1)(c).
- Allow zero lot line short subdivision where the number of lots created is equal to the unit density required in RCW <u>36.70A.635(1)(c)</u>.
- Apply to middle housing the same development permit and environmental review processes that apply to detached single-family residences, unless otherwise required by state law. See RCW 36.70A.635(6)(c).

Medina cannot (see RCW 36.70A.635(6)):

- Require off-street parking as a condition of permitting development of middle housing within one-half mile walking distance of a major transit stop.
- Require more than one off-street parking space per unit on lots no greater than 6,000 square feet before any zero lot line subdivisions or lot splits.
- Require more than two off-street parking spaces per unit middle housing on lots greater than 6,000 square feet before any zero-lot line subdivision or lot splits.

Medina has the option to:

- Allow accessory dwelling units to achieve the unit density required, per RCW 36.70A.635(5)
- Define middle housing types that are undefined under RCW 36.70A.030
 - RCW 36.70A.030 includes definitions for courtyard apartments, cottage housing, townhouses, and stacked flats, **but** duplexes, triplexes, fourplexes, fiveplexes, and sixplexes are undefined.
- Define what falls under the required "unit density".
 - Cities choosing to count accessory dwelling units as part of "unit density" and adopting the term "unit density" in local code should consider a definition that references accessory dwelling units.
- Adopt a maximum unit density
 - <u>Cities are not required to allow accessory dwelling units or middle housing types</u>
 <u>beyond the density requirements</u> RCW <u>36.70A.635(5)</u>
 - o The middle housing definition, in conjunction with the maximum unit density a jurisdiction adopts, is important because RCW 36.70A.635 sets limits on

permitting, design review, and parking standards for all middle housing types citywide in all cities subject to the middle housing law.

ADU's/DADUs:

In relation to HB 1337. the City of Medina must:

- Permit DADUs in structures detached from the principal unit;
- Allow an ADU/DADU on any lot that meets the minimum lot size required for the principal unit:
- Allow DADUs to be sited at a lot line if the lot line abuts a public alley, unless the city or county routinely plows snow on the public alley; and
- Allow ADUs/DADUs to be converted from existing structures, including detached garages.
- Allow for the construction of two ADUs in the following configurations on all zoning districts that allow for single-family homes in urban growth areas;
 - One attached ADU and one DADU;
 - Two attached ADUs; or
 - Two DADUs, which may be comprised of either one or two detached structures.

What is included in Medina's Middle Housing Ordinance?

The following is a summary of the amendments to the draft ordinance that was submitted to the Department of Commerce (see Exhibit 1):

- New definitions and updates to definitions as required by State law.
- Modifications to land use designations and zoning district labels to remove the term singlefamily
- The use table was updated to include the mandate middle housing types, specifically:
 - Duplex
 - Cottage housing
 - Stacked flats
 - Courtyard apartments
- Maximum accessory dwelling units (ADUs/DADUs) on a lot was increased to two units per lot. This complies with the State requirements found in RCW 36.70A.635(5)
- Off-street parking requirements were amended to describe that only one parking space can be required for units less than 6,000 square feet, and no more than two can be required for units greater than 6,000 square feet.
- ADU regulations were updated to comply with HB 1337 requirements.

As described previously, the work session is an opportunity to review the draft ordinance, and have time for a question and answer period with city staff and the consultants.

This Middle Housing Land Use Code Update project continues to meet and support Council's priorities 1, 2 and 5.

Council Priorities:

- 1. Financial Stability and Accountability
- 2. Quality Infrastructure
- 3. Efficient and Effective Government
- 4. Public Safety and Health

5. Neighborhood Character and Community Building

Attachment(s)

• Exhibit 1 – Draft Code Amendment provided to Commerce

<u>Budget/Fiscal Impact:</u> Proceeding with the Middle Housing Scope of Work is consistent with the City's obligations under the Commerce Middle Housing Grant. By meeting the required milestones, the City will be able to draw from the grant funds.

Recommendation: Discussion.

City Manager Approval:

Proposed Council Motion: N/A, study session discussion

Time Estimate: 45 minutes