

# CITY OF MEDINA

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#### **MEMORANDUM**

DATE: April 22, 2025

TO: Medina Planning Commission

FROM: SCJ Alliance, Middle Housing Consultant

RE: Public Hearing on Middle Housing Ordinance No. XXX

# **SUBJECT:**

Proposed Land Use Code Amendment to revise the Medina Municipal Code to accommodate more housing choices by adopting the State-mandated middle housing regulations to implement House Bills (HB) 1110, 2321, and 1337.

# **BACKGROUND:**

In 2023, the Washington State Legislature passed, and the Governor signed into law, House Bills (HB) 1110 and HB 1337, amending the Growth Management Act, Chapter 36.70A RCW (GMA). HB 2321 was adopted in 2024 to clarify the housing requirements of HB 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.

House Bill 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. Medina has elected to utilize ADU's for meeting density requirements and has incorporated the ADU requirements into the 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.

The City of Medina 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, Medina 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 Medina Municipal Code (MMC) in order to achieve compliance with state requirements. These revisions are outlined in the Proposed Revision section below.

### **STATE MANDATES:**

Through the adoption of the new housing legislation, the Department of Commerce was directed to provide technical assistance to cities to help with the 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 the final version was completed in November 2024.

RCW 36.70A.636(b) goes on further to state:

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

As a Tier 3 City, Medina must adopt new middle housing regulations by June 30, 2025. This deadline is found in **Exhibit 1**, produced by the Department of Commerce.

If the middle housing ordinance is not adopted by the June 30, 2025 deadline, then the model ordinance will preempt the City's regulations and take effect, as described above. Because the City took early action, it has been able to integrate only the required sections of the RCW. If the City adopts the proposed amendments prior to June 30, 2025, it will not be governed by the model housing ordinance.

While a full comparison chart has not been developed, some of the provisions that would be most notably different are within the dimensional standards of the model

ordinance. Height allowances would be set at 35 ft as compared to Medina's existing 25 feet, and the setbacks would be much lower than the existing standards.

### PROPOSED REVISIONS:

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

When reading the attached ordinance, please note that the language which is <u>underlined</u> indicates that it is an addition to the existing city code. Language shows with a strikethrough indicates that it is existing language proposed for deletion.

# MMC 16.00.020(B)(2) Statement of Purpose

On pg. 3 of the code amendment document (Exhibit 2) the term "single-family" has been removed from the sentence to instead refer to protecting "the community's residential nature…".

#### MMC 16.12 Definitions

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

Please also be advised that additional amendments to definitions are being made with the "S" definitions as well. Those updates are not included in this ordinance, but rather they are incorporated into a separate ordinance related to unit lot and zero-line subdivisions.

#### Accessory Building

This definition is being revised to provide a differentiation between "accessory building" and "accessory dwelling unit".

### Accessory Dwelling Unit

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) or a cottage (if detached).

### Administrative Design Review

This is a new definition required pursuant to the middle housing legislation which amended RCW 36.70A.070. This has been revised to provide clarity on the role of the director. A footnote has also been added to indicate that the City does not presently have a design review process.

#### Condominium

This is a new definition which duplicates the language of RCW 64.34.020(10). It is not required per the middle housing legislation but is included in the Sate definitions and is relevant to the other housing related amendments to the code.

# Cottage

This term is proposed for deletion and will be replaced with a new definition for "cottage housing".

### Cottage housing

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

### Courtyard apartments

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

# Duplex

This is a new definition agreed upon by City Council. 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.

# Major Transit Stop

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

### Middle Housing

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

# Tier 3 City

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

#### Townhouses

This is a proposed new definition. The new middle housing legislation does not require Tier 3 cities to allow for townhouses, however, the inclusion of definitions for housing types not permitted can help provide differentiation and clarity between housing types.

#### Unit

This is a new definition provided by Staff in response to Council's request to provide a term. This definition was shared with City Council during the November 25 City Council meeting. This defined provides clarity in response to the State's use of the term "unit".

# Unit density

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

# MMC 16.20.010 Comprehensive Plan and Zoning

- Subsection A is proposed for amendment to remove the term "single-family" and instead refer only to the "residential" setting of the community.
- Table 16.20.010 is a table which includes a description of the Comprehensive Plan Land Use Designations in the first column, with the associated Implementing Zone Designations in the second column. The term "single-family residential" is being removed and replaced with the simplified term "residential".

# MMC 16.20.020(B) Adoption of official zoning map

This section of the code provides a description of each of the zoning districts. The term "single-family" has been removed from each of the residential zones (R-16), (R-20) and (R-30) and refers instead to "residential".

#### MMC 16.21.030 Use Table

The use chart is an important tool within the development code to help users of the code determine which uses are permitted or prohibited within each of the various zoning districts. With the middle housing legislation requirements, the required middle housing types have been added to the chart, including:

- Duplex
- Cottage Housing
- Stacked Flats.
- Courtyard apartments

Placeholders have also been incorporated for "low-rise apartments", "short term rental", "townhouses" and "hotel/motel/transient lodging".

Additionally, a footnote has been added to provide a reference to the limitations specific to middle housing.

### MMC 16.21.060 Maximum dwelling units on a lot

This section of code has been updated significantly in order to comply with the State requirements found in RCW 36.70A.635(5) to provide more specificity about the allowance of two units per lot, including language describing the exemptions to the 2-unit per lot requirement.

A new subsection D has also been included which states that proposed modifications to the unit density standards would be allowable only through the implementation of a Development Agreement.

# MMC 16.30.060 Residential Off-Street Parking

A new subsection (2) 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:

- No off-street parking will be required within one-half mile walking distance of a major transit stop
- 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 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 subdivisions or lots splits.

# MMC 16.34.020 Accessory Dwelling Units

While the term middle housing does not include "Accessory Dwelling Units" the City of Medina 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:

- Subsection (A) ADU's will now be included in the density and minimum lot area requirements, where they were previously excluded.
- Subsection (C) now allows for up to two (2) ADU's 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.
- Subsection (D) Development Standards has also been updated to comply with HB 1337. A summary of the proposed new language is as follows:
  - ADU's will only be allowed on lots that meet the minimum lot size requirements for the principal unit. In addition, no additional dwelling units will be allowed on lots that are the result of a lot split which is below the minimum lot size for the zone.
  - ADU's will not be allowed on lots with critical areas, lots that are not connected to a public sewer system, or lots that are within the shoreline jurisdiction.
  - ADU's may not be used as "short term rentals".
  - 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.)
  - The maximum roof height of an ADU is 25 feet, or the maximum height allowed for the primary unit (whichever is lower).
- Subsection (E) now includes language about the exception to ADU parking requirements, which is not applicable when the ADU is located within one-quarter mile of a transit stop.

- Subsection (F) previously included a brief statement that garage space could be converted into an ADU. Two revisions are being proposed for this sections:
  - Accessory buildings have been listed as allowable structures for conversion into ADU's..
  - A provision has been added to require that parking spaces removed for conversion to ADU's must be replaced elsewhere on the property.

### PROCEDURAL REQUIRMENTS

The review procedures for processing text code amendments to the development regulations are outlined in Chapter 16.81 of the Medina Municipal Code as follows:

# 16.81.040. Review procedures.

The following shall apply to processing a text amendment to development regulations:

- A. The city council shall decide whether to review the amendment or direct the planning commission to review the amendment.
- B. If the planning commission reviews the amendment, after considering the amendment, the planning commission shall vote and forward a written recommendation to the city council.
- C. The planning commission's written recommendation shall be presented to the city council unchanged and accompanied by a staff report that includes any proposed changes to the planning commission's recommendation. If any proposed changes are substantively different from the planning commission's recommendation, the city council may remand the changes to the planning commission before proceeding further with action on the amendment.
- D. At least one public hearing shall be held prior to the city council acting on an amendment. The public hearing may be held before the planning commission, the city council, or both.
- E. City staff shall prepare a report on the amendment to be presented to the hearing body considering the amendment.
- F. Notice of hearing shall be provided pursuant to MMC 16.81.070.
- G. The city council may approve, approve with modifications, remand to the planning commission for further proceedings, or deny the amendment.

All code requirements were followed leading up to the Planning Commission public hearing as follows:

### **PUBLIC NOTICE**

The Notice requirements are outlined in MCC 16.81.070. Notice of the April 22, 2025, Planning Commission public hearing was published in the Seattle Times and on the City website on April 2, 2025. See **Exhibit 2.** 

#### SEPA AND STATE REVIEW

The City issued a SEPA Determination of Non-Significance (DNS) on March 25, 2025. See **Exhibit 3**. The deadline to submit comments to the City is Thursday, April 24, 2025.

The draft ordinance was submitted to the Washington State Department of Commerce on March 25, 2025, and the required 60-day notice period will end on May 24, 2025. As of the date of this report no comments from state agencies have been received.

### **PUBLIC OUTREACH**

In addition to following the minimum noticing requirements, the City also expended great efforts to be transparent with Medina community members about the new state requirements and to involve them throughout the process of updating the code.

On June 10, 2024, the City Council adopted a Public Engagement Plan (PEP) via Resolution 444. This plan was utilized as a guiding document by City Staff and planning consultants with SCJ Alliance.

In addition to providing materials for posting on the City website, and producing postcards, flyers and other materials for peer to peer engagement, two community forums were held in January 2025. The purpose of the forums was to share information with the public, allow for Q&A, and to encourage participation in a community survey. At the conclusion of the survey, **199 responses** were received online. The completion rate was 72.4%, with 144 surveys fully completed and 55 partially completed. Four paper surveys were completed and submitted to City staff.

More information about the community outreach efforts, and the results of the survey, can be found on the Medina City website here:

https://www.medina-wa.gov/developmentservices/page/new-housing-laws-middle-housing-and-adu-legislation-and-medina

### **DECISION CRITERIA**

In addition to detailing the noticing requirements, the Medina City Code also provides decision criteria for making text amendments to the development regulations. These are found in MCC 16.81.080, as follows:

The city council may amend the text of a development regulation only if it finds:

- A. The proposed amendment is consistent with the goals, policies and provisions of the Medina comprehensive plan;
- B. The proposed amendment bears a substantial relation to public health, safety, or welfare; and
- C. The proposed amendment advances the public interest of the community.

### **RECOMMENDATION:**

Staff has concluded that the attached Middle Housing Ordinance is consistent with the decision criteria required for adoption of amendments to development regulations pursuant to MCC 16.81.080. Staff recommends that the Planning Commission recommend adoption of the proposed ordinance.

### **Exhibits:**

- Exhibit 1 Middle Housing Update Deadlines
- Exhibit 2 Public Hearing Notice
- Exhibit 3 SEPA Notice

### **Attachment:**

Middle Housing Ord. No. XX