

TO: Snoqualmie Planning Commission

FROM: Matt Covert, Senior Planner – LDC Inc.

DATE: June 13, 2023

RE: June 20, 2023, briefing – Land Use Strategy and Middle Housing Strategies and Actions

Briefing purpose

The goal for our discussion on June 20 is to provide the Planning Commission the following:

- ✓ Review of the Middle Housing project schedule/progress in meeting project objectives.
- ✓ Review findings from Land Capacity Analysis and implications for Land Use Element of comprehensive plan update.
- ✓ Overview of and summarize findings from the Racial Equity and Displacement Analysis Report.
- ✓ Overview of draft strategies and actions for the Middle Housing Draft Strategies and Actions.
- ✓ Prepare the Planning Commission for consideration of goals and policies of the Land Use element

Project overview

The Middle Housing grant program was authorized by the 2022 supplemental state operating budget. It directed Commerce to develop a grant program to support the adoption of ordinances authorizing middle housing types, along with conducting a racial equity analysis.

The grant objectives, as established by Commerce, are focused on looking at options to provide more middle housing options in cities. Middle Housing, also commonly referred to as Missing Middle Housing, is defined as duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, courtyard apartments, cottage housing, and stacked flats. It is referred to as “missing middle” because many communities made these housing types difficult or impossible to build in many areas in the 20th century. There is also a focus on developing draft policies regarding displacement, which can occur when redevelopment takes place, and completing a racial equity analysis on the current comprehensive plan and code. Snoqualmie added a land capacity analysis as a key deliverable in their contract with Commerce.



It is important to note that this project will not result in any legislative changes. It will give the city a menu of strategies and potential actions you could take in the future. The project must be completed by June 30.

Project elements

The Department of Commerce Middle Housing grant program outlined certain areas for study as part of this project. This included development of a:

- Racial Equity and Displacement Analysis Report. The report is in final review and will be posted on the [Snoqualmie Middle Housing website](#) once it becomes final. A copy will also be sent to Planning Commission members.
- Robust community engagement to help gather information for the project deliverables and inform the community about the analysis. Engagement conducted as part of this project can also assist in getting people interested in the upcoming comprehensive plan update process.
- Draft Middle Housing Strategies and Actions which the city may consider in the future to increase opportunities for middle housing within the city.



Comp Plan open house event

Summary of Engagement Activities

- Interviews with Community Based Organizations
- Middle Housing study webpage
- Middle Housing story map
- Project survey
- Public meetings

Land Capacity Analysis overview

Snoqualmie is in the position of having extremely constrained geography and a rather large growth target, proportionately speaking, as part of the growth in housing and employment it is required to plan for by 2044. As part of this project, we conducted a detailed land capacity analysis to try to more accurately assess the difference between capacity and target with four major elements:

- Update to land capacity analysis using the methodology from the King County Urban Growth Capacity Report and current parcel data
- Detailed analysis of certain known pre-pipeline sites and historic downtown
- Growth assumptions in the Potential Annexation Area (PAA)

High-level findings from Land Capacity Analysis

Our analysis shows that with generous assumptions about the ability of known potential pipeline projects and a mosaic of critical areas data generated through geospatial data and application of city code, Snoqualmie has capacity for an additional 230 housing units. This leaves a shortfall of 849 units within city limits. On the other hand, assuming a relatively modest adoption of ADUs (2 percent of lots construct one ADU on average within the planning period), the city would gain 71 units of capacity on existing lots for a remaining target of 778 units.

Housing Target 2019-2044	1,500
Pipeline projects - per Regional HNA	421
Remaining housing target as of 2021 urban growth capacity report	1,079
Housing capacity per 2023 land capacity analysis	230
ADU capacity	71
Remaining housing target as of May 2023 (\$21 is commercial use)	849
*Remaining housing target with ADU assumptions	778

The employment capacity situation is somewhat rosier. Using county methodology for calculating employment capacity, the city has a surplus of 899 jobs (assuming parcel S21 in Snoqualmie Ridge is developed as commercial use). More discussion on employment capacity is needed, as some of the capacity identified was noted in the data submitted to King County, particularly in the OP zone, is unlikely to be realized because it is owned by the Snoqualmie Tribe. Even if none of this zone truly has capacity, the city would still have a surplus of employment capacity within current city limits.

Employment target 2019-2044	4,425
Capacity per 2021 urban growth capacity report	4,079
Pipeline projects (Mill Site)	3,778
Remaining employment target as of 2021 urban growth capacity report	301
Employment capacity per 2023 land capacity analysis	1,200
Employment capacity surplus (\$21 is commercial use)	899

Potential development capacity in the PAA includes an extension of the business park on Center and Douglas Streets using the mixed use zone, the R-1-10 zone in the eastern half of

the PAA, and application of the R-3 zone (not currently in use anywhere in the city) in the middle. The City Council has acknowledged that the city does not currently have the capacity to plan for its housing target and does not intend to accommodate the shortfall using the PAA.


Nonetheless, if areas within the PAA are annexed in the future, the development in those areas zoned appropriately could add housing and employment capacity to help meet future growth targets estimated at roughly 1,500 jobs and 550 housing units as follows.


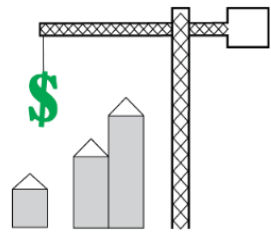

Zone	Parcels with Capacity	Buildable Area	Assumed Density	Right-of-Way %	Public Purpose %	Market Factor %	Initial Capacity	Final Capacity
Mixed Use	7	51.7	0.25 FAR	5%	10%	1%	1,576 jobs	1,576 jobs
R-3	7	23.8	30	5%	5%	20%	500 du	500 du
R-1-10	24	22.7	4.15	5%	5%	35%	52 du	52 du

Menu of Housing Options Report overview

The Middle Housing Code and Policy Options Report, which is currently in draft format, builds off the findings of the Racial Equity and Displacement Analysis Report and community engagement efforts completed as part of this project.

The report analyzes the City of Snoqualmie Municipal Code and develops a menu of strategies and implementing actions that support more middle housing options and proactively address residential and business displacement. This includes recommendations for changes to current regulations and zoning, fee structures, housing incentives, and permitting procedures and processes. Considering these options in parallel with policy recommendations outlined in the Racial Equity and Displacement Analysis Report could also have the benefit of addressing housing exclusion. The following are the draft strategies and actions we will discuss on June 20.

Primary Housing Strategy	Description	Housing Actions
New state laws focused on middle housing 	Requires the city to allow at least two accessory dwelling units on all lots within residential zones in most circumstances	<ul style="list-style-type: none"> Implement House Bill 1337
Encourage a wide variety of Middle Housing options	Focuses on different options the city could take on to encourage more middle housing in the city. This could include expanding the R2 zone and improving how townhomes are regulated.	<ul style="list-style-type: none"> Middle housing definitions and uses Implement HB 1337

		
<p>Incentivize New Housing</p> 	<p>Focuses on ways to incentivize 2nd-floor small-scale residential above first-floor employment or structured parking in the floodplain.</p>	<ul style="list-style-type: none"> • Use city-owned land to • Expand Multi Family Tax Exemption (MFTE) Program • Density incentives in the R2 zone • Contingent zoning in PAA
<p>Prevent and mitigate displacement</p> 	<p>This focuses high level options the city could consider in the future to limit displacement occurring via the high cost of rents. This strategy also addresses displacement of businesses as redevelopment occurs and proactive measures the city could consider.</p>	<ul style="list-style-type: none"> • Tenant protections • Business displacement

For each strategy and draft action, we do the following:

- Identify the people and groups this action could most help.
- Identify possible areas where this could be applied. We will provide maps, where necessary.
- Outline the scale of the code options. Some options may be utilized more or have a larger impact.

In addition, we will provide an overview sheet for each and highlight:

- Existing comprehensive plan policies that support the action.
- New policies that may be needed to support the action (based on first project deliverable).
- If taking the action could provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update.
- If taking the action could provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan.

- Advantages/disadvantages of taking the action.
- Where applicable, jurisdictions which have taken similar actions.

The June 20 briefing will provide an opportunity to present these draft options and receive feedback from the Planning Commission. We can then make sure the final report reflects exactly what the city would like to have included in the final report.