

MEDINA, WASHINGTON

PLANNING COMMISSION MEETING

Hybrid-Virtual/In Person Tuesday, June 27, 2023 – 6:00 PM

AGENDA

COMMISSION CHAIR | Laura Bustamante COMMISSION VICE-CHAIR | Shawn Schubring COMMISSIONERS | Li-Tan Hsu, David Langworthy, Mark Nelson, Laurel Preston, Mike Raskin PLANNING MANAGER | Stephanie Keyser

Hybrid Meeting Participation

Planning Commission participation in this meeting will be either in-person or teleconference/online. Individuals wishing to speak live during the Planning Commission meeting will need to register their request with the Development Services Coordinator at 425.233.6414 or email <u>rbennett@medina-wa.gov</u> and leave a message before 12PM on the day of the June 27 Planning Commission meeting. Please reference Public Comments for June 27 Planning Commission Meeting on your correspondence. The Development Services Coordinator will call on you by name or telephone number when it is your turn to speak. You will be allotted 3 minutes for your comment and will be asked to stop when you reach the 3-minute limit. Join Zoom Meeting

https://us06web.zoom.us/j/82398679173?pwd=ZWw5T3IvMEtXTzZ0QTFWSTZadFhJQT09

Meeting ID: 823 9867 9173 Passcode: 524010 One tap mobile +12532158782,,82398679173#,,,,*524010# US (Tacoma)

1. CALL TO ORDER / ROLL CALL

2. <u>APPROVAL OF MEETING AGENDA</u>

3. <u>APPROVAL OF MINUTES</u>

<u>3.1</u> Planning Commission Special Meeting Minutes of May 24, 2023
 Recommendation: Approve Minutes.
 Staff Contact: Rebecca Bennett, Development Services Coordinator

4. <u>ANNOUNCEMENTS</u>

4.1 Staff/Commissioners

5. AUDIENCE PARTICIPATION

Individuals wishing to speak live during the Hybrid Planning Commission meeting will need to register their request with the Development Services Coordinator, Rebecca Bennett, via email (<u>rbennett@medina-wa.gov</u>) or by leaving a message at 425.233.6414 before 12pm the day of the Planning Commission meeting. Please reference Public Comments for the June 27 Planning Commission meeting on your correspondence. The Development Services Coordinator will call on you by name or telephone number when it is your turn to speak. You will be allotted 3 minutes for your comment and will be asked to stop when you reach the 3-minute limit.

6. <u>DISCUSSION</u>

6.1 Housing Element
 Recommendation: Discussion
 Staff Contact(s): Stephanie Keyser, AICP, Planning Manager
 Time Estimate: 90 minutes

7. ADJOURNMENT

ADDITIONAL INFORMATION

Planning Commission meetings are held on the 4th Tuesday of the month at 6 PM, unless otherwise specified.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (425) 233-6410 at least 48 hours prior to the meeting.

UPCOMING MEETINGS

Tuesday, July 26th – Regular Meeting at 6:00 PM *Tuesday, August 2nd – No PC Meeting* Tuesday, September 26th – Regular Meeting at 6:00 PM Tuesday, October 24th – Regular Meeting at 6:00 PM *Tuesday, November 28th – Regular Meeting Cancelled – Special Meeting Date TBD Tuesday, December 26th – Regular Meeting Cancelled – Special Meeting Date TBD*



MEDINA, WASHINGTON

PLANNING COMMISSION SPECIAL MEETING

Hybrid-Virtual/In Person Wednesday, May 24, 2023 – 6:00 PM

MINUTES

COMMISSION CHAIR | Laura Bustamante COMMISSION VICE-CHAIR | Shawn Schubring COMMISSIONERS | Li-Tan Hsu, David Langworthy, Mark Nelson, Laurel Preston, Mike Raskin PLANNING MANAGER | Stephanie Keyser

1. CALL TO ORDER / ROLL CALL

Chair Bustamante called the meeting to order at 6:01pm

PRESENT Chair Laura Bustamante Vice Chair Shawn Schubring Commissioner David Langworthy Commissioner Mark Nelson Commissioner Laurel Preston Commissioner Mike Raskin Commissioner Li-Tan Hsu

STAFF Bennett, Burns, Keyser, Miner, Wilcox

2. APPROVAL OF MEETING AGENDA

By consensus, Planning Commission approved the meeting agenda as presented.

3. APPROVAL OF MINUTES

3.1 Planning Commission Minutes of May 2, 2023
 Recommendation: Approve Minutes.
 Staff Contact: Rebecca Bennett, Development Services Coordinator

ACTION: Motion to approve minutes with amendment. (Approved 7-0)

Motion made by Commissioner Nelson, Seconded by Vice Chair Schubring. Voting Yea: Chair Bustamante, Vice Chair Schubring, Commissioner Hsu, Commissioner Langworthy, Commissioner Nelson, Commissioner Preston, **Commissioner Raskin**

4. ANNOUNCEMENTS

4.1 Staff/Commissioners

Keyser announced that it was Mike Raskin's last Planning Commission meeting.

5. AUDIENCE PARTICIPATION

There was no audience participation.

6. DISCUSSION

6.1 Housing Action Plan Report
 <u>Recommendation:</u> Approve
 <u>Staff Contact(s):</u> Stephanie Keyser, AICP, Planning Manager
 Time Estimate: 60 minutes

Keyser gave small overview of Housing Action Plan. Commissioners discussed and asked questions.

ACTION: Motion to approve Housing Action Plan as amended. (Approved 6-1).

Motion made by Commissioner Nelson, Seconded by Vice Chair Schubring. Voting Yea: Chair Bustamante, Vice Chair Schubring, Commissioner Hsu, Commissioner Langworthy, Commissioner Nelson, Commissioner Preston Voting Nay: Commissioner Raskin

7. ADJOURNMENT

Meeting adjourned at 6:43pm.

ACTION: Motion to adjourn. (Approved 7-0)

Motion made by Commissioner Nelson, Seconded by Commissioner Hsu. Voting Yea: Chair Bustamante, Vice Chair Schubring, Commissioner Hsu, Commissioner Langworthy, Commissioner Nelson, Commissioner Preston, Commissioner Raskin



MEDINA, WASHINGTON

AGENDA BILL

Tuesday, June 27, 2023

Subject: Housing Element

Category: Discussion

Staff Contact(s): Stephanie Keyser, Planning Manager

Summary

The draft Housing Element is attached for a first discussion. Just as with previous amendments, if something is <u>red and underlined</u> that means it's new, if it's <u>red</u> that means it's existing language that has been relocated.

Please note that there were a handful of policies not incorporated in this draft because they're land use policies, not housing. I've included them at the end of the draft for your review.

Attachment(s) Housing Element Draft

Budget/Fiscal Impact: N/A

Recommendation: N/A

Proposed Commission Motion: N/A

Time Estimate: 90 minutes

HOUSING ELEMENT

INTRODUCTION

<u>Medina's Housing Element describes the community's vision for</u> ensuring the vitality and character of its neighborhoods while meeting the goals and requirements of the Growth Management Act (GMA) requires a housing element that ensures the vitality and character of established neighborhoods and King County's Countywide Planning Policies (CPP). This element includes: The GMA requires local Housing Elements to include an inventory and analysis of existing and projected housing needs for all economic segments of the community. Medina's Housing Needs Assessment (HNA) is an addendum to the Housing Element.

Through its adopted plans and policies, the city pursues opportunities to:

- Preserve the quiet, sylvan neighborhood character.
- Encourage housing that is compatible in scale with what is existing.
- Promote sustainable neighborhoods.
- 1. An inventory and analysis of existing and projected housing needs;
- A statement of goals, policies and objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences;
- 3. Identification of sufficient land for housing, including, but not limited to, government assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and
- 4. Adequate provisions for existing and projected needs of all economic segments of the community.

In addition, King County countywide planning policies (CPP) require that each jurisdiction take actions that will collectively meet the expected growth in, and make housing available to, all economic segments of the county population. Medina's ability to participate at this level is limited by a lack of available and suitable building sites and the realities of the real estate market. However, the City participates in region-wide planning efforts to address affordable housing and homelessness through ARCH, A Regional Coalition for Housing, described further below.

This Housing Element works in conjunction with land use, transportation, capital facilities, and utilities elements in this Comprehensive Plan. For instance, the infrastructure and services required for housing are described in the Capital Facilities and Utilities Elements. Consideration of denser housing along transit corridors supports the city's transportation objectives. A full understanding of Medina's housing goals and policies should include an examination of these other Comprehensive Plan elements.

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EXISTING CONDITIONS, AFFORDABILITY, AND FUTURE PROJECTIONS

While the number of housing units in Medina has decreased since the last Comprehensive Plan update, down approximately 4.2% from 1,162 units in 2015 to 1,113 in 2021, the number of larger households has increased. Larger households, composed of 4-or-more people, make up the greatest proportion of Medina's households at 38.5% (406), followed by 2-person households at 35.5% (374), 1-person households at 17% (178), and finally 3-person households at 9% (96) (Figure XX). When the occupancy is separated into homeowners and renters (Figure XX), 2person households make up the largest proportion of owner-occupied units at 39.5% (339), followed by 4-or-more person households at 36.8% (316). 4-ormore person households make up the largest proportion of renter-occupied households at 46.2% (90), followed by 1person households at 26.7% (52).

A larger household size is reflected in the greater proportion of households with children. 44% of households in Medina have children and of those, 74% are between the age of 6 to 17 years.

Consistent with regional and national trends, the proportion of Medina's population over the age of 65 continues to increase. Residents 65 and older account for 19% of Medina's population with 39% of those seniors being over the age of 75.

Figure XX Medina Household Size



Source: American Community Survey, 2021.



Source: American Community Survey, 2021.

Renter-Occupied

Owner-Occupied

A housing target, as defined in the GMA, is based on regional forecasts and allocations in VISION 2050 and sets the minimum expectation for the amount of housing that Medina will need to plan for in the Comprehensive Plan Update for 2024. The City of Medina has a 2019-2044 housing unit target of 19 units as adopted in King County's Countywide Planning Policies (CPP's), or 1,132 units by 2044. As part of the Comprehensive Plan update, jurisdictions must demonstrate zoned or planned capacity for their growth target. As a fully built-out community with no adjacent land to annex, Medina has a remaining buildable net capacity of 8 units which means there is a capacity deficit of 11 units.

The predominant development pattern in Medina happens through redevelopment where an older home is demolished and replaced by a new one. With the passage of missing middle legislation in 2023 by the Washington State Legislature, the allowance of denser, neighborhood-scale housing such as duplexes will create an opportunity for Medina to meet its growth target through redevelopment.

While Medina is an incorporated city, its character and function are more like that of a mature residential neighborhood within a larger community. According to the 2010 U.S. Census of Population and Housing, there are 1,162 total housing units in the City. Housing units are in the form of detached single-family units on individual lots. There are no multiple-family structures and current zoning does not allow such development. Medina is an established residential community that abuts single-family residential areas of Hunts Point, Clyde Hill, and Bellevue. Medina maintains a high percentage of owner-occupied units has decreased from 98.7 percent, while the vacancy rate has increased from 4.6 percent. Medina's development pattern is consistent with that of neighboring communities.

Value
1,162
101 (8.7%)
1,061
945 (89.1%)
116 (10.9 %)
2.80

Table 2	Modina	Housing	Statistics
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Source: 2010 U.S. Census

PROJECTED HOUSING NEEDS

According to PSRC's 2013 Land Use Targets dataset, Medina is expected to accommodate 81 additional households by the year 2035.

Given the projected population increase of 46 persons, this increase in households would occur through a gradual reduction of the current average household size from 2.80 persons per household to 2.64 persons per household, which is consistent with anticipated demographic changes (see discussion of Future Growth Issues in Land Use Element).

The adopted growth target for Medina is an additional 27 housing units by the year 2035. Therefore, the majority of the projected additional households would be accommodated through existing housing stock, increasing Medina's occupancy rate to approximately 96 percent by the year 2035.

For a thorough study of Medina's existing and projected housing needs, including housing affordable across a range of income levels, please refer to the *East King County Housing Analysis* (ARCH 2013).

HOUSING PLAN

Medina has several mechanisms to assist in the provision of affordable housing. These are as follows:

- Adult Family Homes are permitted within existing households as a home occupation. This provides housing opportunities for a segment of the population that often has difficulty obtaining reasonably priced, quality housing.
- Current regulations allow domestic employees to reside in separate units on the properties where they work.
- Additional detached units are allowed to be constructed on properties where there is sufficient lot size to meet the underlying, minimum zoning.
- Accessory dwelling units are permitted in all residential zoning districts subject to the requirements of the Medina Municipal Code.
- The City makes contributions to ARCH (A Regional Coalition for Housing), to support regional affordable housing. ARCH staff advises the City on addressing existing and projected housing needs, and administers Medina's affordable housing programs. The ARCH trust fund helps create affordable housing for lowand very low-income households and people who have special needs or are homeless.

Beyond these mechanisms, the City may actively explore other reasonable means to address affordable housing issues. One consideration is to broaden the definition of accessory dwelling units to allow them to be built as separate structures on the same lot, but subject to other existing requirements. This would allow a measure of affordability without significantly changing the City's character, provided that other existing requirements of MMC Section 23.34.020 are met.

AFFORDABLE HOUSING

A major challenge for all Eastside communities is to provide affordable housing opportunities for all economic segments of the community. The Growth Management Act (GMA) affirms the city's responsibility to meet this challenge in its goal to: Plan for and accommodate housing that is affordable to all economic segments, including emergency and permanent supportive housing; and plan for housing units necessary to meet statewide projections for moderate, low, very low, and extremely low-income households.

Medina is part of the U.S. Department of Housing and Urban Development's (HUD) Seattle-Bellevue Metro Area, which includes all of King County. In 2021, the area median income for the Seattle-Bellevue Metro area was \$115,700 while Medina's median household income was over \$250,000 for owner-occupied housing units, \$160,856 for renters, and \$208,500 across all households. It is important to note that although Medina's median household income is higher than the AMI, and therefore more households are less likely to face housing affordability challenges than the typical residents of the HUD Seattle-Bellevue Metro Area, Medina does have residents whose incomes fall below. Figure XX shows the distribution of household incomes for all households and then for renters and owners.



Figure XX Area Median Income by Income Level and Tenure in Medina

Approximately 18.9% of all Medina households earn less than 80% of the AMI with a higher percentage of renters (33.4%) compared to homeowners (16.5%) earning less than 80% AMI. Renters, who are more likely to be families with children, tend to spend a greater proportion of their income on housing compared to homeowners. More homeowners are persons on fixed incomes, including elderly residents.

Policy H-1 of the 2021 King County Countywide Planning Policies (CPP's) establishes a countywide need for housing in 2044 by percentage of AMI. Figure XX demonstrates the allocation of projected housing units by income level, as established by the CPP's. To meet the 19 new housing units, King County has allocated 8 units between 0-30% AMI, 3 units between 31-50% AMI, and 8 units between 51-80% AMI. Medina has an abundance of housing units affordable to an AMI of 81% and greater which is why there are no units allocated in those AMI brackets. This is not to indicate that market rate housing cannot be built, but rather that Medina must plan for and accommodate in a manner that seeks to increase housing choice. Success will primarily be defined by whether Medina has adopted and implemented policies and plan(s) that, taken together and in light of available

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resources, can reasonably be expected to support and enable the production or preservation of units needed at each affordability level.



Figure XX. Allocation of Projected Housing Units by Income Level

Source: King County Countywide Planning Policies, 2022.

Jurisdictions are also required to plan for and accommodate emergency housing and permanent supportive housing. King County has allocated 3 permanent supportive housing units and 4 emergency housing units. Figure XX shows the 2044 projected housing units that include emergency housing and permanent supportive housing units. As there's no new need for housing aimed at higher income levels (81% AMI and above), those have been excluded for ease of review.



Figure XX Total Housing Needs Medina 2044 - Baseline and Gap

Source: King County Countywide Planning Policies, 2022.

GOALS

H-G1 The City shall Ppreserve and foster the development of a variety of housing types, sizes, and densities throughout the city development consistent with to accommodate the diverse needs of all members of the community while maintaining Medina's high-quality residential setting.

POLICIES

Community Values and Quality Neighborhoods

- <u>H-X.</u> Ensure new development is consistent with citywide goals and policies, including but not limited to sustainable site standards, landscaping and tree retention requirements, and affordability. The City shall continue to make contributions to agencies that support affordable housing.
- H-X. Create opportunities for ownership housing in a variety of settings, styles, sizes, and affordability levels.
- H-X. Promote fair and equal access to housing for all persons and prohibit any activity that results in discrimination in housing.
- <u>H-X.</u> Encourage the development of a variety of housing types, sizes and densities to accommodate the needs of Medina residents through changes in age, family size, and various life changes.

Affordable Housing

- H-X. Work cooperatively with King County, A Regional Coalition for Housing (ARCH), and other Eastside jurisdictions to assess the need for, and to create affordable housing. The City should continue participation in interjurisdictional organizations to assist in the provision of affordable housing on the Eastside. The City shall continue to make contributions to agencies that support affordable housing.
- H-X. Encourage the construction of housing options that are available to very low, low, and moderate income households. The City shall explore affordable housing opportunities.
- <u>H-X.</u> Support and encourage through the use of incentives and other tools, innovative and creative responses to meet Medina's need for affordable housing for a variety of household sizes, incomes, types, and ages.
- H-X. Prioritize and encourage affordable housing opportunities in areas close to transit.
- H-X. Encourage the preservation and rehabilitation of older housing stock to create affordable housing. The City shall explore additional affordable housing options that are compatible with the City's high-quality residential setting.

- H-X. Explore financial incentives to encourage affordable housing, such as partial exemptions from city permit fees, awareness of the state property exemption program, and other state enabled programs. The City should work with cities and community representatives on countywide or subregional funding sources for housing development, preservation, and related services.
- H-X. Limit short-term rentals as they can limit the availability of housing for fulltime residents.

Special Needs

- H-X. Ensure_development regulations allow for and have suitable provisions to accommodate housing opportunities for special needs populations. The City shall not discriminate between a residential structure occupied by persons with handicaps and a similar residential structure occupied by a family or other unrelated individuals.
- H-X. Provide reasonable accommodation for special needs housing throughout the city, and avoid concentrations of such housing, while protecting residential neighborhoods from adverse impacts. The City shall assure that zoning does not unduly restrict group homes or other housing options for persons with special needs by making reasonable accommodations in its rules, policies, practices, and services, when such accommodations may be necessary, to afford persons with disabilities equal opportunity to use or enjoy a dwelling.
- <u>H-X.</u> Support regional efforts to prevent homelessness. The City shall permit group living situations that meet the definition of "family status", including where residents receive such supportive services as counseling, foster care, or medical supervision, within a single family house.
- H-X. Encourage a range of housing types for seniors affordable at a variety of incomes.
- <u>H-X.</u> Encourage and support accessible design and housing strategies that provide seniors the opportunity to remain in their own neighborhood as their housing needs change.

Innovative Housing

- H-X. Support and encourage through the use of appropriate incentives innovative and creative responses to meet Medina's housing need, including a need for a variety of household sizes, incomes, and types.
- H-X. Encourage innovative designs where the structure fits into the form and scale of the neighborhood in which it is to be located.
- H-X. Support the development of accessory dwelling units (ADUs) within new and existing residential developments.

- H-X. Consider incentives for new housing developments that include an ADU as part of the new construction.
- H-X. Consider opportunities to promote ADU construction in an existing residence.

Development Standards

- H-X. Craft regulations and procedures to provide a high degree of certainty and predictability to applicants and the community-at-large to minimize unnecessary time delays in the review of permit applications, while still maintaining opportunities for public involvement and review.
- <u>H-X.</u> The City shall consider ways to <u>R</u>restrict the size of homes in order to retain the character of the community.

These policies were excluded:

- H-P1 The City shall minimize changes to existing zoning designations except as to meet above goals when deemed necessary by citizens. This is a land use policy, not housing.
- H-P3 The City shall seek to maintain the informal single family character of its neighborhoods, including preventing the intrusion of non-residential activities. This is a land use policy, not housing.
- H-P4 When a home is constructed such that it may potentially have no feasible resale market as a single family residence, the owners should be aware that this would not set the stage for a future conversion to a nonresidential use. This is specific to one resident and is really a land use policy, not housing. Do you still want to include this policy?
- H-P12 To reduce the loss of households, the City should discourage lot aggregation that impacts the scale and character of the neighborhood. This is a lang use policy not housing and one that isn't reflected in the code.