

PLANNING COMMISSION REGULAR HYBRID MEETING Tuesday, June 20, 2023, at 7:30 PM

Snoqualmie City Hall, 38624 SE River Street & Zoom

COMMISSIONERS

Chair: Luke Marusiak Vice Chair: Andre Testman

Commissioners: Chris Alef, Darrell Lambert, Neeraj Mathur,

Steve Smith, and Vacant.

Join by Telephone at 7:30 PM: To listen to the meeting via telephone, please call **253.215.8782** and enter Webinar ID **864 8750 2701** and Password **1900040121** if prompted.

Press *9 to raise your hand to speak. Raising your hand signals the meeting moderator that you have a comment.

Press *6 to mute and unmute.

Join by Internet at 7:30 PM: To watch the meeting over the internet via your computer, follow these steps:

- 1) Click this link
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Webinar ID, enter 864 8750 2701; Enter Password 1900040121
- 4) Please confirm that your audio works prior to participating.

This meeting will be conducted in person and remotely using teleconferencing technology provided by Zoom.

CALL TO ORDER & ROLL CALL

AGENDA APPROVAL

PUBLIC COMMENTS

COUNCIL LIAISON REPORT

MINUTES

1. Approval of the minutes dated June 5, 2023

PERMIT REVIEW/DESIGN REVIEW BOARD

The Planning Commission, sitting as the Design Review Board or the Historic Design Review Board, reviews the design of certain development proposals in Snoqualmie. The Planning Commission also reviews certain development permits per the Snoqualmie Municipal Code. Public comment may be limited for some or all of these items due to the nature of the permit approval process.

LEGISLATIVE/POLICY ITEMS/REGULATIONS

The Planning Commission reviews proposed legislation within its scope of authority, including Comprehensive Plan amendments and development regulation amendments, and planning and development replated policy items referred by the City Council.

2. Land Use Strategy and Middle Housing Strategies and Actions

OTHER BUSINESS

3. State Legislative Session Overview

Planning Commission Regular Hybrid Meeting June 20, 2023

Items of Planning Commissioner Interest

Upcoming Schedule

- 4. Future Agenda List
- 5. Work Program

ADJOURNMENT



PLANNING COMMISSION MINUTES REGULAR HYBRID MEETING June 5, 2023

This meeting was conducted in person and remotely using teleconferencing technology provided by Zoom.

CALL TO ORDER & ROLL CALL: Chair Marusiak called the meeting to order 7:31 PM

Commissioners:

Chair Luke Marusiak, Vice-Chair Andre Testman, Michael Krohn, Darrell Lambert (later), and Chris Alef.

Councilmember Jo Johnson was also present.

Commissioners Neeraj Mathur and Steve Smith were excused.

City Staff:

Emily Arteche, Community Development Director; Jonathan Kesler, Senior Planner.

AGENDA APPROVAL

Agenda approved.

MINUTES

MOTION by Chair Marusiak; SECONDED by Commissioner Testman to approve the minutes of April 3, 2023.

Motion passed unanimously.

COUNCIL LIASION UPDATE

Riverview Playground is open to the public now. The Transportation Commission sent out a link for public comment about transferring ownership of Snoqualmie Parkway to Washington as an extension of SR202. The comment period will be open until June 30; send comments to transc@wstc.wa.gov with the subject title "Comments on Snoqualmie RJT". Work on Stone Quarry Road has been approved.

HISTORIC DESIGN REVIEW BOARD

No Review

LEGISLATIVE/POLICY ITEMS/ REGULATIONS

Accessory Dwelling Units

Staff briefly overviewed HB 1337 and how current code has inconsistencies with the new legislation. Discussion ensued about footprint size, amount of ADUs allowed on one lot, and types of potential housing. Questions ensued about how the local homeowner's association will be impacted considering the upcoming code update.

OTHER BUSINESS

Planning Commission Interest

Vacancy rate in our local hotel.

Upcoming Schedule

Future Agenda List

Work Program

The next meeting will be on Tuesday June 20, 2023.

ADJOURNMENT

MOTION by Commissioner Marusiak, **SECONDED** by Commissioner Krohn to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 8:15 pm.

Minutes taken by Ashley Wrag	ge, Planning Technician
Recorded meeting audio is ava	ilable on the City website after the meeting
Minutes approved at the	Planning Commission Meeting.



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.



Middle Housing and Land Capacity Snoqualmie Planning Commission briefing June 20, 2023 Page 2 of 6

It is important to note that this project <u>will not</u> 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 <u>Snoqualmie Middle Housing website</u> 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.

Communiy Engagement Plan - March

Community Engagement - March - June

Racial Equity and Displacement Analysis - May

Menu of Code and Policy Options and Land Capacity Analysis June



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

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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 (S21 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 (S21 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

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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								1,576
Use	7	51.7	0.25 FAR	5%	10%	1%	1,576 jobs	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	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.	 Middle housing definitions and uses Implement HB 1337

Incentivize New Housing	Focuses on ways to incentivize 2 nd -floor small-scale residential above first-floor employment or structured parking in the floodplain.	 Use city-owned land to Expand Multi Family Tax Exemption (MFTE) Program Density incentives in the R2 zone Contingent zoning in PAA
Prevent and mitigate displacement	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.	Tenant protectionsBusiness 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.

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- 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.

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Community Development Departm

Emily Arteche, Director

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MEMORANDUM

To: Planning Commission

From: David Goodman, Senior Planner

Date: June 20, 2023

Subject: State Legislative Session Overview

Background

The Washington State Legislature recently completed its 2023 session, which included passage of several significant bills related to local planning that may have direct or indirect impacts on the City of Snoqualmie. Coined "the year of housing" by lawmakers, many of these bills that passed during this session are intended to eliminate permitting and policy barriers to the construction of housing in attempt to respond to the ongoing housing affordability and availability crisis. These include:

- HB 1337 Requires cities to allow at least two accessory dwelling units (ADU) on all lots that otherwise allow for single-family homes; cities may not require the owner of a lot on which there is an ADU to reside in or occupy the ADU or the primary home.
- HB 1110 Requires cities of more than 75,000 people to allow duplexes, triplexes, and fourplexes
 throughout all residential zones; cities of 25,000 to 75,000 and cities with a population of less than 25,000
 that are within a contiguous urban growth area people must allow duplexes throughout all residential
 zones. Snoqualmie is exempt from this requirement because it is not within a contiguous urban growth
 area.
- HB 1293 Counties and cities may apply in any design review process only clear and objective
 development regulations governing the exterior design of new development; does not apply to
 development regulations that apply only to designated landmarks or historic districts established under
 a local preservation ordinance. No design review process may include more than one public meeting.
- ESHB 5258 improves access to the condominium market by improving the process to repair condominium defects ("Right to Cure"), streamlines the process for construction of smaller condominium projects, ensures reasonable impact fees for condominiums, and provides a condominium tax incentive for certain qualified first-time homebuyers.
- 2SSB 5290 exclude permits for certain interior alterations from site plan review; creates grant
 programs for local governments to digitize their permitting systems; shortens the maximum allowable
 review time for certain types of permits (45 days for permits not needing public notice, 70 days for

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permits that need public notice and 120 days for those that need public notice and a public hearing

- ESHB 1042 restricts the ability of cities to impose restrictions on new housing units if housing is constructed within an existing building.
- 2SSB 5412 exempts certain residential projects from State Environmental Policy Act (SEPA) review.

State legislators also allocated over \$400 million for affordable homeownership, which is anticipated to build approximately 3,000 new affordable homes across the state.

Planning Commission Future Agenda List

Public Hearing
Discussion
Action

Agenda Items	2023													
	5-Jun	20-Jun	3-Jul	17-Jul	7-Aug	21-Aug	5-Sep	18-Sep	2-Oct	23-Oct	6-Nov	20-Nov	4-Dec	18-De
Comprehensive Plan Review														
Housing														
and Use		Introduction of Land Use	Land Use Goals and Policies											
Environment							Introduction Environment/ Climate Change							
Fransportation Community Character							Change							
Parks and Open Space Economic Development														
Design Review/Historic Design Review														
Training				Historic Preservation										
Other	2023 Legislative Session Overview	2023 Legislative Session Overview Continued												
Staff/Chair comments items														
Code Amendments	Accessory Dwelling Units			Accessory Dwelling Units	Accessory Dwelling Units	Center Blvd Retail Waivers								
Key		1		1		1	ı	<u>I</u>						



Planning Commission Work Program

Items are not listed in any order. Subject to change.

2023 WORK PROGRAM ITEMS						
TOPIC	DATE	STAFF				
Comprehensive Plan Update	Throughout 2023					
Snoqualmie Mill Design Standards	TBD					
Multi-Family Tax Exemption program	TBD					
Snoqualmie Ridge Mixed Use Final Plan Amendment – Center Blvd Retail Uses	TBD					
Wireless Code update	TBD					
Sign Code update	TBD					

2024 WORK PROGRAM ITEMS							
TOPIC DATE STAFF							
Comprehensive Plan Update	Throughout 2023						