# Issues & Impacts

Second Quarter Edition April-June 2023

### In this Issue:

29th Housing Issues Briefing Report	pg 2
Seattle Rent Control Proposal	pg 4
Normandy Park Electronic Inspection Requests	pg 4
Kent Adopts Code Changes for ADUs	pg 5
Seattle Updates Tree Ordinance	pg 7
Burien Dispute Over Homeless Camps	pg 8
More New Renters Than Homeowners in Renton	pg 9

A quarterly publication produced by Seattle King County REALTORS® to inform members about current issues and successes within the Goverment Affairs Department.



# **29th Housing Issues Briefing Report**

On June 7, REALTORS<sup>®</sup> and public officials gathered for a special presentation from speaker Jake Fry, principal of Small Housing BC, to hear about approaches used in Vancouver BC to address the housing inventory shortage.

This marks the 29th year Seattle King County REALTORS<sup>®</sup> has hosted a "Housing Issues Briefing" for public officials interested in crafting solutions for the housing needs in our area.

Fry, who started his career as a carpenter, gave an inside-the-industry view on how he and his organization have successfully advocated for "gentle density" in the Vancouver metro area. Their preferred type of housing—ADUs, DADUs, or "laneway houses", as they are referred to in Vancouver—fits well into existing residential neighborhoods.

This unobtrusive additional housing is critical in a city like Vancouver, where only 35% of residents live on 81% of the land zoned for residential dwellings. This is not dissimilar to the City of Seattle, where 71% of the land is zoned for single-family residential dwellings.

Fry noted that changes to Vancouver's code allowing this gentle density have added 7,000 dwelling units to the city's housing stock so far.

Elected officials and planners were anxious to hear how cities can be more proactive in allowing these different housing types, now that the Washington legislature has adopted several bills to make such development easier.

#### Check out this event's highlight video!





Jake Fry is the cofounder of Small Housing BC (<u>smallhousing.ca</u>), a nonprofit organization that advocates for gentle density in British Columbia, and the founder and principal of Smallworks (<u>smallworks.ca</u>), a real estate development company specializing in laneway housing (ADUs).

3

# What is Gentle Density Housing?



Credit: Small Housing BC, www.smallhousing.ca



Housing specialist Randy Bannecker sat down with Jake Fry after the presentation to ask follow-up questions about gentle density.



About 100 elected officials and candidates for local office attending the Housing Issues Briefing, and feedback was overwhelmingly positive.

# **Seattle Rent Control Proposal**

Outgoing Seattle City Councilmember Kshama Sawant has introduced legislation that would establish rent control in Seattle.

Because Washington State prohibits any regulation of the amount of rent a landlord can charge, the ordinance would go into effect only if the state prohibition were repealed. If that happened, the ordinance would freeze rent increases between the time of the repeal and 18 months after. At that point, the ordinance would establish maximum annu-

al rent increases that would apply to all rental housing. The ordinance also would establish a rent control commission made up of district rent control boards, who would hear petitions for exemption from the maximum annual rent increase.

SKCR will be working with our partners in the rental housing community to defeat this legislation. We will educate councilmembers about the failed experiences of cities that have instituted rental control (like New York and San Francisco) as well as the role rental housing plays in homeownership. Many of our members work with buyers who rely on rental income from an

> accessory unit or duplex to qualify for a mortgage and service that mortgage.

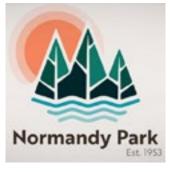
> We believe the proposal is motivated, in part, by Councilmember Sawant's interest in mobilizing prorent control constituencies to support pro-rent control candidates in the coming Seattle City Council primary and general elections. Activists' pressure also will be

directed at state legislators representing Seattle districts with the goal of overturing the state prohibition.

With our partners, we will be exploring the legality of passing rent control legislation at the city level while a state prohibition exists.

Lastly, it is important to note that Washington REALTORS<sup>®</sup> remains vigilant in its work to defeat bills that would repeal the state prohibition on rent control.

# **Electronic Requests for Inspections**



In an effort to reduce the time and cost to get new inventory to market, the city of Normandy Park has implemented a new requirement that all requests for inspections be communicated to the city electronically. According to an announcement from Community Development Director Nicholas Matz, all building, plumbing, and mechanical permit inspection requests will only be accepted when emailed to <u>NPIR@NormandyParkWA.gov</u>. However, said Matz, permit applicants using the city's Smart Government process can continue to request their inspections online.

Washington REALTORS® continues to work to defeat bills that would repeal the state prohibition on rent control.

# Kent Adopts Code Changes for ADUs

Even though the City of Kent was one of the first jurisdictions in Washington state to allow Accessory Dwelling Units in 1995, during the last two decades fewer than 30 Accessory Dwelling Units (ADUs) were built in the City of Kent.

An Accessory Dwelling Unit (ADU) is a habitable dwelling unit added to, created within, or detached from, and on the same lot with, a single-family dwelling that provides basic requirements for living, sleeping, eating, cooking and sanitation.

In 2019, the Legislature passed HB 1923. The bill provided financial incentives to larger cities that quickly took at least two of 12 actions designed to increase the supply of affordable housing. Additional state grant funding was also available to support the development of a city Housing Action/Options Plan. One of the strategies selected by the City of Kent involved evaluating ADUs and working to increase their number.

On May 16, 2023, Kent City Council approved a new Accessory Dwelling Unit ordinance to give guidance and remove barriers to new construction of ADUs.

In order to identify potential support for adding more ADUs, the city surveyed elected officials, citizens, developers, and property owners who had encountered problems—or experienced success—developing an ADU.

The city surveys also identified barriers and challenges that have been constraining construction of new ADUs. The top 5 impediments revealed in



the city's research (which the city has the power to influence) include design/form, permitting and impact fees, ownership requirements, parking requirements, and the number of units allowed on the site.

According to city officials, community input the city received demonstrated a willingness among the public to encourage additional ADUs as a method to gradually increase density in single-family neighborhoods.

The surveys also identified removing barriers to ADU construction as a near-term, high-priority action item, consistent with the city's housing policy goal to increase entry-level homeownership.

In 2022, the city applied for and received an \$80,000 Department of Commerce Housing Action Plan Implementation grant to create a naturally occurring affordable housing dashboard, and to update development regulations for ADUs.

Then, the city began crafting a new Accessory Dwelling Unit ordinance that went through a series of reviews by the city's Land Use Planning Board (Planning Commission), and City Council committees, before being considered by the entire City Council and approved on May 16, 2023.

#### continued on next page

Under the City's new ADU ordinance, most ADU regulations have been consolidated into Kent City Code Section 15.08.250, and include the following incentives and exemptions to encourage the construction of additional Accessory Dwelling Units:

#### Number of ADUs allowed

Two ADUs per lot (24' maximum heigh, and up to 1,000 SF per ADU) are allowed in any of the following configurations:

- One ADU and one DADU
- Two ADUs, or
- Two DADUs.

#### Parking

One off-street parking space per ADU is required (in addition to the required parking for the single-family home). However, no off-street parking is required if the principal single-family dwelling is within .25-mile distance of a major transit stop as defined by RCW 36.78.696.

Additionally, the city planning director may waive this requirement if there are special circumstances related the to the property, location, and the right-of-way.

#### Water Service & Water Meters

No separate water service, or separate water meter, is required for the accessory dwelling unit(s), so long as a "Notice of Shared Water Meter" covenant is signed and recorded with the King County Recorder's Office prior to issuing the ADU permit (for the benefit of any future condominium conversions).

#### **Reduced Impact Fees**

Park Impact Fees and Transportation Impact Fees will not be charged for the first ADU on a property; the first ADU is included as part of the primary home's impact fees. Impact fees on the second ADU will be reduced to 50% of the single-family impact fee rate.

#### **Ownership**

Owner-Occupancy of the ADU is no longer required. Property owners with an existing ADU (and a recorded covenant requiring owner-occupancy) may contact Planning@KentWA.gov for assistance in completing a covenant reversal form.

#### Condos

Besides being used as rental housing or space for family and occasional visitors, ADUs can also be a homeownership opportunity: The ADU can be owned as a condo unit separate from—and yet still accessory to—the primary residence.

#### **Exemptions**

- Duplex Regulations: Attached ADUs are not considered Duplexes, and are not required to satisfy duplex permitting requirements (Easier/Faster/Lower Cost).
- "Design Review" Regulations: No Design Review is required for Accessory Dwelling Units located inside the existing building footprint.
- "Accessory Structures" Review: Accessory Dwelling Units are exempt from "Accessory Structures" code provisions.
- Setbacks: Side yard & rear-yard setback requirements are reduced for ADUs.

#### Flexibility

Administrative modifications are allowed if necessary to accommodate an ADU. For questions about constructing an ADU in the City of Kent, call or email the Planning Department at (253) 856-5454 or <u>Planning@KentWA.gov</u>.

# **Seattle Updates Tree Ordinance**

The Seattle City Council has increased protections on trees with the goal of increasing the urban tree canopy while balancing the needs for greater housing stock. The ordinance expands protections to a total of 175,000 trees across the city.

SKCR, in collaboration with a broad-based coalition, worked to shape the ordinance in a manner that preserves trees and without precluding the development of much-needed housing. We advocated for a balanced, objective, and predictable tree code that supports a thriving tree canopy and delivers housing at the same time.

The coalition included the Master Builders Association, the American Institute of Architects, the Chief Seattle Club, Habitat for Humanity and the Housing Development Consortium.

#### **Key Provisions of the Ordinance**

- Creates a 4-tier system to categorize our city's trees and designate different protections for each tier. Heritage trees are tier 1 and removal is prohibited unless the tree is hazardous. This tiered system also expands the definition of "exceptional" trees so that 24-inch diameter trees are included; the previous requirement was 30 inches diameter.
- Establishes a new mandate requiring new developments to include street trees in their plans, helping to increase the overall tree canopy in our city while improving the quality of our urban environment.
- Increases penalties for illegal street cutting.
- Expands Seattle Public Utilities (SPU)'s Trees for Neighborhoods Program that has already helped Seattleites plant over 13,400 trees in their yards and along the street.
- Creates additional penalties for unregistered tree service providers performing commercial tree work, such as loss of a business license or significant fines.
- Replaces trees onsite if they're removed for development or requires a fee be paid to plant and maintain trees in under-treed areas.

- Increases street tree requirements for developments in neighborhood residential zones.
- Addresses the lack of trees in historically underserved communities through the establishment of a payment in-lieu program that will help fund tree planting and maintenance programs around the city.
- Significantly restricts tree removals on Neighborhood Residential lots:
- Near absolute restriction on the removal of Tier 1 (Heritage) Trees.
- Restricts the removal of all Tier 2 trees. Removal of a Tier 2 tree for any reason other than construction or safety is now prohibited.
- Lowers the size threshold for Tier 2 (currently Significant) trees from 30 inches to 24 inches diameter.
- Lowers the number of Tier 3 (formerly Significant) that can be removed from original draft. Limit of 2 trees that can be removed to two trees every three years.

# **Burien Dispute Over Homeless Camps**

Burien is one of several cities in King County that does not have its own Police Department, and instead contracts with the King County Sheriff's Office for police services. Burien wants the



Sheriff's office to remove homeless campers from a city-owned vacant lot, but Sheriff Patti Cole-Tindall is refusing to do so.

In a letter to the City from the County Executive's General Counsel, King County asserted that removing the homeless campers would violate two recent decisions by the

Shf Patti Cole-Tindall

U.S. 9th Circuit Court of Appeals which has jurisdiction over much of the west coast, including Washington state.

The facts giving rise to the dispute are relatively straightforward.

Burien's City Hall and the Burien Library are located on land that since 2010 has been managed by The Burien Condo Association. Recently, the Association began enforcing a "No Camping" rule against homeless campers on the property.

Separately, the city owns a nearby vacant lot (at 6th Ave. SW between SW 151st and 152nd streets) that has been used as a dog park.

On March 30th—when homeless campers were required to leave the property managed by the Association—City Councilmember Cydney Moore & Planning Commission Chair Charles Shaefer drew the campers' attention to the city's vacant lot, and noted the city does not have a no-camping ordinance that would prevent the campers from moving to that location. Campers then began moving from the Association-managed property to the city's vacant lot.

Meanwhile, on May 1, the City leased the vacant lot to Burien CARES (an animal-oriented non-profit organization) to re-institute the dog park. The City Council ratified the lease on May 15th.

The City requested the Sheriff remove the campers from the lot pursuant to the city's police services contract with the county. The County refused, fearing it would be sued.

The City issued a statement indicating the County was mistaken regarding Burien's facts, and mistaken in its application of the 9th Circuit's decisions to Burien's situation. The city reiterated that Burien has been trying to help the campers, and criticized the County for lack of support in addressing the needs of the homeless.

The City Council also scheduled a special meeting for Thursday, June 15th to allow Moore and Shaefer to show cause (in response to a 9-item City Council Agenda Bill) why she should not be disciplined or removed by the City Council.

After an intense 3-hour special meeting, the City Council postponed indefinitely the show-cause

proceeding against Councilmember Moore, but voted to remove Schaefer from the Planning Commission. The following day, the remainder of the volunteer planning commissioners indicated they were resigning in a show of support for Schaefer.



In the wake of the Sheriff's refusal to help under its police services contract with the city, Burien businesses and volunteers have been sweeping the property, reportedly with considerable success. What the situation will mean going forward for other cities that contract with the County Sheriff for police services (and previously provided 58% of the Sheriff's budget) is not yet known.

9

# **More New Renters Than Homeowners**

City officials reported that between 2010 and 2021 the number of new renters in Renton was three times as large as the number of new homeowners. According to city planners, 92% of the 7,800 new housing units in Renton's permit-pipeline are expected to be market-rate rental housing.

City officials say the new residents are highly educated, and likely have household incomes at or above the countywide median. The rents they can afford in the wake of the pandemic have been narrowing the historic gap between lower rental rates in Renton, and higher rental rates in the largest cities in King County.

Zillow data presented to the Council in early June indicate that between 2015 and 2023, rents in Renton increased 61%, while inflation increased 27%. Between 2015 and 2021, renter incomes only increased by 45%. Between 2010 and 2021, the percentage of "cost-burdened" households (paying more than 1/3 of their income for rent) increased from 45% to 60%—meaning that the number of cost-burdened households in Renton increased by 5,200, according to city staff.



#### **SKCR Advocacy Leadership**

#### **Legislative Housing Advocates**

Michele Hunt 2023 VP of Governmental & Public Affairs michelehunt@outlook.com

**Gina Madeya** 2023 VP-Elect of Governmental & Public Affairs ginam@windermere.com

Taylor ShanamanDirector of Governmental and Public Affairstshanaman@nwrealtor.com

Sam Pace South King County Specialist sam@sampace.com

Randy Bannecker Seattle/North King County Specialist randy@bannecker.com

Please call Taylor at 425.974.1013 for questions or comments.



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# Issues & Impacts

Seattle King County REALTORS<sup>®</sup> (SKCR) is working to ensure that public policies support homeownership and your business's bottom line.

Please contact Taylor Shanaman, Director of Governmental and Public Affairs, at <u>tshanaman@nwrealtor.com</u> with any local legislative issues that may need our attention.

The next issue will be released in October 2023.