

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Extension of the Moratorium on the Filing, Acceptance or Approval of Cottage Housing Developments ending August 23, 2005
<b>DEPARTMENT:</b>	Planning and Development Services
<b>PRESENTED BY:</b>	Tim Stewart, Director of Planning and Development Services

**PROBLEM / ISSUE STATEMENT:**

On August 23, 2004, Council declared an emergency and adopted Ordinance No. 362 (**Attachment A**), which established a six-month moratorium on the filing, acceptance or approval of any cottage housing developments. On September 27, 2004, Council (1) held a public hearing on the six-month moratorium on cottage housing bonus densities (2) reconfirmed the findings of fact for the moratorium; and (3) reconfirmed the moratorium, as set forth in Ordinance No. 362.

Scheduled to expire on February 23<sup>rd</sup>, the City Council then held a public hearing prior to extending the cottage housing moratorium. Following this hearing, Ordinance No. 371 (**Attachment B**) was adopted extending the moratorium for an additional six months. The extension was necessary because of the time taken to design a review program and to adequately survey interested parties, including developers, neighbors and cottage residents.

At this time, staff has completed a review of Cottage Housing provisions, held a public workshop, received and analyzed public comment, and presented the issues to the Planning Commission. On June 16, after Planning Commission review, a motion to make recommendation for up to a 6 month extension of the moratorium was passed by the Commission (See **Attachment C** for a memo from the Planning Commission Chair and **Attachment D** for a copy of the Planning Commission Motion taken from the unapproved June 16, 2005 minutes). The intention of this recommendation is to allow the Commission time to analyze public response and generate alternatives to the existing standards.

**Moratorium Extension:**

Under RCW 35A.63.220 a moratorium may be renewed for one or more six-month periods if a public hearing is held and findings of fact are made prior to each renewal.

**Moratorium Timeline:**

- August 23, 2004 - Council declares an emergency and enacts a moratorium by passing Ordinance No. 362.

- September 27, 2004 - Council held a public hearing on the moratorium enacted on August 23, following the hearing Ordinance No. 362 was confirmed.
- December 23, 2005 - Staff sent a request for comments and involvement in review process to interested parties.
- January 3, 2005 - Council discussed the program to revisit cottage housing provisions.
- January 24, 2005 - Council held a public hearing to consider the adoption of Ordinance No. 371, extending the moratorium for six months. Following the hearing, Ordinance 371 was approved.
- May 11, 2005 – City Staff conducted a public workshop on cottage housing.
- June 2, 2005 – The Planning Commission held a public hearing on cottage housing and began deliberations on alternatives.
- June 16, 2005 – The Planning Commission continued deliberations on cottage housing and recommended an extension of the moratorium.
- July 18, 2005 – The City Council is scheduled to hold a public hearing regarding the request to extend the cottage housing moratorium for an additional six months.
- August 23, 2005 - The moratorium on cottage housing (Ordinance No. 371) will expire if not extended by Council.

#### **Resolution of Issues Identified:**

Staff has evaluated the public comment received at the May 11, 2005 workshop and reviewed existing cottage housing projects approved under current regulations. Amendments to SMC 20.40.300 have been recommended based on this review and were presented to the Planning Commission. At this time, the Planning Commission is recommending that the moratorium under Ordinance No. 371 be extended for up to an additional six months with a new expiration date of February 19, 2006 through the adoption of Ordinance No. 397 (**Attachment E**) to allow for the Commissions complete review of the materials as presented. An extension of the moratorium will allow the Commission to deliberate on the various alternatives generated and make recommendation prior to the expiration of this requested extension. The Planning Commission hopes to forward its recommendation well in advance of the February 19, 2006 expiration of the extended moratorium.

### **RECOMMENDATION**

Staff and Planning Commission recommend that Council hold a public hearing regarding the extension of the moratorium on cottage housing and adopt proposed Ordinance No. 397, extending the moratorium on cottage housing for up to six months, with a new expiration date of February 19, 2006.

#### **Attachments**

- Attachment A: Ordinance No. 362
- Attachment B: Ordinance No. 371
- Attachment C: Memo from Planning Commission Chair
- Attachment D: Planning Commission Motion
- Attachment E: Proposed Ordinance No. 397

Approved By:

City Manager  City Attorney 

**ORDINANCE NO. 362**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,  
ADOPTING A MORATORIUM FOR SIX MONTHS ON THE FILING,  
ACCEPTANCE OR APPROVAL OF ANY APPLICATIONS FOR  
DEVELOPMENT OF LAND UTILIZING COTTAGE HOUSING BONUS  
DENSITIES AND DECLARING AN EMERGENCY**

WHEREAS, under the provisions of the Growth Management Act the City is required to adopt development regulations implementing the City of Shoreline Comprehensive Plan; and

WHEREAS, the City initiated a public outreach and planning process for the production of new land development regulations; and

WHEREAS, development regulations increased the minimum lot size for low density districts from the interim zoning code (Title 21A of the King County Code, adopted on June 26, 1995 by City Ordinance No.11), while adopting a cottage housing bonus density that was permitted in R8-12 and R18-48 zones, and could be approved as a conditional use permit in R4 -6 zones as part of the City's strategy to reach GMA population targets; and

WHEREAS, policy provisions of the City of Shoreline Comprehensive Plan support new residential development that is compatible with existing neighborhoods; and

WHEREAS, existing land development standards intended to require the integration of new cottage housing residential development with existing neighborhoods may not be adequate, particularly in many existing low density neighborhoods; and

WHEREAS, the continued acceptance of development applications proposing the creation of residential development utilizing existing cottage housing development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and

WHEREAS, a six-month moratorium on the filing of applications utilizing cottage housing bonus densities will allow the City to preserve planning options and prevent substantial change until the existing cottage housing strategy and any needed revision are made to the City's development regulations that implement the Shoreline Comprehensive Plan; and

WHEREAS, the City Council has determined from recent public correspondence and comment that the integrity of existing land uses, the Comprehensive Plan, and the State Growth Management Act planning process may suffer irreparable harm unless a moratorium preventing the creation of cottage housing development is adopted; and

WHEREAS, the potential adverse impacts upon the public safety, welfare, and peace, as outlined herein, justify the declaration of an emergency; and

WHEREAS, pursuant to SEPA regulations, SMC 20.30.550 adopting Washington Administrative Code Section 197-11-880, the City Council finds that an exemption under SEPA for this action is necessary to prevent an imminent threat to public health and safety and to prevent an imminent threat of serious environmental degradation through continued development under existing regulations. The City shall conduct SEPA review of any permanent regulations proposed to replace this moratorium; **NOW, THEREFORE,**

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1. Finding of Fact.** The recitals set forth above are hereby adopted as findings of the City Council.

**Section 2. Moratorium Adopted.** A moratorium is adopted upon the use or application of SMC 20.40.130 (cottage housing supplemental development criteria) and the "cottage housing" use listed in the residential land use table, SMC 20.40.120 . No land use development proposal or application may be filed or accepted which proposes a development relying upon these code sections for approval.

**Section 3. Public Hearing.** Pursuant to RCW 35A.63.220 the City Clerk shall notice a public hearing before the City Council to take testimony concerning this moratorium within sixty days of passage of this ordinance.

**Section 4. Severability.** Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

**Section 5. Effective Date.** The City Council declares that an emergency exists requiring passage of this ordinance for the protection of public health, safety, welfare and peace based on the Findings set forth in Section 1 of this ordinance. This ordinance shall take effect and be in full force immediately upon passage and shall expire six months from its effective date unless extended or repealed according to law.

**Section 6. Publication.** The summary of this ordinance is approved as a

summary of this ordinance for publication in the official newspaper of the City.

PASSED BY THE CITY COUNCIL ON AUGUST 23, 2004

\_\_\_\_\_  
Mayor Ronald B. Hansen

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Sharon Mattioli, MMC  
City Clerk

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Ian Sievers  
City Attorney

Date of Publication: August 28, 2004

Effective Date: August 23, 2004

**ORDINANCE NO. 371**

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON,  
EXTENDING A MORATORIUM FOR SIX MONTHS ON THE FILING,  
ACCEPTANCE - OR APPROVAL OF ANY APPLICATIONS FOR  
DEVELOPMENT OF LAND UTILIZING COTTAGE HOUSING BONUS  
DENSITIES**

WHEREAS, Shoreline development regulations increased the minimum lot size for low density districts from the interim zoning code (Title 21A of the King County Code, adopted on June 26, 1995 by City Ordinance No. 11), while adopting a cottage housing bonus density that was permitted in R8-12 and R18-48 zones, and could be approved as a conditional use permit in R4 -6 zones, as part of the City's strategy to reach GMA population targets; and

WHEREAS , City Council passed Ordinance No. 362 on August 23, 2004 which adopted findings that 1) existing land development standards intended to require the integration of new cottage housing residential development with existing neighborhoods may not be adequate, particularly in many existing low density neighborhoods; 2) the continued acceptance of development applications proposing the creation of residential development utilizing existing cottage housing development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and 3) the integrity of existing land uses, the Comprehensive Plan, and the State Growth Management Act planning process may suffer irreparable harm unless a moratorium preventing the creation of cottage housing development was adopted; and

WHEREAS, a six -month moratorium was adopted by Ordinance No. 362 which expires February 23, 2005; and

WHEREAS, the Council finds that review of cottage housing issue should include a process for surveying interested parties including developers, neighbors to existing cottage housing, and cottage residents; and this process will require additional time up to an additional six -month period; and

WHEREAS, in accordance with state law, the City Council conducted a public hearing on this extension on January 24, 2005 prior to passage of this ordinance; and

WHEREAS, the City Council finds that the protection of the public health, safety and welfare requires that the moratorium established by Ordinance No. 362 be extended for an additional six month period; NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO  
ORDAIN AS FOLLOWS:**

**Section 1. Findings of Fact.** The recitals set forth above are hereby adopted as Findings of Fact by the City Council.

**Section 2. Moratorium Extended.** The Shoreline City Council hereby extends the moratorium established by Ordinance No. 362, upon the acceptance of applications for and the issuance of any land use, building and development permits or approval, or any other permit, license or approval required to construct, install, relocate, or operate any residential development utilizing cottage housing bonus densities.

**Section 3. Effective Date and Duration.** The current moratorium shall expire at midnight on February 23, 2005. The extension authorized herein shall immediately take effect upon expiration of the current moratorium and shall thereafter be in effect for 180 days (until August 22, 2005) unless repealed, modified, or extended by action of the City Council.

**Section 4. Publication.** The summary of this ordinance is approved as a summary of this ordinance for publication in the official newspaper of the City.

**PASSED BY THE CITY COUNCIL ON January 24, 2005**

\_\_\_\_\_  
Mayor Ronald B. Hansen

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Sharon Mattioli, MMC  
City Clerk

\_\_\_\_\_  
Ian Sievers  
City Attorney

Date of Publication: January 27, 2005  
Effective Date: February 1, 2005





Shoreline  
Planning  
Commission

David Harris  
Chair

Rocky Piro  
Vice Chair

Michael Broili

Will Hall

Sid Kuboi

Bill MacCully

Robin  
McClelland

Chakorn  
Phisuthikul

Don Sands

July 7, 2005

Dear Mayor Hansen and Members of the City Council:

On June 2, 2005 the Planning Commission conducted the public hearing for the amendments to the Cottage Housing portion of the Development Code. During the hearing the Commission heard public testimony both supporting and opposing Cottage Housing in Shoreline. Among the testimony were positions calling for eliminating Cottage Housing altogether, as well as amending the code to reflect impacts that Cottage Housing has on neighborhoods. At the conclusion of the meeting on June 2, a member of the Commission moved to recommend elimination of the cottage housing provisions from the code. This motion failed with a vote of 1 to 6.

On June 16, 2005 the Planning Commission continued deliberations on the amendments to the Cottage Housing code. Because of the complexity of the Cottage Housing issues, the need to take into consideration all of the public comments, and the desire to develop a long-term solution to the concerns raised, the Commission feels strongly that additional time is necessary for our body to make a comprehensive recommendation to Council. By a vote of 7 to 1 the Commission recommends that Council extend the moratorium on Cottage Housing for an additional six months, therefore allowing additional time for our deliberation and formulation of a full recommendation.

Thank you for your consideration.

Sincerely,

Rocky Piro  
Vice Chair, Planning Commission

**From page 21 of the June 16, 2005 Draft Planning Commission Minutes:**

**COMMISSIONER SANDS MOVED THAT THE COMMISSION RECOMMEND TO THE CITY COUNCIL THAT THEY CONTINUE THE MORATORIUM FOR AN ADDITIONAL SIX MONTHS TO GIVE THE COMMISSION AN OPPORTUNITY TO CONTINUE TO REVIEW THE COTTAGE HOUSING ORDINANCE AS IT STANDS AND MAKE ADDITIONAL CHANGES OR MODIFICATIONS AT A LATER DATE. COMMISSIONER KUBOI SECONDED THE MOTION. THE MOTION CARRIED 7-1, WITH COMMISSIONER HALL VOTING IN OPPOSITION.**

The Commission agreed to schedule a time on the July 21<sup>st</sup> agenda for the Commission to identify the issues they want to work on. At that time, they could make requests of staff for additional information. It was agreed that Commissioners would submit their comments and ideas to Ms. Simulcik by July 11<sup>th</sup> so that they could be collated and presented to the Commission for discussion. Staff could then prepare an outline for the Commission's review process.

**ORDINANCE NO. 397****AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXTENDING A MORATORIUM FOR UP TO SIX MONTHS ON THE FILING, ACCEPTANCE OR APPROVAL OF ANY APPLICATIONS FOR DEVELOPMENT OF LAND UTILIZING COTTAGE HOUSING BONUS DENSITIES**

WHEREAS, Shoreline development regulations increased the minimum lot size for low density districts from the interim zoning code (Title 21A of the King County Code, adopted on June 26, 1995 by City Ordinance No. 11), while adopting a cottage housing bonus density that was permitted in R8-12 and R18-48 zones, and could be approved as a conditional use permit in R4 -6 zones, as part of the City's strategy to reach GMA population targets; and

WHEREAS, City Council passed Ordinance No. 362 on August 23, 2004 which adopted findings that 1) existing land development standards intended to require the integration of new cottage housing residential development with existing neighborhoods may not be adequate, particularly in many existing low density neighborhoods; 2) the continued acceptance of development applications proposing the creation of residential development utilizing existing cottage housing development standards and density may allow development that is incompatible with existing neighborhoods, leading to erosion of community character and harmony, and a decline in property values; and 3) the integrity of existing land uses, the Comprehensive Plan, and the State Growth Management Act planning process may suffer irreparable harm unless a moratorium preventing the creation of cottage housing development was adopted; and

WHEREAS, a six month moratorium was adopted by Ordinance No. 362 which expired February 23, 2005; and

WHEREAS, the first six month moratorium was extended for another six months by Ordinance No. 371 which expires on August 23, 2005; and

WHEREAS, the Council finds that review of cottage housing issue should include a process for surveying interested parties including developers, neighbors to existing cottage housing, and cottage residents; and this process will require additional time up to an additional six month period; and

WHEREAS, the review of cottage housing is currently underway and the City of Shoreline Planning Commission is requesting an additional six month extension to analyze public response and generate alternatives to the existing standards; and

WHEREAS, in accordance with state law, the City Council conducted a public hearing on this extension on July 18, 2005 prior to passage of this ordinance; and

WHEREAS, the City Council finds that to properly generate an acceptable alternative to the current cottage housing standards that is in the best interest of the protection of the public health, safety and welfare the moratorium established by Ordinance No. 362 and previously extended by Ordinance No. 371 be extended for an additional six month period; NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO  
ORDAIN AS FOLLOWS:**

**Section 1. Findings of Fact.** The recitals set forth above are hereby adopted as Findings of Fact by the City Council.

**Section 2. Moratorium Extended.** The Shoreline City Council hereby extends the moratorium established by Ordinance No. 362 and previously extended by Ordinance No. 371, upon the acceptance of applications for and the issuance of any land use, building and development permits or approval, or any other permit, license or approval required to construct, install, relocate, or operate any residential development utilizing cottage housing bonus densities.

**Section 3. Effective Date and Duration.** The current moratorium shall expire at midnight on August 23, 2005. The extension authorized herein shall immediately take effect upon expiration of the current moratorium and shall thereafter be in effect for 180 days (until February 19, 2006) unless repealed, modified, or extended by action of the City Council.

**Section 4. Publication.** The summary of this ordinance is approved for publication in the official newspaper of the City.

**PASSED BY THE CITY COUNCIL ON JULY 18, 2005**

\_\_\_\_\_  
Mayor Ronald B. Hansen

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Scott Passey  
City Clerk

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Ian Sievers  
City Attorney

Date of Publication: July 21, 2005  
Effective Date: July 26, 2005