

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

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

PROBLEM / ISSUE STATEMENT:

On August 23, 2004, Council declared an emergency and adopted Ordinance No. 362, which established a six-month moratorium on the filing, acceptance or approval of any cottage housing developments (Attachment A). 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.

In accordance with RCW 35A.63.220, the City Council is required to hold a public hearing prior to extending any land use moratorium. A public hearing has been scheduled to consider adoption of proposed Ordinance No. 371 extending the moratorium for an additional six months (Attachment B). The extension is necessary because of the time taken to design a review program and to adequately survey interested parties – including developers, neighbors and cottage residents - if they want to be involved and their comments regarding the process. The following is a timeline of the most recent events:

- August 23, 2004 – Council declares an emergency and enacts a moratorium.
- September 27, 2004 – Council conducts a public hearing on the moratorium.
- December 23, 2005 – Staff sends a request for comments and involvement in review process to interested parties.
- January 3, 2005 – Council discusses the program to revisit cottage housing provisions.
- January 24, 2005 – Council holds public hearing and considers Ordinance No. 371 extending the moratorium for six months. A moratorium may be renewed for one or more six-month periods if a subsequent public hearing is held and findings of fact are made prior to each renewal.
- February 23, 2005 – Moratorium expires if not extended by Council prior.

Resolution of Issues Identified

During the moratorium, staff will evaluate public comment and those cottage housing projects approved under current regulations to potentially draft amendments to address issues and concerns. Please see Attachment C for the proposed process outline. The Planning Commission will hold workshop(s) and at least one public hearing on the regulations and any proposed amendments beginning tentatively in April 2005. The

City Council will receive the Planning Commission's report and recommendation for amendments and take appropriate action.

RECOMMENDATION

Staff recommends that Council adopt proposed Ordinance No. 371 extending the moratorium on cottage housing for an additional six months.

Attachments

Attachment A: Ordinance No. 362
Attachment B: Proposed Ordinance No. 371
Attachment C: Amendment Process Outline

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.

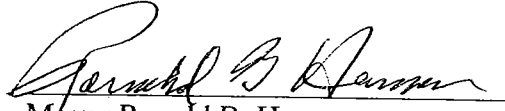
Section 5. Effective Date. The City Council declares that an emergency exists requiring passage of this ordinance for the protection of public health, safety, welfare and peace based on the Findings set forth in Section 1 of this ordinance. This ordinance shall take effect and be in full force immediately 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

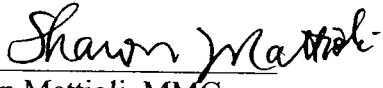
ORIGINAL

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

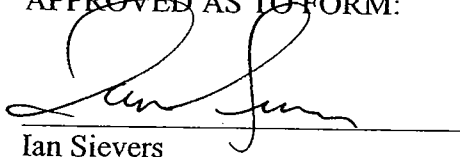
PASSED BY THE CITY COUNCIL ON AUGUST 23, 2004


Mayor Ronald B. Hansen

ATTEST:


Sharon Mattioli, MMC
City Clerk

APPROVED AS TO FORM:


Ian Sievers
City Attorney

Date of Publication: August 28, 2004
Effective Date: August 23, 2004

This page intentionally left blank.

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



Memorandum

DATE: January 24, 2005

TO: Mayor and Council

FROM: VIA Steve Burkett, City Manager
Tim Stewart, Paul Cohen
Planning and Development Services Department

RE: Outline of Cottage Housing Amendment Process

On August 23, 2004 the Shoreline City Council adopted a six-month moratorium on the development of cottage housing. Staff has been directed to develop a program and process to revisit the issue of cottage housing and to recommend possible amendments to the development code. This amendment process will be the third time that the City has addressed cottage housing since 1999. Our goal in this process is to balance between tailoring the process since the last amendment process and the recent neighborhood concerns to gain legitimacy with the community. We would like to propose the following outline of the process and schedule and receive your comments.

Program Definition:

The Growth Management Act specifies that development regulations shall be subject to continuing review and evaluation. This program encompasses a review and evaluation of the Cottage Housing regulations that the City adopted in June of 2003.

The program will include an updated survey and report since the amendments initiated in 2002, a community workshop to discuss and recommend changes, a Planning Commission public hearing, and Council review and action in response to community values.

Problem Statement:

Cottage housing was suggested as an alternative housing type during the adoption of Shoreline's first Comprehensive Plan in 1998. The City of Shoreline is obligated by the State Growth Management Act to accommodate its share of regional growth and cottage housing was considered a way for infill development to "fit in" with community character. It was viewed by some members of the community as a solution to the "big house on a small lot" problem.

Development Regulations permitting Cottage Housing were adopted in 2000 following extensive discussions and negotiation between neighborhood representatives and cottage housing advocates. In response to community concerns, the Planning Commission undertook an extensive review of the Cottage Housing Ordinance in 2003 resulting in amendments to the Ordinance being adopted by the City Council in June 2003. Concerns about Cottage Housing have continued and as a result of a preapplication neighborhood meeting for a 16-unit development, the moratorium was adopted.

Problems Articulated by Public: Staff has heard many comments from the public about perceived problems with the current Cottage Housing regulations, including:

- Change in neighborhood character, including property values.
- Size of Development – the number of units permitted in each development.
- Density – the number of units permitted per acre.
- Distance Between Developments – the proximity and concentration of developments.
- Off-Site Parking
- Traffic
- Growth Management Requirements

Review of Projects: Three different projects have been permitted under the current regulations since the cottage housing amendments of June 2003.

1. Ashworth Cottages – N 183th Street and Ashworth Ave N. (Under Construction)
2. The Reserve Cottages— 20215 15th Ave NW (Under Construction)
3. Hopper Cottages— NW. 195th Street and 8th Ave NW (Approved and soon to be under construction.)

Program Goal and Objectives:

GOAL: Review and evaluate the City's cottage housing regulations by "checking in" with the community to see if the cottage housing constructed meets the values of the community and potentially adopt changes to the regulations to meet the community vision for cottage housing development.

OBJECTIVES:

- To provide an up close look at the cottage housing projects in Shoreline.
- To identify problems with administering cottage housing regulations.
- Clarify the community vision for cottage housing in Shoreline

- To provide clear and complete standards that are easy for the development community, staff, development community, and the public to understand.
- To have cottage housing regulations that produce projects on the ground that capture the community vision.

Outcomes/Measurements of Success:

The success of this program will be adoption of cottage housing code amendments that meet the concerns of the community.

Program Phasing:

- I. Introduction (January 2005)
 - A. Public Interest Letter for Participants and Process Comments
 - B. January 24 Council Public Hearing to extend moratorium
 - C. City Council - Planning Commission Joint Tour
- II. Research and Update (January / February 2005)
 - A. Recap findings of survey and report completed in 2002
 - B. Summarize neighborhood comment letters from the more recent projects of Ashworth, Hopper, and the proposed Crysalis.
 - C. Opinion of Value reports or staff research of King County property assessments that compare values of surrounding properties before and after the cottages using Greenwood, Madronna and Fremont cottages.
 - D. Report of Current Issues
 - Appraisals
 - Size of Development
 - Density
 - Distance Between Developments
 - Parking
 - Traffic
 - GMA
- II. Workshops (March 2005)
 - A. 20 – 30 Participants (developers and owners, parties of record –neighbors, facilitator, staff)
 - B. Findings and Recommendations
- III. Planning Commission Workshop and Hearing (April / May 2005)
 - A. Staff Report and Workshop Findings
 - B. Notice to Neighbors of Cottage Housing, Parties of Record, Newspaper, Sites
- IV. City Council (June / July 2005)
 - A. Work Session and Public Hearing
 - B. Action

Roles and Responsibilities:

Program Sponsor: Tim Stewart

Program Owner/Manager: Paul Cohen

Program Team: Andrea Spencer, Consultants for Appraisal and Meeting Facilitator,
Neighbors, Developers, Property Owners, Cottage Residents

Planning Commission

City Council

Extension of the Moratorium

Staff will recommend to Council that the Moratorium, currently scheduled to expire on February 23, 2005, be extended until August 23, 2005 at its meeting of January 24, 2005.

Comments on the Process and Schedule

If Council members, or members of the public have comments or suggestions on this process, they may contact Paul Cohen (206.546.6815) or Tim Stewart (206.546.3227) by phone or e-mail. If Council wishes to discuss the process, the workshop of January 3, 2005 would be appropriate. Please contact the Mayor or City Manager in this regard.