## CITY OF SPOKANE PLAN COMMISSION FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATIONS REGARDING SHAPING SPOKANE HOUSING TEXT AMENDMENTS TO LOT SIZE TRANSITION, ACCESSORY DWELLING UNITS (ADUS), AND SHORT PLAT NOTIFICATION

A recommendation of the City of Spokane Plan Commission to the City Council to approve amendments to the Spokane Municipal Code proposed by Shaping Spokane Housing text amendments. The proposal amends the Unified Development Code (UDC) Section 17C.110.200, Lot Size, and 17C.110.225 Accessory Structures; Chapter 17C.300, Accessory Dwelling Units, specifically Sections 17C.300.100, General Regulations, 17C.300.110, Criteria, 17C.300.120, Application Procedures, 17C.300.130, Development Standards, and 17C.300.140, ADU Expiration; and to short plat notification requirements in Sections 17G.060.100, Notice of Application, 17G.060T.003, Table 17G.060-3 Type of Public Notice Required / Project Permit Review Process, 17G.060.130, Public Comment Period, and 17G.080.040, Short Subdivisions.

## FINDINGS OF FACT:

- A. The City of Spokane adopted a Comprehensive Plan in May of 2001 that complies with the requirements of the Growth Management Act (GMA) as set forth in RCW 36.70A, including a housing element meeting the requirements of RCW 36.70A.070(2).
- B. On July 26, 2021, Resolution 2021-0062 adopted the City of Spokane Housing Action Plan as a guide for future housing planning, policy development, and regulatory and programmatic implementation measures that increase housing options that are affordable and accessible for people and families of all incomes in the City; including the Implementation Plan included as Appendix A that outlines several strategies and policies to remedy the current housing crisis.
- C. In 2021, the Washington State Legislature appropriated \$5 million for cities planning under the GMA to adopt actions to increase residential building capacity and address housing affordability. Through the resulting Housing Action Plan and Implementation (HAPI) grant program, the Department of Commerce provided grants to support communities in implementing strategies from adopted housing action plans and recommendations contained within RCW 36.70A.600.
- D. The City of Spokane was awarded a \$100,000 grant from the Department of Commerce to implement strategies from its adopted Housing Action Plan. The scope of work includes revising accessory dwelling unit (ADU) standards in chapter 17C.300 SMC to allow for additional flexibility and expand the zones that permit ADUs.
- E. MAKERS Architecture and Urban Design, LLP, a consulting firm with expertise in community planning, design guidelines and regulations, was contracted to review existing development standards for opportunities to add flexibility and clarity to regulations. The consultant worked with city staff to develop a range of alternative standards and regulations which would allow for greater flexibility in the construction of housing, including ADUs.
- F. The proposed text amendments will implement and enact measures RCW 36.70A.600 encourages cities to take in order to increase residential building capacity.

- G. The amendments to short plat notification are procedurally exempt from SEPA review per WAC 197-11-800(19).
- H. Outreach and public communication began in November 2021, reaching approximately 375 residents, and included the following among others:
  - 1. Presentations at the Land Use Subcommittee on November 18, 2021; February 17, 2022; and April 21, 2022;
  - 2. In-person booth at the Riverfront Park Winter Market on December 15 and 22, 2021;
  - 3. Presentation at Community Assembly on January 6, 2022;
  - 4. Presentation at Lincoln Heights Neighborhood Council on January 18, 2022;
  - 5. Virtual open houses on January 25 and 27, 2022;
  - 6. Planning Services Director interviews with local developers in March and April, 2022;
  - 7. Presentations at University District Development Committee and the West Hills Neighborhood Council on April 12, 2022 and
  - 8. In-person booth at the Riverfront Park Spring Market on April 6, 13, 20, and 27, 2022.
- Public comment, as well as agency and department comments, received prior to the May 11, 2022, Plan Commission public hearing were included in the staff report as Exhibits D and E.
- J. On November 10, 2021; December 8, 2021; January 12, 2022; January 26, 2022; February 9, 2022; February 23, 2022; March 9, 2022; March 23, 2022; April 13, 2022; and April 27, 2022, the Spokane Plan Commission held workshops to discuss draft language, receive updates on public feedback as well as city department and agency comments, and review and evaluate with city staff alternatives to proposed text changes.
- K. On March 24, 2022, the Washington State Department of Commerce and appropriate state agencies were given the required 60-day notice before adoption of proposed changes to the Unified Development Code pursuant to RCW 36.70A.106.
- L. On April 1, 2022, a notice of intent to adopt and request for SEPA agency comments was issued for the draft code pertaining to ADUs, lot size transitions, and short plat notification. The comment period ended on April 15, 2022. The Spokane Tribe of Indians issued comment noting project actions may require case by case cultural surveys.
- M. A State Environmental Protection Act (SEPA) Determination of Nonsignificance and Checklist were issued by Planning Services on April 25, 2022. The comment period ended on May 11, 2022. Two city department comments were received during the comment period.
- N. A legal notice of public hearing was published in the *Spokesman-Review* on April 27 and May 4, 2022.

- O. The proposed text amendments were drafted and reviewed pursuant to the process established under RCW 36.70A.370 to ensure that the proposed changes will not result in unconstitutional takings of private property.
- P. Amendments to Title 17 are subject to review and recommendation by the Plan Commission.
- Q. The Plan Commission held a public hearing on May 11, 2022 to obtain public comments on the proposed amendments.
- R. During deliberations held on May 11, 2022, the Plan Commission discussed a motion to modify the maximum detached accessory dwelling unit size, from the proposed 864 square feet or 75% of the house size, whichever is greater, to a maximum of 1,200 square feet or 75% of the house size, whichever is greater. The maximum detached accessory dwelling unit size was a topic that the Plan Commission workshopped with staff on several occasions, including the possibility of removing a maximum size altogether. Ultimately, the motion failed with three aye votes, three nay votes, and one Commissioner abstaining.
- S. During deliberations held on May 11, 2022, the Plan Commission voted to modify the proposed text concerning accessory dwelling units (ADUs), recommending removing the requirement to file a covenant and deed restriction on lots with an ADU when an owner would apply for a short-term rental application. The motion passed with six aye votes and one Commissioner abstaining.
- T. During deliberations held on May 11, 2022, the Plan Commission confirmed the preference for newly subdivided lots to be held to the standards and dimensional requirements of the underlying zoning district, rather than requiring larger lots, by removing the lot size transition requirement. The motion passed by a vote of six to zero.
- U. During deliberations held on May 11, 2022, the Plan Commission discussed the nexus of notice of applications and the neighborhood council system, as it relates to the proposed amendment to short plat notification. Plan Commission found that neighborhood councils are entitled to notice of certain land use development permit applications by virtue of SMC 17G.060.090(C) and that the proposed amendments will not detract from a neighborhood council's ability to comment on short plat applications. The motion to approve the proposed amendments to short plat notification passed with six ayes votes and one nay vote.
- V. Except as otherwise indicated in the above findings, the Spokane Plan Commission adopts the findings and analysis set forth in the staff report prepared for the proposal.
- W. The Spokane Plan Commission finds that the proposed text amendments meet the decision criteria established in SMC 17G.025.010(G).

## CONCLUSIONS:

Based upon the draft text amendments, staff report and analysis (which is hereby incorporated into these findings, conclusions, and recommendations), SEPA review, agency and public comments received, and public testimony presented, the Spokane Plan Commission makes the following conclusions with respect to the text amendments to lot size transition, accessory dwelling units (ADUs), and short plat notification:

- 1. The Plan Commission finds that the proposed amendments bear a substantial relation to the public health, safety, welfare, and protection of the environment pursuant to the requirements outlined in SMC 17G.025.010(G).
- 2. The proposed text amendments will implement and enact measures RCW 36.70A.600 encourages cities take in order to increase residential building capacity.
- 3. Interested agencies and the public have had extensive opportunities to participate throughout the process and persons desiring to comment were given an opportunity to comment.
- 4. SEPA review was completed for the proposal, and pursuant to SEPA, any adverse environmental impacts associated with the draft regulations will be mitigated by enforcement of the City's development regulations.
- 5. Plan Commission concludes that the intent of including neighborhood councils to the list of entities that receive notice of applications was to give neighborhood councils standing and the ability to advocate for their neighborhood residents. As entities with standing, neighborhood councils should assume the responsibility of proactively communicating with their residents about pertinent all-city or neighborhood-specific development applications.
- 6. The Plan Commission finds that the proposed amendments are consistent with the applicable provisions of the Comprehensive Plan, particularly the following adopted <u>Shaping Spokane</u> goals and policies:
  - a. Land Use Goal LU 1 Citywide Land Use;
  - b. Land Use Policy LU 1.1 Neighborhoods;
  - c. Land Use Goal LU 3 Efficient Land Use;
  - d. Land Use Policy LU 3.6 Compact Residential Patterns;
  - e. Housing Goal H 1 Housing Choice and Diversity;
  - f. Housing Policy H 1.11 Access to Transportation;
  - g. Housing Policy H 1.18 Distribution of Housing Options;
  - h. Housing Policy H 1.20 Accessory Dwelling Units; and
  - i. Capital Facilities and Utilities Policy CFU 4.1 Compact Development.

## **RECOMMENDATION:**

In the matter of the ordinances pertaining to lot size transition, accessory dwelling units (ADUs), and short plat notification, amending the Unified Development Code of the City of Spokane;

As based on the above listed findings and conclusions, the Spokane Plan Commission takes the following actions:

- 1. By a vote of six to zero, recommends to the Spokane City Council the **APPROVAL** of the proposed amendments to Section 17C.110.200, Lot Size, and 17C.110.225 Accessory Structures;
- 2. By a vote of six to one, recommends to the Spokane City Council the **APPROVAL WITH MODIFICATION** of the proposed amendments to Chapter 17C.300, Accessory Dwelling Units, as amended during the deliberations to include the following modification:

Strike 17C.300.120(B), Covenants, from the draft text for accessory dwelling units which requires that a covenant and deed restriction be recorded with the County Assessor for lots that contain an ADU and submit for a short-term rental application.

- By a vote of six to one, recommends to the Spokane City Council the APPROVAL of the proposed amendments to Sections 17G.060.100, Notice of Application, 17G.060T.003, Table 17G.060-3 Type of Public Notice Required / Project Permit Review Process, 17G.060.130, Public Comment Period, and 17G.080.040, Short Subdivisions.
- 4. Authorizes the President to prepare and sign on the Commission's behalf a written decision setting forth the Plan Commission's findings, conclusions, and recommendations on the proposed amendments.

Todd Beyreuther (May 20, 2022 17:02 PDT)

Todd Beyreuther, President Spokane Plan Commission

May 20, 2022