

# MEMORANDUM TO PLANNING COMMISSION PLANNING COMMISSION MEETING

City Hall – 525 North Third Avenue – Council Chambers

DATE: THURSDAY, DECEMBER 17, 2020

6:30 PM

**TO:** Planning Commission

FROM: Jacob B. Gonzalez, Senior Planner

**SUBJECT:** CA2020-002 – House Bill 1923 (Lot Size Averaging)

#### Background

In September 2019, the Pasco City Council approved staff's recommendation to study the potential benefits and impacts of three proposed code amendments associated with House Bill 1923 (HB 1923). Staff has evaluated the impacts and benefits of permitting lot size averaging in all residential zoning districts of the City.

The specific action proposed, per House Bill 1923:

 Authorize cluster zoning (lot size averaging) in all zoning districts that permit singlefamily residences;

## **Current Requirements**

Title 25 (Zoning) of the Pasco Municipal Code specifies a minimum lot size for reach residential zoning district. Table 1 below indicates the current minimum lot sizes for residential zoning districts in Pasco:

Table 1:

Zoning District	Minimum Lot Size (square feet)	
RS-20	20,000	
RS-12	12,000	
RS-1	10,000	
R-1	7,200	
R-2	5,000 (SF); 4,000 (MF)	
R-3	4,500 (SF); 3,000 (MF)	
R-4	4,000 (SF); 1,500 (MF)	

Although the Comprehensive Plan provides density requirements for Land Use, the minimum lot sizes established in the PMC is the most impactful regulation used to govern densities in the City. The requirement of a minimum lot size mandates that all parcels of land for housing developments be larger than a certain size, regardless of environment and adjacent infrastructure. For example, the RS-12 zoning district calls for lots that are a minimum of 12,000 square feet, which yields a density of 3.63 dwelling units per acre.

The minimum certainly adds clarity for those seeking to subdivide lots at a small scale, or large home-builders and developers seeking to build dozens of new units, but they may also prohibit

the efficient utilization of available land for housing. In addition to the minimum lot size, current regulations also prescribe a maximum lot coverage and necessary setback requirements controlling the use of one lot for housing.

## What is Lot Size Averaging?

Lot size averaging is an approach to subdividing land that allows a parcel of land to be divided into unequally-sized lots as long as the average of all the lot sizes remains equal to or above the minimum zoned lot size. Lot size averaging allows more efficient use of the land and adds additional units that might not be realized. It also adds variety to neighborhoods and provides more home size and style choices. It should be noted that the density allowed remains the same and preserves the underlying zoning district and Comprehensive Plan Land Use.

The flexibility and variety allowed by lot size averaging can be useful for developing housing on unusually shaped parcels or properties with critical areas, as well as for mixing housing types in larger developments. In places with rapidly escalating land or construction costs, smaller lot sizes can augment a property's affordability, especially for moderate-income households.

Many cities across Washington have revised their lot size requirements to allow lot size averaging or similar tools to address housing needs and meet growth demands. The table below shows cities (and populations) who have recently adopted ordinances.

Table 2: Lot Size Average and Cluster Zoning Cities

	1
City	Population (2019)
Bellevue	148,164
Everett	111,475
Kirkland	93,010
Lake Stevens	33,911
Sultan	5,388
Snohomish	10,154
Tacoma	217,827
Black Diamond	4,781
Bothell	47,415
Edgewood	13,053
Federal Way	96,289
Ilwaco	936
Kent	132,319
Rainier	2,287

As Table 2 indicates, the use of lot size averaging is not reserved for large or quickly growing cities, rather it is tool that allows developers and cities to be flexible while maintaining the underlying integrity of each base zoning district.

#### **Policy Guidance**

Implementation of lot size averaging would meet the intent of Engrossed Senate House Bill 1923. The proposal would also comply with the Growth Management Act, specifically the GMA Planning Goal on Housing per RCW 36.70A.020(4) that requires cities to *Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.* 

The 2018-2038 Comprehensive Plan approved by Council in Resolution No 3998 (awaiting certification from Franklin County) included numerous housing references including Housing Goal #1 Encourage housing for all economic segments of the city's population consistent with the local and regional market and Housing Policy H-4-C Increase housing supply and diversity through appropriate and flexible development standards.

Resolution No 3985, passed by the City Council on September 21, 2020 established Primary Council Goals for the years 2020-2021. The Development of a Housing Action Plan was included that would develop a series of strategies aimed at increasing affordable housing. One of the strategies points back to the housing policy on flexible development standards, which would include lot size averaging.

The Pasco Municipal Code currently provides two methods where lot size flexibility is permitted. Planned Unit Developments (PMC25.140) and Planned Density Developments (PMC 25.145) allow a variety of development flexibilities in addition to lot size including setbacks and overall density in exchange for open space and other amenities. The lot size averaging proposal would be applicable across all zoning districts but would be regulated with threshold allowances.

#### **Existing Lot Size Estimates**

The average lot size for all residential parcels in Pasco is approximately 0.30 acres, or roughly 13,068 square feet. As indicated in prior staff reports, this number is high due to the overwhelmingly supply of low-density zoning (84%) compared to medium (14%) and high (2%) districts. This average also includes many rural neighborhoods developed at rural densities when platted by Franklin County which were subsequently annexed into the City.

Staff reviewed approved residential plats, dating back to the year 2014, which resulted in a total of 27,111 homes with an approximate average lot size of 10,892 square feet. These results encompass each zoning district within the city, ranging with minimum lot sizes of 1,500 sqft (R-4) to 20,000 sqft (RS-20). Further review of lots sizes in Pasco indicated that detached homes averaged 13,068 sqft; attached homes (ex: townhomes) 6,969 sqft and multi-family homes just under 14,000 sqft.

Across the country, lot sizes continue to decrease. The median lot size for a detached home decreased to 8,177 square feet, 5% lower than 2018<sup>1</sup>. The National Association of Home Builders

<sup>&</sup>lt;sup>1</sup> Median Single-Family Lot Size Hits Record Low

estimates that detached homes along the western states of Washington, Oregon and California are the smallest in the country at 6,354 square feet. Similar trends exist in multi-family and apartment sizes. Since 2000, the average apartment unit size has decreased from 1,031 square feet to 931 square feet across the country.

#### **Summary of Amendment Proposal**

The following draft set of revisions offer options for the Planning Commission to consider prior to a formal recommendation.

New term and definition to be added:

## **Lot Size Averaging:**

Lot size averaging allows the size of individual lots within a development to vary from the zoned minimum lot size, provided that the average lot size in the development as a whole meets the established minimum of the underlying zoning district

## PMC 21.20 Lots and Blocks

- (1) Lot Size Averaging in approved short plans, long-plats and residential subdivisions, the individual lots shall be considered in compliance with the minimum site area requirements if the average of all of the lots within a proposed application are equal to or above the established minimum of the underlying zoning district. Under this provision, either:
  - (a) No individual lot shall be reduced by more than 20% from the minimum require lot size, except lots within ¼ mile as measured through a public access or street centerline of an existing, planned or proposed public facility, lands zoned for government, quasipublic or civic use including medical facilities which may be reduced up to 25%
  - (b) Lot size reductions shall be compliant with the table below:

Zoning	Minimum Lot Size -	Lot Size Average -	Lot Size Average – ¼
District	Current (sqft)	Standard (sqft)	(sqft)
RS-20	20,000	16,000	15,000
RS-12	12,000	9,600	9,000
RS-1	10,000	8,000	7,500
R-1	7,200	5,760	5,400
R-2	5,000 (SF); 4,000 (MF)	4,000 (SF); 3,200 (MF)	3,750 (SF); 3,000 (MF)
R-3	4,500 (SF); 3,000 (MF)	3,600 (SF); 2,400 (MF)	3,375 (SF); 2,250 (MF)
R-4	4,000 (SF); 1,500 (MF)	3,200 (SF); 1,200 (MF)	3,000 (SF); 1,125 (MF)

https://nahbnow.com/2020/10/median-single-family-lot-size-hits-record-low/

- c) Not more than a 40% increase over the requirement minimum lot area for individual lot shall be approved when applying the lot size averaging for any proposed application
- d) No more than 75% of the number of lots in a proposed application may contain an area less than the prescribed minimum for the underlying zoning district

## **Recommendation**

**MOTION**: I move to close the public hearing on the proposed code amendment for House Bill 1923, # CA2020-002 and recommend to the Pasco City Council the adoption of the proposed code amendment for Lot Size Averaging as contained in the December 17, 2020 Planning Commission staff report.

UNDINANCE NO.	<b>ORDINANCE</b>	NO.	
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# AN ORDINANCE OF THE CITY OF PASCO, WASHINGTON, RELATING TO LOT SIZE AVERAGING AND AMENDING SECTIONS 21.10.010 AND 21.20.070 OF THE PASCO MUNICIPAL CODE.

**WHEREAS**, cities planning under the Washington State Growth Management Act are required to plan for the availability of affordable and accessible housing to all economic segments in addition to promoting a variety of residential densities and housing types for the community per RCW 36.70A.020(4); and

**WHEREAS**, projections from the Washington State Office of Financial Management indicate Pasco's population will increase to 121,828 by the year 2038; and

**WHEREAS**, the 2018-2038 Comprehensive Plan anticipates an additional 15,200 housing units will be necessary to accommodate the projected residential growth demands; and

**WHEREAS**, Counties and cities planning under the Growth Management Act are required to plan for the availability of affordable housing to all economic segments of their communities, encourage the availability of affordable housing and promote a variety of residential densities and housing types per RCW 36.70A.020(4); and

**WHEREAS**, Policy LU-4-B of the 2018-2038 Pasco Comprehensive Plan encourages infill and higher residential densities within proximity to travel corridors and public transportation service areas; and

**WHEREAS**, Policy LU-5-A of the 2018-2038 Pasco Comprehensive Plan states that the allowance of a variety of residential densities within the Urban Growth Area is important to maintaining a broad range of residential housing opportunities; and

**WHEREAS**, Policy H-3-A of the 2018-2038 Pasco Comprehensive Plan supports the increase of the housing supply through appropriate and flexible development standards; and

**WHEREAS**, Priority Need #1 of the 2020-2024 Tri-Cities Consolidated Home Plan identifies the need for affordable housing choices; and

**WHEREAS**, the collaboration with local and regional partners with a focus on strategies that emphasize affordable housing was identified in the 2020-2021 Pasco City Council Goals as adopted in Resolution No 3985.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASCO, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1.** That Section 21.10 Terms Defined, of the Pasco Municipal Code is amended and updated to include a new definition for Lot Size Averaging.

#### **21.10.020** Terms defined.

"Alley" means a dedicated narrow service way, not more than 20 feet wide, providing a secondary means of public access to abutting properties.

"Binding site plan" means a drawing to scale utilized for the purposes of creating lots for selling, leasing, or otherwise transferring property rights from one person, firm, or corporation to another. A binding site plan:

- (a) Identifies and shows the areas and locations of all streets, roads, improvements, parcels, utilities, open spaces, and other information as may be required by this title:
- (b) Contains inscriptions or attachments setting forth such appropriate limitations and conditions for the use of land as specified by this title; and
- (c) Contains provisions making any development be in conformity with the site plan for all such land.

"Block" means a group of lots, tracts, or parcels within a well-defined and fixed boundary.

"Boundary line adjustment" means the relocation of the boundaries between two or more lots, which relocation does not result in the creation of any additional lot or lots.

"Comprehensive Plan" means the current Comprehensive Plan for the City, adopted by the City Council pursuant to state law.

"Cul-de-sac" means a road closed at one end by a circular area of sufficient size for turning vehicles around.

"Dedication" means the deliberate conveyance of land by an owner or owners to the City of Pasco, for any general and public uses, reserving to the owner or owners no other rights than such as are compatible with the full exercise and enjoyment of the public uses to which the property has been devoted.

"Developer, subdivider, platter or owner" means any person, firm or corporation undertaking the subdividing or resubdividing of a lot, tract or parcel of land as, or on behalf of, the owner thereof.

"Easement" means a grant by the property owner to the public, corporation, or persons, of the use of a strip of land for a specific purpose and, on or over which, the owner will not erect any permanent improvements which serve to interfere with the free exercise of that right.

"Final approval" means that approval given by the City Council, which authorizes the subdivider to record his/her plat.

"Final plat" means the plan of a plat, subdivision, or dedication, or any portion thereof, prepared for filing for record by the County Auditor, and containing all elements and requirements set forth for final plats in these regulations.

"Hammerhead/T" means a roadway that provides a "T" shaped, three-point turnaround space for emergency equipment.

"Improvements" means any required improvements, including streets, curb, gutter, sidewalk, storm drainage, landscaping, utilities, pavement markings, signing, and other appropriate improvements.

"Lot" means a portion of a subdivision, or other parcel of land, intended as a unit for transfer of ownership or for development, being of sufficient area and dimensions to meet minimum zoning requirements for width and area. The term shall include tracts or parcels.

"Lot Size Averaging" means that lot size averaging allows the size of individual lots within a development to vary from the zoned minimum lot size, provided that the average lot size in the development as a whole meets the established minimum of the underlying zoning district.

"Monument" means a permanent-type survey marker, which conforms to the City of Pasco standard detail for monuments, or an approved substitute.

"Pedestrian way" means a right-of-way dedicated to public use which cuts across a block to facilitate pedestrian access to adjacent streets and properties.

"Plat or subdivision" means an area of land which has been divided into two or more lots, tracts, parcels or other divisions of land, and shall include a map or maps related thereto for the purpose, whether immediate or future, of transfer of ownership, or for building developments, including all designations in street lines, alley lines, public area boundaries, lot lines, easements, rights-of-way, pavement widths, curb lines, location and size of utilities, location and size of land areas to be dedicated; those divisions of land for agricultural purposes, where each parcel is five acres or more in area and which do not include any new streets, easements, rights-of-way or other provisions for necessary public areas and facilities; and further provided, that this definition shall not apply to the division by description of a portion of a platted lot.

"Preliminary plat" means an approximate drawing of the proposed layout of streets, blocks, lots and other elements of a subdivision or plat from which the City Hearing Examiner gives preliminary approval to the general layout features of the subdivision or plat.

"Primary arterial" means a street or road of great continuity which serves or is intended to serve as the principal traffic way between separated areas of the City or region and is designated in the Comprehensive Plan, or otherwise designated, as a limited access highway, major thoroughfare, boulevard, parkway or other equivalent term to identify those streets that comprise the basic structure of the regional traffic plan.

"Public right-of-way" means any publicly owned land set aside for surface transportation purposes, including vehicular, bicycle and pedestrian transportation, whether improved or not improved.

"Secondary arterial" means a street or road which forms part of the arterial street system, the function of which is to collect traffic from the local or residential streets for delivery to the primary arterials.

"Short plat" or "short subdivision" means the division or redivision of land into nine or fewer lots for the purpose of sale, lease or transfer of ownership.

Street, Dead-End. "Dead-end street" means a street similar to a cul-de-sac, but providing no turnaround at its closed end.

Street, Frontage. "Frontage street" means an access street which is generally parallel to and adjacent to arterials, streets, traffic ways, limited access highways or railroad rights-of-way; and which provides access to abutting properties and protection from through traffic.

Street, Local Access. "Local access street" means a street of limited continuity, which serves or is intended to serve the local needs of the immediate community.

Street, Private. "Private street" means a street of limited continuity, which serves or is intended to serve the local needs of the immediate community and which has not been dedicated to the public.

Street, Public. "Public street" means a street, whether improved or unimproved, held in public ownership and intended to be open as a matter of right for public vehicular travel and to provide access now or in the future to adjacent properties.

"Tax parcel segregation" means the separation of lots of record into two or more tax parcels for the purpose of sale, lease or transfer of ownership, and which segregation does not result in the creation of more parcels than lots of record.

"Urban growth area" means that area designated by the County pursuant to RCW <u>36.70A.110</u>, identifying the limits of the extension of urban facilities and services.

Section 2. That a new Section 21.20.070, Lot Size Averaging in the Pasco Municipal Code is needed and necessary to define Lot Size Averaging.

## Section 21.20.070 Lot Size Averaging.

- (1) Lot Size Averaging in approved short plans, long-plats and residential subdivisions, the individual lots shall be considered in compliance with the minimum site area requirements if the average of all of the lots within a proposed application are equal to or above the established minimum of the underlying zoning district. Under this provision, either:
- (a) No individual lot shall be reduced by more than 20% from the minimum require lot size, except lots within ¼ mile as measured through a public access or street centerline of an existing, planned or proposed public facility, lands zoned for government, quasi-public or civic use including medical facilities which may be reduced up to 25%
- (b) Lot size reductions shall be compliant with the table below:

Zoning	Minimum Lot Size -	Lot Size Average -	Lot Size Average –
<b>District</b>	Current (sqft)	Standard (sqft)	<u>1/4 (sqft)</u>
<u>RS-20</u>	<u>20,000</u>	<u>16,000</u>	<u>15,000</u>
<u>RS-12</u>	<u>12,000</u>	<u>9,600</u>	<u>9,000</u>
<u>RS-1</u>	<u>10,000</u>	<u>8,000</u>	<u>7,500</u>
<u>R-1</u>	<u>7,200</u>	<u>5,760</u>	<u>5,400</u>
R-2	5,000 (SF); 4,000	4,000 (SF); 3,200	3,750 (SF); 3,000
<u>K-Z</u>	(MF)	<u>(MF)</u>	<u>(MF)</u>
R-3	4,500 (SF); 3,000	3,600 (SF); 2,400	3,375 (SF); 2,250
<u>K-3</u>	<u>(MF)</u>	<u>(MF)</u>	<u>(MF)</u>
R-4	4,000 (SF); 1,500	3,200 (SF); 1,200	3,000 (SF); 1,125
117-4	<u>(MF)</u>	<u>(MF)</u>	<u>(MF)</u>

- c) Not more than a 40% increase over the requirement minimum lot area for individual lot shall be approved when applying the lot size averaging for any proposed application
- d) No more than 75% of the number of lots in a proposed application may contain an area less than the prescribed minimum for the underlying zoning district.

**Section 3**. This ordinance shall be in full force and effect five days after passage and publication as required by the law.

<b>PASSED</b> by the City Council .	of the City of Pasco, Washington, this day of
Saul Martinez Mayor	
ATTEST:	APPROVED AS TO FORM:
Debra Barham, CMC City Clerk	Kerr Ferguson Law, PLLC City Attorney
Published:	



House Bill 1923: CA2020-002 December 17, 2020 | Planning Commission

## **Proposed Code Amendments (planned actions) for HB1923**

## Action 1

• Authorize at least one duplex, triplex or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences;

## Action 2

• Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;

## Action 3

Authorize accessory dwelling units (ADU's) on all residential parcels containing single-family homes;

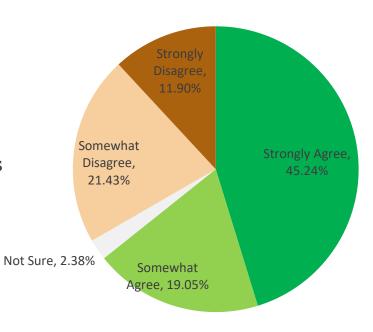
# What is Cluster Zoning / Lot Size Averaging?

Lot size averaging is an approach to subdividing land that allows a parcel of land to be divided into unequally-sized lots as long as the average of all the lot sizes **remains equal to or above** the minimum lot size requirements.

Interest in Flexible Standards

## **Benefits**:

- Flexibility
  - Increases options when developing unusual or constrained lots
- Efficiency
  - Increases development capacity meeting Comprehensive Plan designations
- Infill
  - Allows for greater use of existing lots or redevelopment of infill properties
- Design & Density
  - Allows for greater design and density flexibility to meet market demand



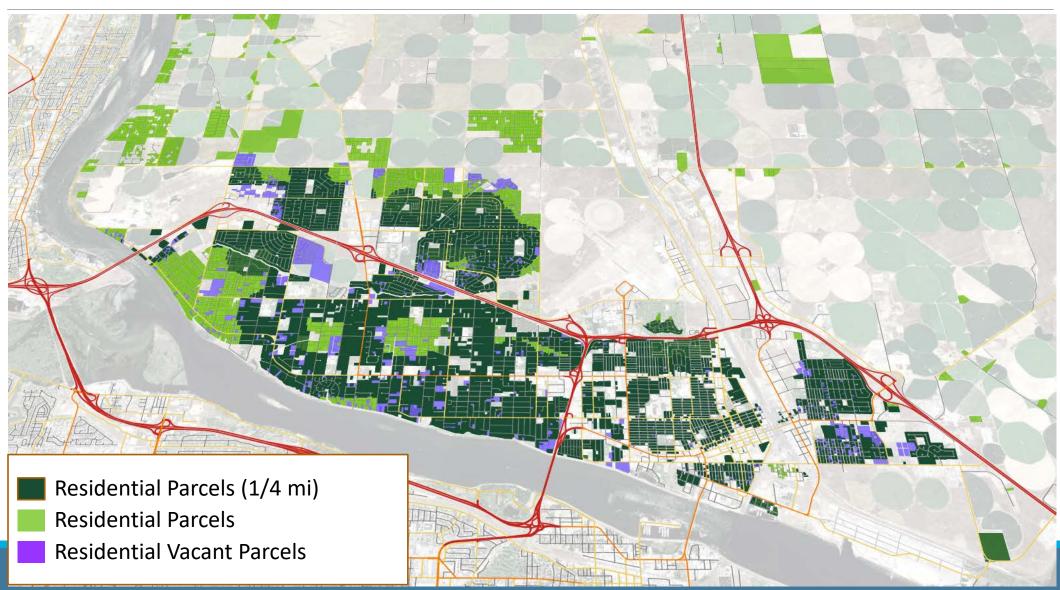


# Pasco House Bill 1923: CA2020-002

- Increasing Flexibility w/Lot Size Averaging?
  - Establish a threshold allowing smaller lots if average meets existing minimum

Zoning District	Minimum Lot Size Requirement (Square Feet)	20% (Applicable Citywide)	25% (Applicable within ¼ Mile of Public Land Use)
RS-20	20,000	16,000	15,000
RS-12	12,000	9,600	9,000
RS-1	10,000	8,000	7,500
R-1	7,200	5,760	5,400
R-2	5,000 (SF); 4,000 (MF)	4,000 (SF); 3,200 (MF)	3,750 (SF); 3,000 (MF)
R-3	4,500 (SF); 3,000 (MF)	3,600 (SF); 2,400 (MF)	3,375 (SF); 2,250 (MF)
R-4	4,000 (SF); 1,500 (MF)	3,200 (SF); 1,200 (MF)	3,000 (SF); 1,125 (MF)





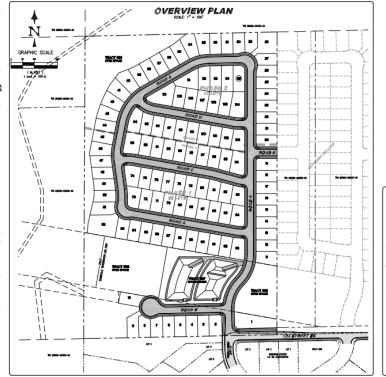


## CITY OF SULTAN

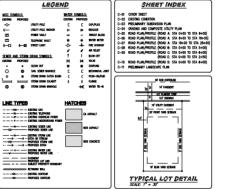
PRELIMINARY PLAT FILE No. PP 19-005

PORTION OF THE SW 1/4 OF SECTION 29, TOWNSHIP 28 NORTH, RANGE 8 EAST, W.M. 31129 124TH STREET SE, SULTAN, WA









- •Per Zoning, up to 151 lots could be developed
- •Site had steep slope and environmental buffers

◬	ISSUED FOR PRELIMINARY PLAT APPLICATION	NL.	12/20/19	ENERGIA UTILITES NOTE:
Δ		Т		THE LOCATIONS OF EXIST. UNDERSHOUND UTILITIES AN SHOWN IN AN APPROXIMATE WAY DILLY AND HAVE NO MODPONEDITLY VORTED BY THE OWNER OR ITS
A		Т		EXACT LOCATION OF ALL DESTING UTILITIES REFORE COMMENCING WORK, AND AGREES TO BE FULLY RESPI FOR ANY AND ALL DAMAGES BROWN WORT BY COCAN
◬		Т		BY THE CONTRACTOR'S FAILURE TO EXACTLY LOCATE PRETERINE ANY AND ALL UNDERGROUND UTILITIES.
NO.	REVISION	BY	DATE	CALL 48 HOURS BEFORE YOU DIG 1-800-424-5885

RECREATION OFFIN SPACE PROPOSED: NOME
(PARK METALT FEES IN LIEU OF RECREATION OFFIN SPACE FEIX SMC NAULIO

CENERAL OPEN SPACE PROPOSED: 220,001 SF 5,303 AC

12/20/19

LATTA ENGINEERING PLLC

Consulting DVI Brightery

9870 Birch Palist Rock 1980

1880 Brightery 2000

1880 Brightery

COBBLE HILL, LLC 6003 29th AVE NE SEATTLE, WA 98115 COVER SHEET

COBBLE HILL PRELIMINARY PLAT

SITES 124th STREET SE. SULTAN, WA

PORTION OF THE SE 1/4 N W J OF SEC 25, TWP 25th, ROSE SE, WAL

DATE

SCALE:

1 or 11

Example: Sultan, WA

- •115 lots / Single Family Detached
- Moderate Density District (4,500 sqft)
- •Density: 4.62 du/acre
- •Avg Lot Size: 4,901 sqft



## Increasing Flexibility w/Lot Size Averaging

Establish a threshold allowing smaller lots if average meets existing minimum

Zoning District	Minimum Lot Size Requirement (Square Feet)	20% (Applicable Citywide)	25% (Applicable within ¼ Mile of Public Land Use)
RS-20	20,000	16,000	15,000
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R-3	4,500 (SF); 3,000 (MF)	3,600 (SF); 2,400 (MF)	3,375 (SF); 2,250 (MF)
R-4	4,000 (SF); 1,500 (MF)	3,200 (SF); 1,200 (MF)	3,000 (SF); 1,125 (MF)

<sup>\*</sup>increasing housing access near public land uses (parks, transit, hospitals, schools) meets established Comprehensive Plan and GMA goals/requirements\*



# **Next Steps**

- Deliverables to Commerce Department
- Environmental Determination
- Status report and deliverables to Commerce