

TO: City Council
CC: Emma Bolin, AICP, Planning and Community Development Director
FROM: Lois Stanford, Chair, Port Townsend Planning Commission
DATE: March 9, 2023
RE: **Tactical Infill Action Development Regulations Amendments.**

Findings of Fact

- 1) **Proposal:** The city of Port Townsend proposes amendments to various sections of the Municipal Code (described in Exhibit A and detailed in Exhibit B) to facilitate construction of “missing middle” housing types. The amendments relate to:
 - Definitions
 - Permitted residential uses in residential, mixed use, commercial, marine-related, manufacturing, and open space zoning districts
 - Accessory dwelling units
 - Cottage housing
 - Tiny houses on wheels
 - Employer-provided housing
 - Unit lot subdivisions
 - Off-street parking requirements
 - Bulk, dimensional and density requirements residential, mixed use, commercial districts
 - Permit procedures
- 2) **Location:** The proposed amendments will apply city-wide
- 3) **Environmental Review:** Amendments to the land use/development regulations are subject to review under the State Environmental Policy Act (SEPA). On March 1, 2023, the SEPA Responsible Official issued a Determination of Non-Significance (DNS)(D Exhibit C). The SEPA comment period expires on March 16, 2023. No SEPA comments have been received to date.
- 4) **Commerce Review:** The City must notify the WA Department of Commerce of any proposed amendments to the comprehensive plan or development regulations. The City submitted the proposed amendments to Commerce on February 10, 2023 and requested expedited review. On February 14, 2023, the Department of Commerce received the City’s expedited review request per WAC 365-196-630. The City is awaiting further response from Commerce; however, the request has not been denied.
- 5) **Planning Commission Review:** Per PTMC Section 20.04.090 C. Planning Commission Review, the Planning Commission shall hold a public hearing on any text amendment to the land use code and make a recommendation to City Council, using the decision criteria set forth in PTMC 20.04.080. In accordance with PTMC Section 20.04.090(8), notice of the public hearing was posted and published on March 1, 2023.

- 6) **Meetings:** Staff provided an overview of the proposed amendments, working with the Planning Commission at its regularly scheduled meetings of December 15, ~~December 29~~, January 12, January 26, February 9, and February 23 (Exhibit E). The Planning Commission and City Council conducted a joint workshop on February 13, 2023 (Exhibit F).
- 7) **Public hearing:** The Planning Commission conducted a public hearing on March 9, 2023, to consider the amendments to various Municipal Code sections related to tactical infill housing. Commissioners considered written comments and public testimony received at the public hearing, as well as those offered at the previous meetings and work sessions as documented in the packet of meeting minutes (Exhibit E). Upon the close of the hearing, the Planning Commission assessed each item and formed its recommendation based on the evaluation criteria set forth in PTMC Section 20.04.080.

Findings and Conclusions

Planning Commission, by a vote of 7-0-0, recommended approval of the revisions to various sections of the Municipal Code as depicted in Exhibit A. This recommendation was based upon the following Criteria for Approval:

- a) **Whether the amendment will adversely affect the public health, safety and welfare in any significant way.**

Finding: The SEPA Responsible Official has reviewed the proposed amendments and issued a Determination of Non-Significance (Exhibit C).

Conclusion: The Commission concludes that the proposed amendments will not adversely affect the public health, safety, and welfare in any significant way.

- b) **Whether the proposed amendment is consistent with the GMA and adopted county-wide planning policies.**

Finding: The Growth Management Act (GMA) contains 13 overall goals, one of which pertains specifically to Housing:

"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" (RCW 36.70A.020(a)).

This GMA Goal is reflected in County-wide Planning Policy (CWPP) #6. Each urban growth area (UGA) shall accommodate its fair share of housing affordable to low- and moderate-income households according to its percentage share of the county population and by promoting a balanced mix of diverse housing types.

The GMA also calls for the efficient use of land within urban growth boundaries, encouraging infill development and the construction of varied housing types which generate a more compact development pattern.

As shown in more detail in subsection 'e' below, the proposed amendments are consistent with the City's Comprehensive Plan

Conclusion: The Commission concludes that the proposed amendments are consistent with both the GMA and the CWPPs.

c) Whether the proposed amendment reflects current widely held community values or resolves inconsistencies in the city's comprehensive plan.

Finding: Public comment through this process underscores the difficulty in finding housing for households of virtually all income levels. This is a concern of statewide significance, reflected in the Legislature adopting amendments to RCW 36.70A to increase residential building capacity (RCW 36.70A.600). The statute encourages cities to take specific actions to increase residential building capacity through a variety of options, including those actions proposed in these development regulations amendments.

The City's Comprehensive Plan housing goals encourage provision of housing which is both affordable and compatible with a compact development pattern:

Goal 4: Promote a variety of housing choices to meet the needs of Port Townsend residents and preserve and encourage socio-economic diversity.

Goal 7: Provide an adequate supply of housing for residents of all income groups, including sufficient housing affordable to low- and moderate-income groups.

Rapidly rising house prices have driven out individuals and families who have long lived and worked in Port Townsend. A higher percentage of residents here live in poverty than in either Jefferson County or the USA¹ and are significantly burdened by the cost of housing. Diverse, affordable, and stable housing in Port Townsend is an underpinning success factor for our collective well-being and quality of life. These amendments make a wider variety of housing available to all of Port Townsend's households, introducing housing types not now permitted, expanding the zones in which housing may be placed, offering floor area ratio bonuses in mixed-use zones where a percentage of units are dedicated to being permanently affordable, and creating new code sections to offer opportunities for tiny homes on wheels and creative subdivision approaches to facilitate land trust or other collective types of ownership.

There are no unresolved inconsistencies in the Comprehensive Plan related to these proposed changes.

Conclusion: The Commission concludes that proposed amendments promote a variety of housing choices as directed in the City's Comprehensive Plan. The amendments are consistent with widely held community values as they provide an added tool to add to the community's housing inventory.

d) Whether the proposed amendment would maintain the appropriate balance of land uses within the city.

Finding: Proposed Amendments to the Municipal Code support growth as envisioned by the Comprehensive Plan. No change in land use is proposed.

Conclusion: The Commission concludes that the proposed amendments will maintain the appropriate balance of land uses within the city.

¹ US Census Bureau ACS and Censusreporter.org.

- e) Whether the proposal implements the comprehensive plan; or alternatively.
- f) Since the adoption of the comprehensive plan, there has been a substantial change in circumstances related to the proposed amendment and/or the area in which it is located which warrants the proposal.


Finding: Although housing was recognized as a need in the last Comprehensive Plan update, circumstances have changed substantially in the subsequent years with the simultaneous convergence of three housing-related crisis: the homelessness crisis, the housing affordability crisis and the housing availability crises. Impacts have already been described in subsection 'c' above. The amended zoning, subdivision and administrative procedures recommended here are envisioned as only the first step in a comprehensive process to address the community's housing needs.

Conclusion: The Commission concludes that the amendments help implement the Comprehensive Plan goals to provide a variety of housing types affordable to all economic segments of the population.

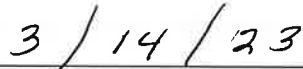
Recommendation

The PLANNING COMMISSION RECOMMENDS APPROVAL of the amendments to various sections of the Municipal Code to facilitate provision of "missing middle" housing as identified in Exhibit A attached hereto.

Respectfully submitted on behalf of the Port Townsend Planning Commission,



Lois Stanford, Chair



Date

List of Exhibits

- A. Amendments to various sections of PTMC (in Bill Format)
- B. Zoning Approach Summary
- C. SEPA Determination of Non-Significance
- D. Comment letters
- E. Planning Commission minutes (December 15, ~~December 29~~, January 12, January 26, February 9, and February 26~~23~~)
- F. City Council minutes (February 13, 2023)