



TO: City Council

FROM: Tiffany Speir, Long Range & Strategic Planning Manager

DATE: September 25, 2023

SUBJECT: 2024 Comprehensive Plan Periodic Review Update:
- Analysis of Potential Impacts of New Middle Housing and ADU Requirements in the City of Lakewood;
- Introduction of Lakewood Equity Index Map

ATTACHMENTS: Summaries of E2SHB 1110 and EHB 1337 (**Attachment A**)
Excerpted maps from Lakewood Equity Index Map and the Equity Index Map Guidance Manual (**Attachment B**)

BACKGROUND

Summaries of **E2SHB 1110** (Increasing **middle housing** in areas traditionally dedicated to single-family detached housing) and **EHB 1337** (Expanding housing options by easing barriers to the construction and use of **accessory dwelling units**) are included in **Attachment A**.

In Spring 2023, Lakewood began the development of an Equity Index Map, and online interactive tool available to the public demonstrating numerous demographic data at the citywide or census block level. Information in this tool will help inform work not only related to the 2024 Comprehensive Plan Periodic Review, but for many other City projects and priorities.

Excerpted maps from the new online Lakewood Equity Index Map (please see <https://lakewood.caimaps.info/>) and the Equity Index Map Guidance Manual are included at **Attachment B**.

DISCUSSION

Lakewood has conducted an initial internal review of the areas where E2SHB 1110 (Increasing middle housing in areas traditionally dedicated to single-family detached housing) and EHB 1337 (Expanding housing options by easing barriers to the construction and use of accessory dwelling units) may affect the City's current land use and its long range growth planning for 2044 and beyond.

Transit Stops in Lakewood in Relation to E2SHB 1110 and EHB 1337

Following discussion at a City Council study session, on August 16, 2023, Lakewood asked the State Department of Commerce if the City would need to plan for growth assuming construction of the potential Pierce Transit Bus Rapid Transit (BRT) route (which will require 7 years for construction once finalized and funding is approved) and/or the Tillicum Sounder stop (currently scheduled for completion in 2045) under E2SHB 1110. Commerce staff provided the following reply:

Once finalized, the [Pierce Transit] BRT route will qualify.

The Sounder stop will qualify.

While there is nothing to prevent you [Lakewood] from upzoning earlier, we would anticipate you handling the required upzone in the appropriate Comprehensive Plan update when the infrastructure for those projects is brought into your CIP or budget.

Mary M. Reinbold (she/her), AICP | Senior Planner
Growth Management Services | Washington State Department of Commerce

Initial Map of E2SHB 1110 and EHB 1337 Impacts in Lakewood

The map on the following page depicts the results of an initial internal review of where and how E2SHB 1110 and EHB 1337 might apply to parcels in Lakewood due to:

- Distance to “major transit stops” as defined in HB 1110 and SB 5466;
- Development plat covenant restrictions limiting units per lot and/or housing densities;
- Presence of critical areas; and
- Presence of Garry Oak stands (Lakewood defines certain Garry Oak trees and stands as critical fish and wildlife habitat areas in LMC Chapters 14.254 and 18A.70.)

Note: Other internal analysis is still underway, including where there may be sewer, water, or other infrastructure inadequacies as well as other environmental issues that might affect the final applicability of E2SHB 1110 and EHB 1337.

The City is also analyzing whether to pursue the alternative middle housing path allowed under E2SHB 1110 described in Attachment A. More details will be provided to the Council and public once the analysis is complete in later 2023 and early 2024.

Do E2SHB 1110 and EHB 1337 solve Lakewood's 2044 Growth Targets' Land Capacity Issues and requirement to have Adequate Land for Housing Units for All Economic Segments created in HB 1220?

- The newly created capacity may be used to demonstrate meeting 2044 housing targets; *however...*
- Lakewood still must document calculation of capacity, such as housing stock age, values, infrastructure, and extent of restrictive covenants; and
- 1110 and 1337 do not address lower income needs required by HB 1220.

Regardless of the outcome of the analyses and applicability of 2023's E2SHB 1110 and EHB 1337, Lakewood must still comply with 2021's HB 1220 as well:

Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:

1.
 - Zoning that may have a discriminatory effect;
 - Disinvestment; and
 - Infrastructure availability
2. **Establish policies and regulations** to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions.
3. **Identify areas that may be at higher risk of displacement** from market forces that occur with changes to zoning development regulations and capital investments.

Establish anti-displacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.

See RCW 36.70a.070 (2)(e)-(h).

Under E2SHB 1110, the following required number of housing units per lot are established:

| In counties subject to GMA planning | Base requirement | Near transit | Affordable option Sec. 3(2)(a) |
|---|------------------|--|--------------------------------|
| Cities between 25,000 and 75,000 pop Sec. 3(1)(a) | 2 units/lot | 4 units/lot within ¼ mile walk of major transit stop | 4 units/lot if 1 is affordable |

Map Legend Information

Blue parcels = “Potentially Affected” includes vacant properties not encumbered by critical areas, existing SFRs without additional units and no covenants.

Yellow parcels = “Potentially Not Affected” includes parcels below the minimum size for the bill, already exceed the unit counts, may have subdivision covenants/protections, condos, commercial/civic properties that would likely not become residential, encumbered by critical areas, etc.

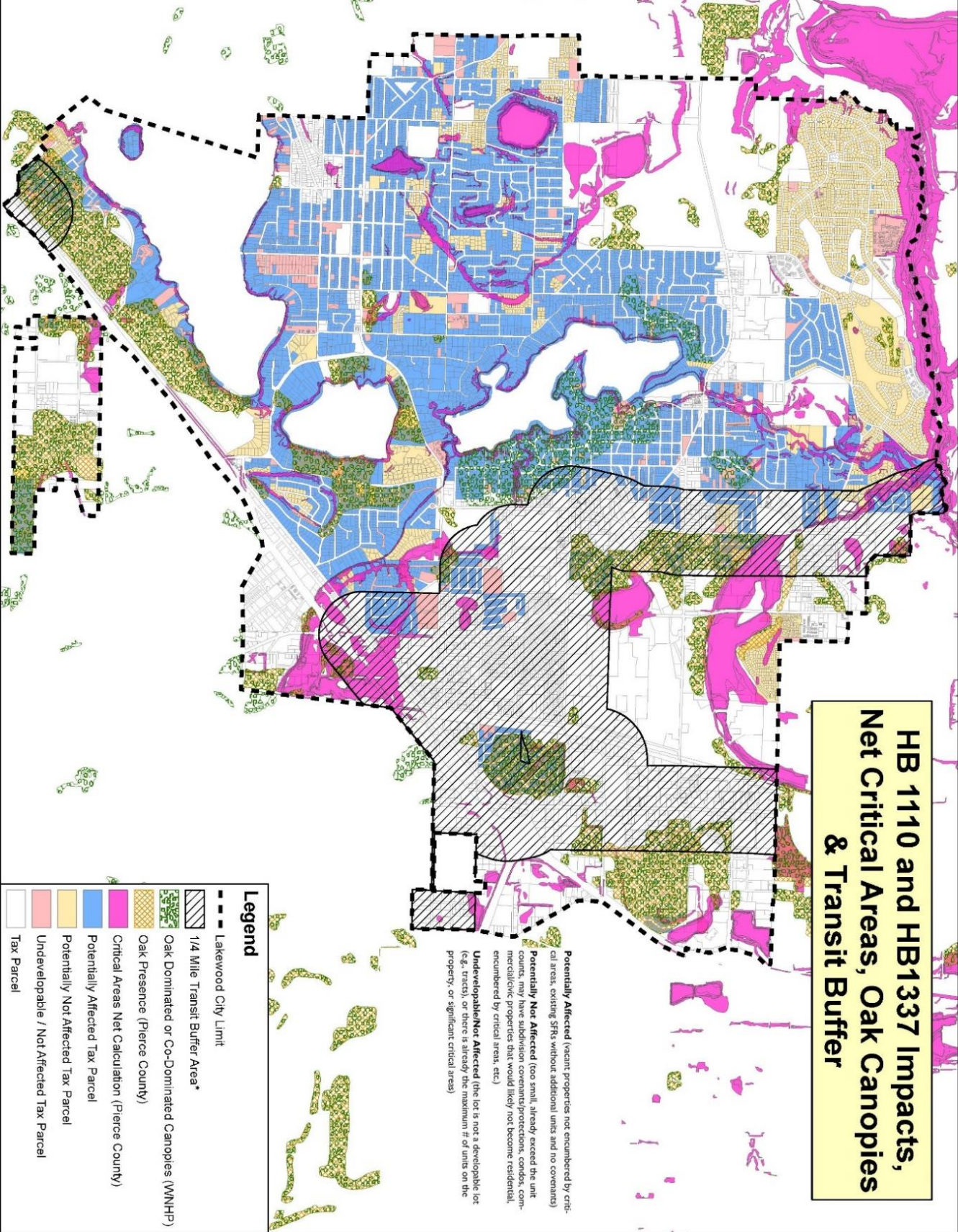
Light pink parcels = “Undevelopable/Not Affected” includes parcels not developable lot (e.g., tracts), or there is already the maximum # of units on the property, or significant critical areas.

“1/4 mile Transit Buffer Area” is where 4 units per lot must be allowed provided no other criteria (e.g., critical areas, inadequate infrastructure, etc.) exempt a parcel from HB 1110 requirements.

4 units per lot are also required outside of the ¼ mile transit buffer where at least one of them is built as an affordable unit.

Parcel-specific analysis will be required to verify the information on the map below.

HB 1110 and HB1337 Impacts, Net Critical Areas, Oak Canopies & Transit Buffer



Potentially Affected (vacant properties not encumbered by critical areas, existing SFRs without additional units and no covenants)

Potentially Not Affected (too small, already exceed the unit counts, may have subdivision covenants/protections, condos, commercial/office properties that would likely not become residential, encumbered by critical areas, etc.)

Undevelopable/Not Affected (the lot is not a developable lot (e.g., tracts), or there is already the maximum # of units on the property, or significant critical areas)

- Legend**
- Lakewood City Limit
 - ▨ 1/4 Mile Transit Buffer Area*
 - ▨ Oak Dominated or Co-Dominated Canopies (WNHP)
 - ▨ Oak Presence (Pierce County)
 - ▨ Critical Areas Net Calculation (Pierce County)
 - ▨ Potentially Affected Tax Parcel
 - ▨ Potentially Not Affected Tax Parcel
 - ▨ Undevelopable / Not Affected Tax Parcel
 - ▨ Tax Parcel

**ATTACHMENT A
Summary of E2SHB 1110 and EHB 1337**

HB 1110 (Increasing middle housing in areas traditionally dedicated to single-family detached housing) Summary

Lakewood is required to allow:

- (i) The development of at least two [2] units per lot on all lots zoned predominantly for residential use; and
- (ii) The development of at least four [4] units per lot on all lots zoned predominantly for residential use within one-quarter [1/4] mile walking distance of a “major transit stop”...

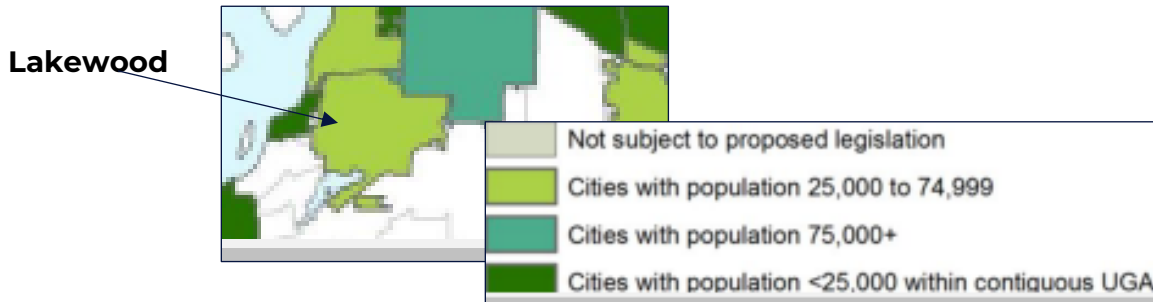
“Major transit stop” means:

- (a) A stop on a high capacity transportation system funded or expanded under the provisions of chapter 81.104 RCW;
- (b) Commuter rail stops;
- (c) Stops on rail or fixed guideway systems; or
- (d) Stops on bus rapid transit routes.”

Requires allowing “middle housing” (buildings that are compatible in scale, form, and character with single-family houses and contain two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing.)

Requires allowing 2-6 units per lot in most single-family zoning districts.

| In counties subject to GMA planning | Base requirement | Near transit | Affordable option Sec. 3(2)(a) |
|--|------------------|--|--------------------------------|
| Cities between 25,000 and 75,000 pop Sec. 3(1)(a) | 2 units/lot | 4 units/lot within ¼ mile walk of major transit stop | 4 units/lot if 1 is affordable |



HB 1110’s Alternative Density Requirement.

A city subject to the density requirements may choose to implement the density requirements for at least 75 percent (75%) of lots in the city that are primarily dedicated to single family detached housing units.

Unless identified as at higher risk of displacement, the 75% of lots allowing the minimum density requirements must include any areas:

- for which the exclusion would further racially disparate impacts or result in zoning with a discriminatory effect;
- within 0.5 miles walking distance of a major transit stop; or
- historically covered by a covenant or deed restriction excluding racial minorities from owning property or living in the area.

The 25% of lots for which the minimum density requirements are not authorized must include:

- any areas for which Commerce has certified an extension due to the risk of displacement or lack of infrastructure capacity;
- any lots designated with critical areas or their buffers; any portion of a city within a 1-mile radius of a commercial airport with at least 9 million annual enplanements that is exempt from the parking requirements; and
- any areas subject to sea level rise, increased flooding, susceptible to wildfires, or geological hazards over the next 100 years.

A city implementing the alternative density requirement may apply to Commerce for an **extension** from the implementation timelines for areas at **risk of displacement** as determined by the city's antidisplacement analysis.

- A city granted an extension must create a plan for implementing antidisplacement policies by their next comprehensive plan implementation progress report.
- Commerce may certify one further extension based on evidence of significant ongoing displacement risk in the impacted area.

A city implementing the alternative density requirements also may apply for an **extension** to specific areas where a city can demonstrate that water, sewer, stormwater, transportation infrastructure, or fire protection **services lack capacity to accommodate an increased density**.

- To qualify for an extension, the city must have included one or more improvements, as needed, within its capital facilities plan to adequately increase capacity or identified which special district is responsible for providing the necessary infrastructure. If an extension is requested due to lack of water supply from the city or the purveyors who serve water within the city, Commerce's evaluation must be based on the applicable water system plans in effect and approved by the Department of Health.
- Any granted extension remains in effect until the earliest of:
 - the infrastructure is improved to accommodate the capacity;
 - the city's deadline to complete its next periodic comprehensive plan update; or
 - the city's deadline to complete its five-year comprehensive plan implementation progress.

A city may reapply for an additional timeline extension with its next periodic comprehensive plan update (2034) or five-year comprehensive plan implementation progress report (2029.) The extension application must include a list of infrastructure improvements necessary to meet the required capacity. Commerce must provide the Legislature with a list of those projects identified in a city's capital facilities plan that were the basis for the extension. A city granted an extension for a specific area must allow development if the developer commits to providing the necessary water, sewer, or stormwater infrastructure.

EHB 1337 (Expanding housing options by easing barriers to the construction and use of accessory dwelling units) Summary

- Requires allowing 2 accessory dwelling units (ADUs) in all single-family zoning districts [Residential 1, 2, 3, and 4 zones in Lakewood], except:
 - o a city may adopt a prohibition on the construction of ADUs that are not connected to or served by public sewers; and
 - o a prohibition or restriction on the construction of ADUs in residential zones with a density of one dwelling unit per acre or less that are within areas designated as wetlands, fish and wildlife habitats, flood plains, or geologically hazardous areas; and
 - o A city may not authorize the construction of an ADU where development is restricted under other laws, rules, or ordinances as a result of physical proximity to on-site sewage system infrastructure, critical areas, or other unsuitable physical characteristics of a property.

- Cities and counties may apply certain regulations to ADUs, including:
 - o generally applicable development regulations;
 - o public health, safety, building code, and environmental permitting requirements that would be applicable to the principal unit, including regulations to protect ground and surface waters from on-site wastewater;
 - o a limit of two accessory dwelling units, in addition to the principal unit, on a residential lot of 2000 sq. ft. or less; and
 - o restrictions on the use of ADUs for short-term rentals.

The requirements of EHB 1337 do not apply to:

- lots designated with critical areas or their buffers; or
- to a watershed serving as a reservoir for potable water if that watershed is or was listed as impaired or threatened under the United States Clean Water Act.

By June 30, 2025, Lakewood must ensure local development regulations allow for the construction of accessory dwelling units (ADUs) within urban growth areas (UGAs) and comply with the following policies:

- not assessing impact fees on the construction of ADUs that are greater than 50% of the impact fees that would be imposed on the principal unit;
- not requiring the owner of a lot on which there is an ADU to reside in or occupy the ADU or another housing unit on the same lot;
- allowing at least two ADUs on all lots that allow for single-family homes within a UGA in the following configurations:

- one attached ADU and one detached ADU,
 - two attached ADUs, or
 - two detached ADUs;
- permitting ADUs in structures detached from the principal unit;
- allowing an ADU on any lot that meets the minimum lot size required for the principal unit;
- not establishing a maximum gross floor area requirement for ADUs that is less than 1,000 square feet;
- not establishing roof height limits on an ADU of less than 24 feet, unless the height limit on the principal unit is less than 24 feet;
- not imposing setback requirements, yard coverage limits, tree retention mandates, restrictions on entry door locations, aesthetic requirements, or requirements for design review for ADUs that are more restrictive than those for principal units;
- allowing detached ADUs to be sited at a lot line if the lot line abuts a public alley, unless the city or county routinely plows snow on the public alley;
- allowing ADUs to be converted from existing structures, including detached garages;
- not prohibiting the sale of a condominium unit independently of a principal unit solely on the grounds that the condominium unit was originally built as an ADU; and
- not requiring public street improvements as a condition of permitting ADUs.

In addition, a city or county may not:

- require off-street parking as a condition of permitting development of ADUs within 0.5 miles walking distance of a major transit stop;
- require more than one off-street parking space per unit as a condition of permitting development of ADUs on lots smaller than 6,000 sq. ft. before any zero lot line subdivisions or lot splits; and
- require more than two off-street parking spaces per unit as a condition of permitting development of ADUs on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits.

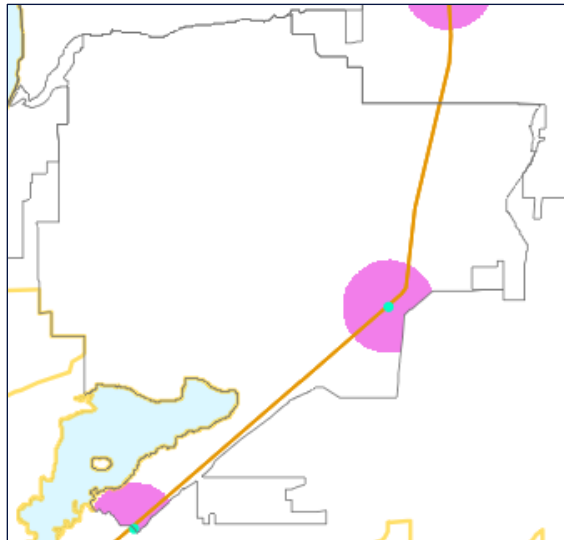
The provisions for off-street parking do not apply:

- if a local government submits to the Department of Commerce (Commerce) an empirical study prepared by a credentialed transportation or land use planning expert that clearly demonstrates, and Commerce finds and certifies, that the application of the established parking limitations for ADUs will be significantly less safe for vehicle drivers or passengers, pedestrians, or bicyclists than if the local government's parking requirements were applied to the same location for the same number of detached houses.

Commerce must develop guidance to assist cities and counties on items to include in the study.

PSRC Transit Buffer Map

In early 2023, PSRC developed its Transit Buffers web map (Lakewood excerpt shown below) as a tool to visualize transit stops and “station areas” for the four-county Central Puget Sound region as defined by Senate Bill 5466.



“Station areas” - per SB 5466 Section 5 (28), p.8 - are defined as:

- (a) “...all parcels that are:
 - (ii) Fully or partially within:
 - (A) ½ mile walking distance of a stop on a high capacity transportation system funded or expanded under chapter 81.104 RCW, a commuter rail stop, or a stop on rail or fixed guideway systems, including transit ways; and
 - (B) ¼ mile walking distance of a stop on a bus rapid transit route.

(b) For the purposes of this subsection, a “stop” includes any existing stop and any stop funded for development prior to the earlier of a city's deadline to complete its next periodic comprehensive plan update under RCW 36.70A.130(5) [2024 for Lakewood] or its deadline to complete its next implementation progress report as required by RCW 36.70A.130(9) [2029 for Lakewood].”

The PSRC Transit Buffers map visualizes:

- Major transit system routes and stops – existing stations as well as additional stations funded for development through 2050 – for Sound Transit light rail, Stride bus rapid transit, and commuter rail services; and fixed guideway transit systems including streetcar and trolleybus services
- Other (non-Sound Transit) bus rapid transit routes and stops – existing stops as well as routes anticipated to go into service by December 2030.

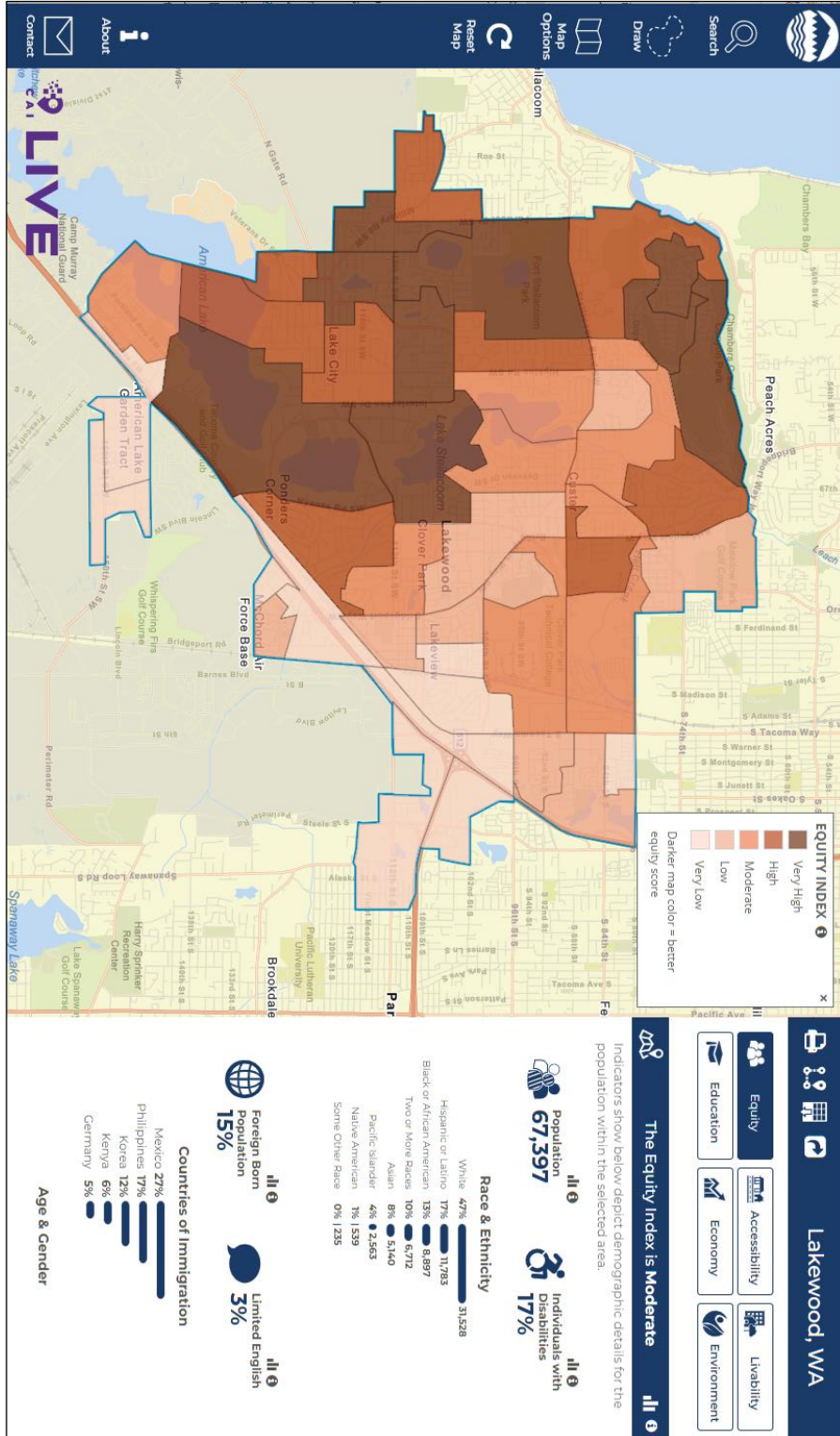
Note: Available data for future bus rapid transit routes includes all “possible” stop locations, only a subset of which will be selected for implementation when a planned route goes into service. Because of this the web map does not include future stop locations. Buffers in this map are based on a radial “crow flies” distance rather than a network-based walk distance.

ATTACHMENT B

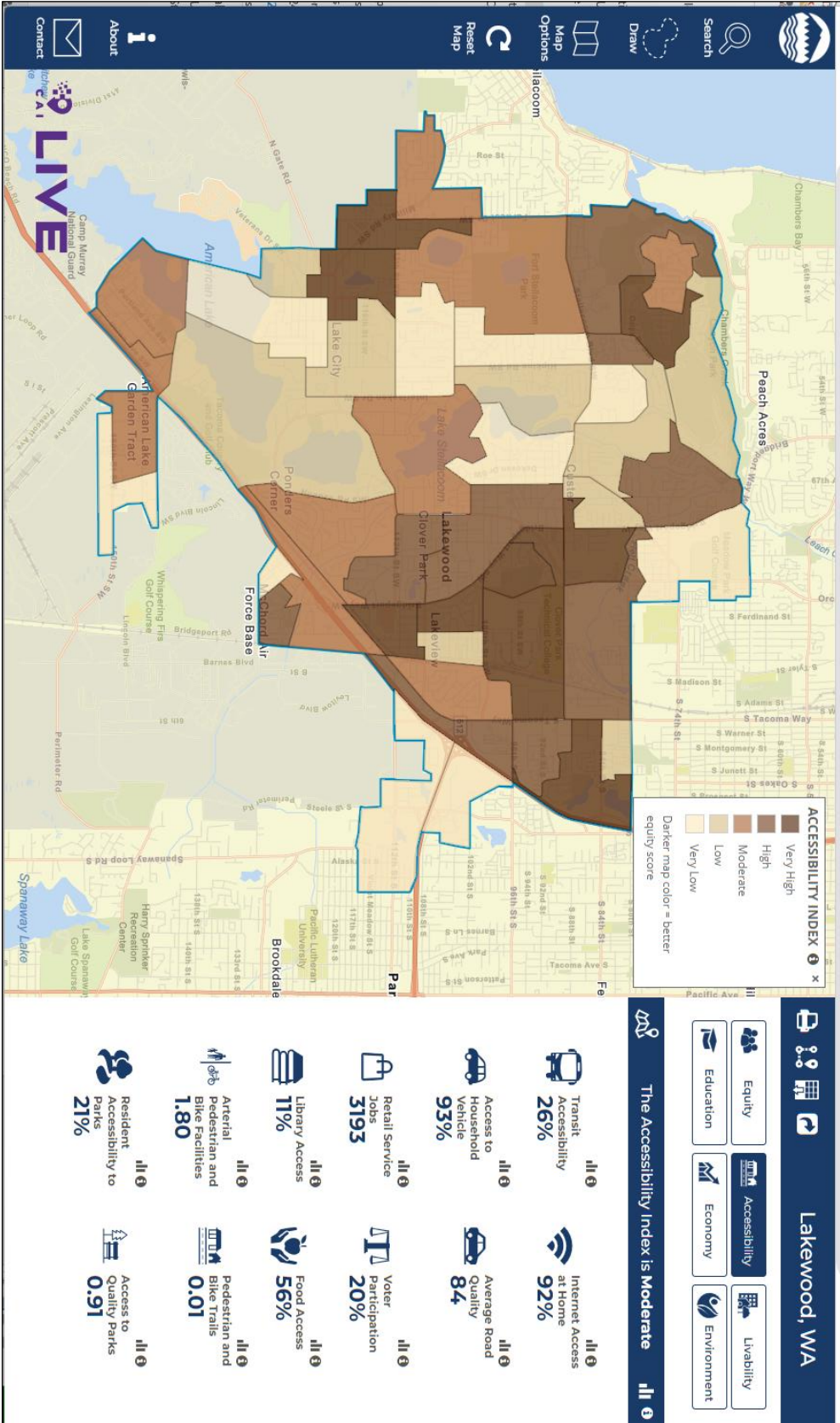
Map excerpts from Lakewood, WA Equity Index Map

<https://lakewood.caimaps.info/>

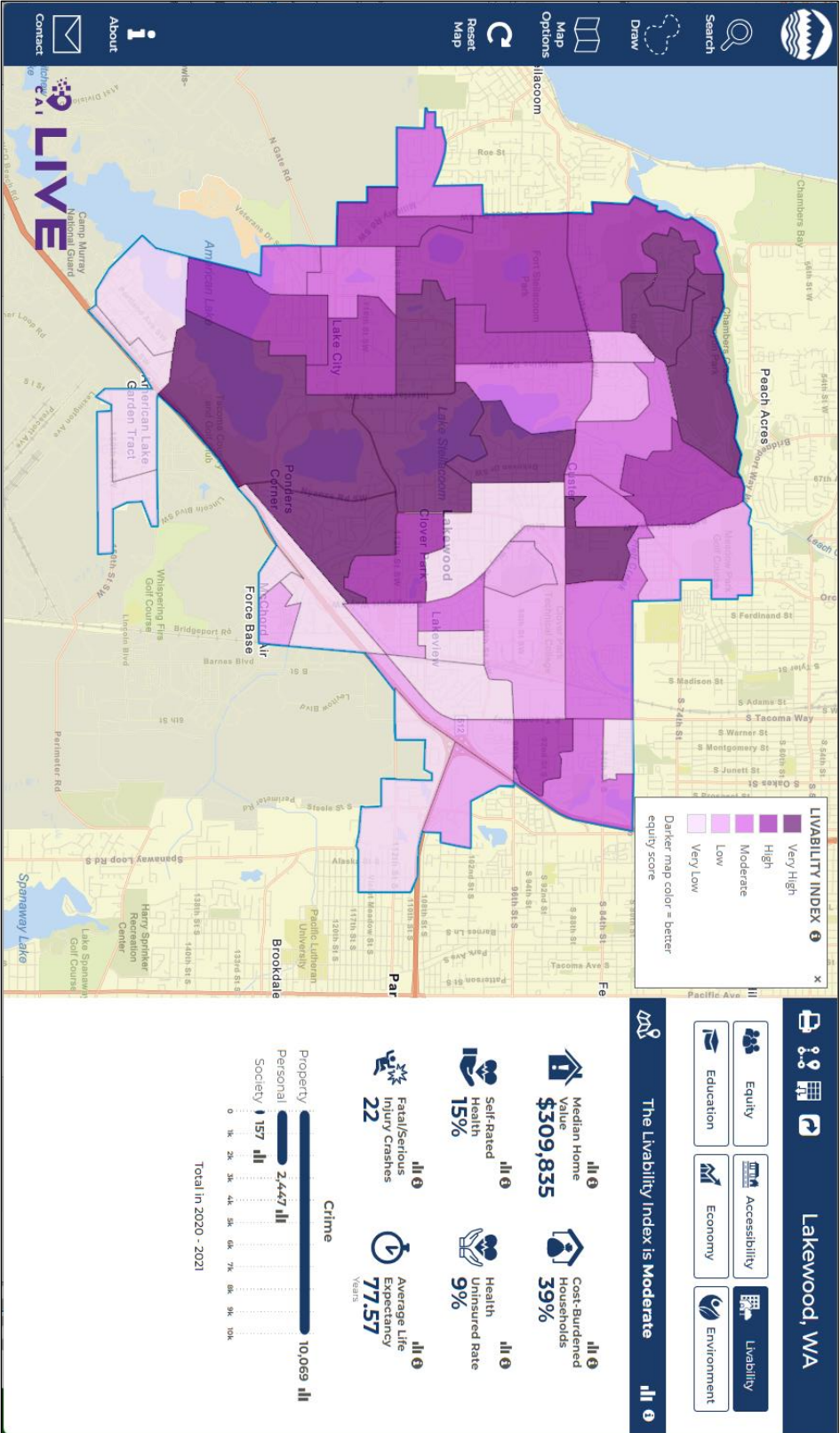
Equity Index (Composite of all other Indices)



Accessibility Index



Livability Index



Lakewood, WA

- Equity
- Education
- Accessibility
- Economy
- Environment
- Livability

The Livability Index is Moderate

Median Home Value: **\$309,835**

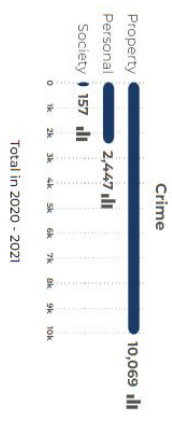
Cost-Burdened Households: **39%**

Self-Rated Health: **15%**

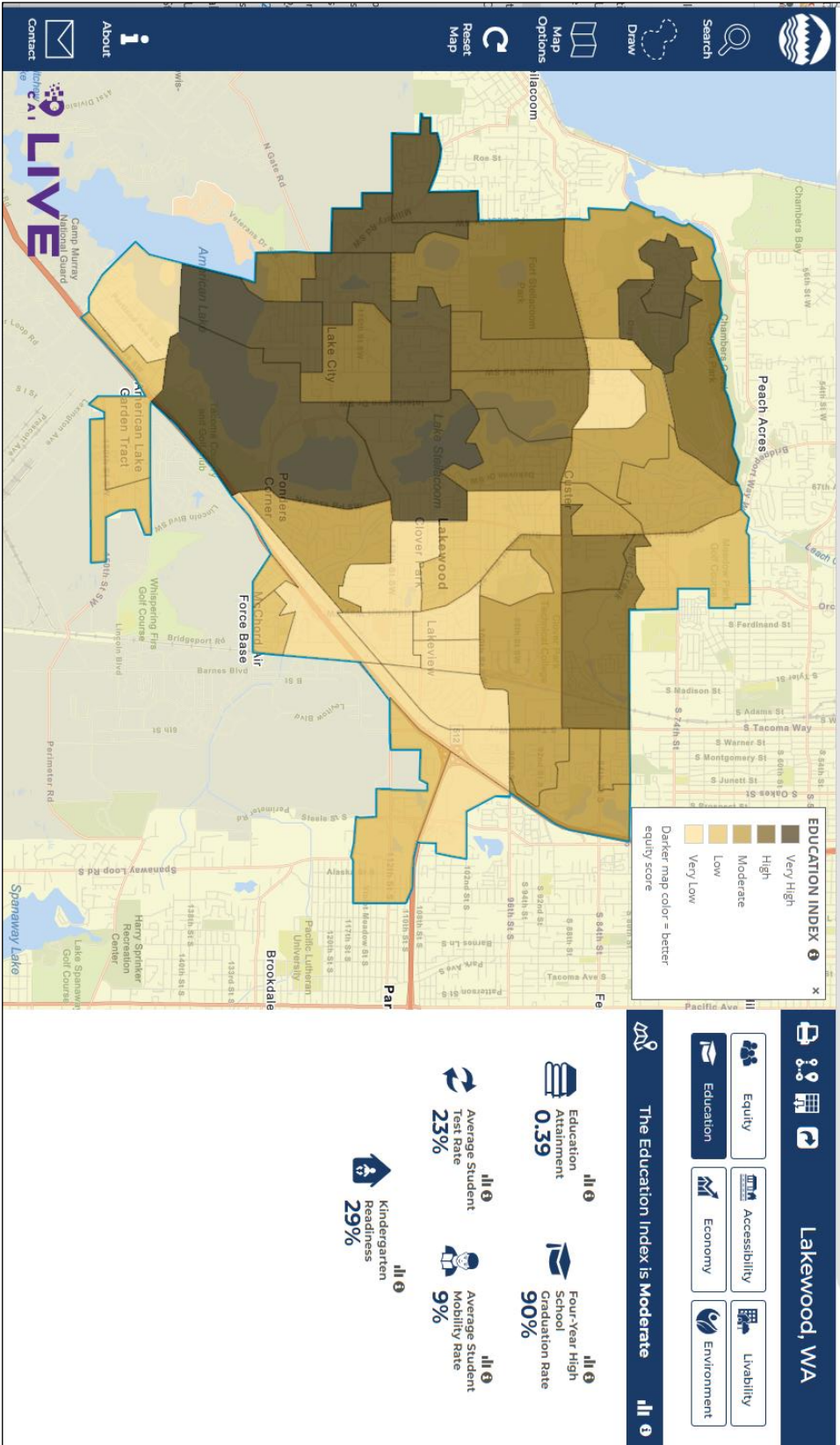
Health Uninsured Rate: **9%**

Fatal/Serious Injury Crashes: **22**

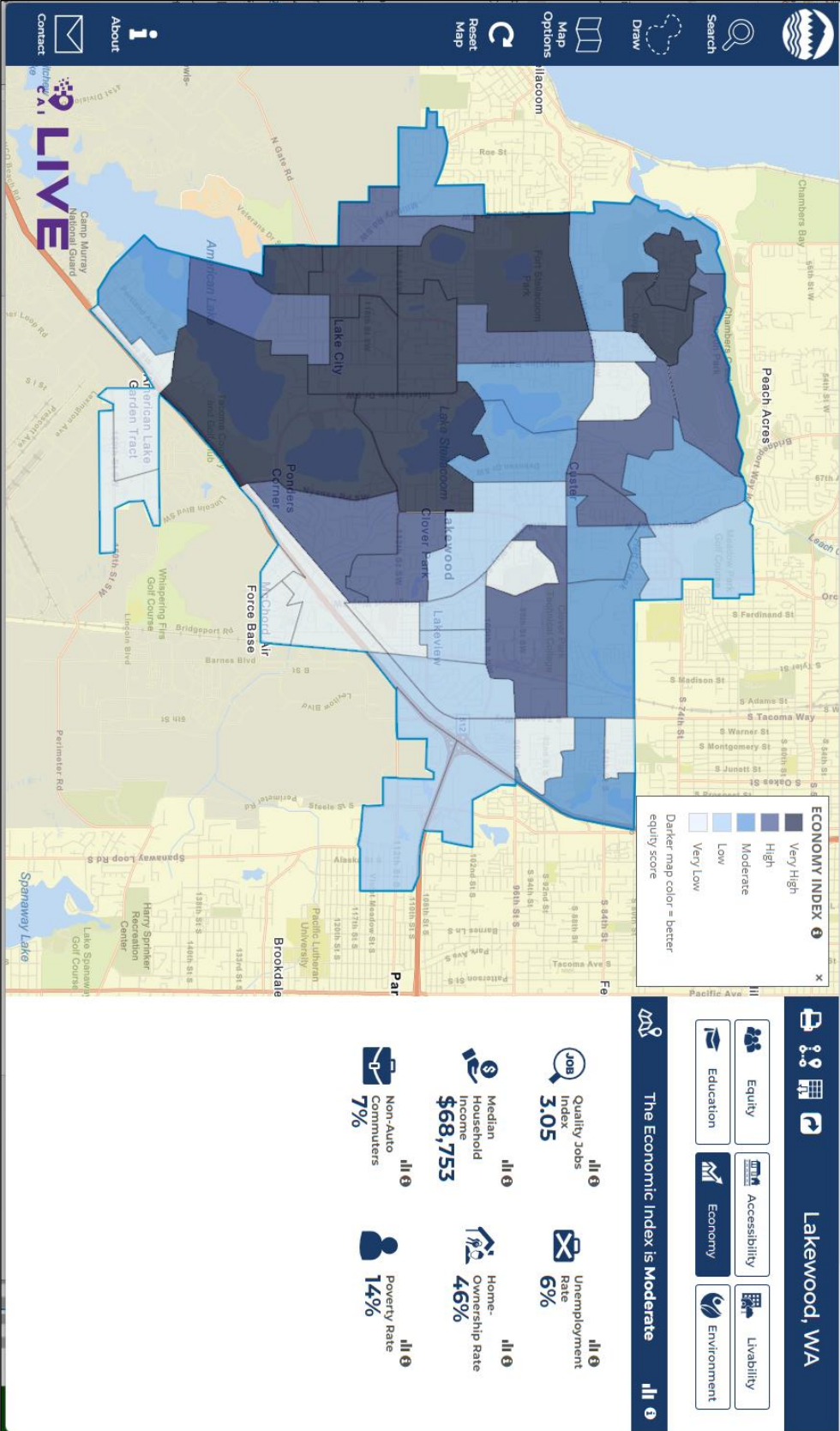
Average Life Expectancy: **77.57** Years



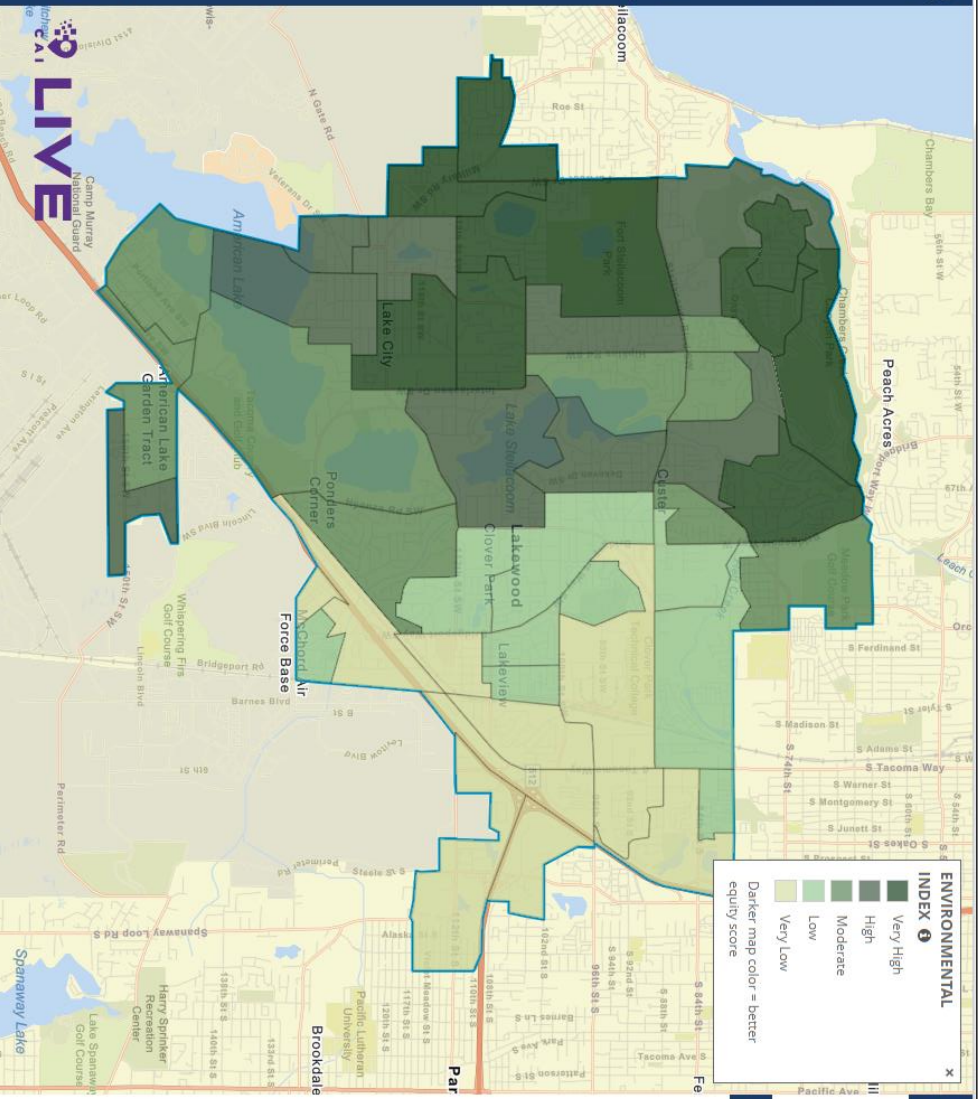
Education Index



Economy Index



Environmental Index



Lakewood, WA

The Environmental Index is Moderate **II 3**

| | | |
|-----------|---------------|-------------|
| Equity | Accessibility | Liability |
| Education | Economy | Environment |

- Heavy Traffic Roadways** **951.74** **II 3**
- Urban Heat Island** **1.39** **II 3**
- Urban Tree Canopy** **28%** **II 3**
- PM 2.5 Concentration** **7.82** **II 3**
- Diesel Emissions** **0.38** **II 3** (Tons/km²/year)
- Toxic Releases from Facilities** **132.00** **II 3**
- Ozone Concentration** **34.24** **II 3**

CAI Mapping Interface User Guide

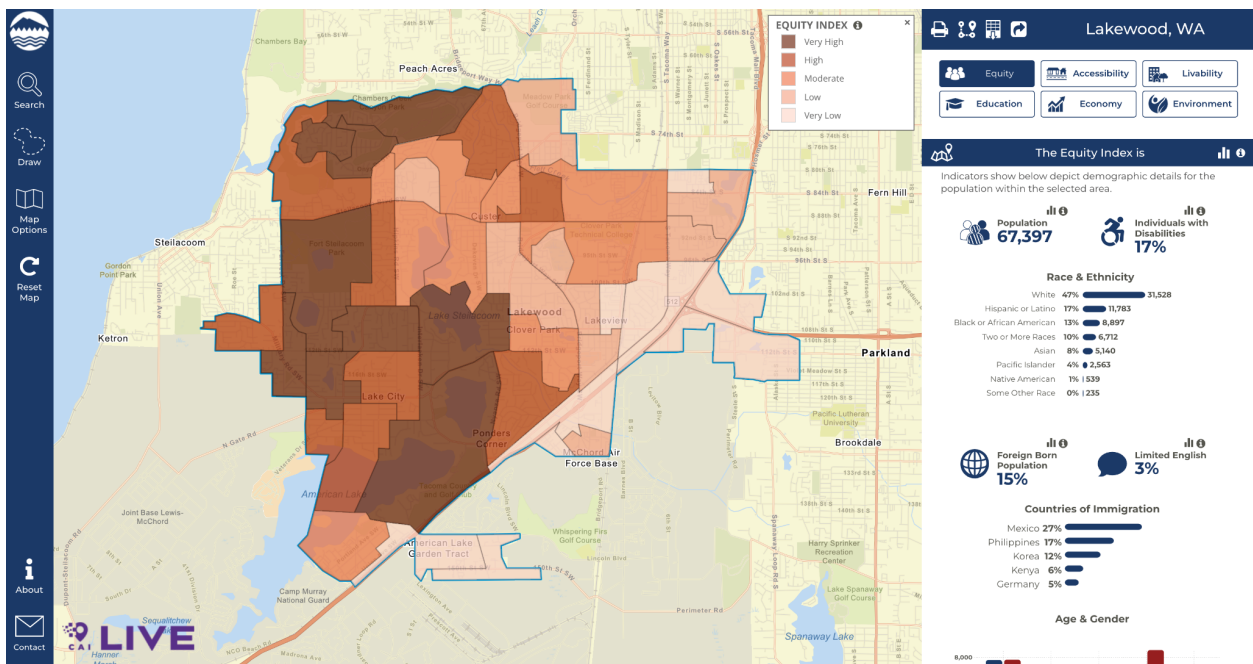
Overview

The CAI Mapping Interface, developed by Community Attributes Inc., is an interactive mapping platform that displays a set of community indicators within a particular geographic location. The selection of indicators may be sourced from the American Community Survey (ACS), publicly available city or state data, or proprietary tables. The information displayed in the map does not represent an exhaustive list of community characteristics. Instead, the map is designed as one tool of many that can be utilized to inform decision making, strategic intervention, calls to action, and stakeholder engagement.

The following walkthrough highlights the different aspects and functionality of the map. We hope you find the map to be a useful resource for you and your community.

Mapping Interface

The CAI Mapping Interface has three main components, the navigation panel, located on the left, the interactive map, at the center, and the data dashboard, located on the right.



The navigation panel can be used to configure what is displayed on the map, such as searching and selecting a geographic area or modifying the metric being visualized on the map. The data dashboard summarizes the community indicators based upon the geography that has been selected on the map.

The zoom feature, located in the upper left on the map, is to increase or decrease the field of view displayed on the map. To change the zoom, you can either click the + or – buttons in the top left corner of the map area, or use the scroll wheel on your mouse while the pointer is hovering over a map area.

To navigate within the map, click and hold the mouse button while you drag the underlying map to a new area.

At any time, you can reset the map view to the default by clicking the “Reset Map” button on the far-left hand side of the screen.

The navigation panel buttons on the left of the screen launch open sub-panels.. These sub-panels can be collapsed at any time by using your mouse to click on < in the upper right corner of the panel menu.

Search

Click on the Search icon on the left side of the map to open the Search Tools menu. You can select one of the defined location areas listed.

As you begin to type, the search bar will generate a list of locations that match your search criteria. Scroll through the options that appear until you find the geographic area that you want. Once you click on a location from the options presented, the map will zoom to that location, showing the overlapping census block group(s), and show community indicators for that area in the data dashboard on the right.

To change your selected location, re-click the Search icon and the search panel will reopen.

Drawing Selection Tools

The drawing tools an additional method for selecting an area on the map, which allows you to draw a shape around any area of the map and see the community indicators displayed for that selected area. You have three shape options to choose from: circle, rectangle, or freeform shape.

Once you have selected your desired shape, using your mouse, click and hold the mouse button while you draw the desired boundaries.

- For a circle, the first click will represent the center of the circular area you specify, with the diameter expanding or contracting as you move the mouse.
- For a rectangle, the first click will become one corner of the rectangular area you specify, with the shape of the rectangle expanding outward as you move the mouse.
- To draw a freeform area, you can move the mouse in any direction while you hold down the mouse button. It is simplest to draw a freeform shape (from start to finish) around your desired geographic area. It is possible to drag your mouse over a boundary you have already created. If this happens, the area that was “double selected” when the existing boundary was crossed will be removed from the display.

Once you have completed the shape selection, the map will zoom to that location, showing the overlapping census block group(s), and show community indicators for that area in the data dashboard on the right. If you select a geographic area that is smaller than a census block group, the map will redraw the boundaries of the area you selected within the nearest block group. Similarly, if you draw an area on the map that crosses census boundaries, the map will redraw your boundaries to the nearest block group boundaries.

Map Options

The Map Options icon opens the Map Options menu where you can change the base map views and select the base map layer, geography and indicator sets.

Map View

You can select the base map layer as a Street Map, a Satellite Map, or a Gray base map.

Area Selection

The geographical boundary of the map area can be modified by toggling the radio button associated with the desired geography area. Toggling an option will redraw the bounding box around the indicated geography area on the map.

Equity Index Layers

These layers are the visual display of the computed index values on the map. When a layer is toggled on, every census block group in the selected geography area is color-shaded in proportion to the scale of the index selected. The shading is determined by where a block group falls within a quintile range. A block group falling below the 20th percentile will be assigned a value and color shading associated with a very low designation, whereas a block group falling above the 80th percentile will be assigned a value and color shading associated with a very high designation. Only one layer may be applied at one time.

Dashboard Indicator Overlay Layers

You are able to visualize other non-index community indicators from the data dashboard on the map by using the dropdown menu. Selecting an indicator from the dropdown menu will color shade every census block group based upon where the block group falls within a quintile range of all the block group values for that indicator. Selecting an indicator overlay will toggle other layers off as only one overlay can be viewed at a time.

Demographic Overlay Layers

You are able to visualize other non-index community indicators from the data dashboard on the map by using the dropdown menu. Selecting an indicator from the dropdown menu will color shade every census block group based upon where the block group falls within a quintile range of all the block group values for that indicator. Selecting an indicator overlay will toggle other layers off as only one overlay can be viewed at a time.

Community Indicators Dashboard

The right side of the map displays a dashboard with a number of community indicators.

Within the dashboard, community indicators are organized by category: Equity Overview, Livability, Accessibility, Economy, Education and Environment.



Clicking on one of the buttons above will result in the associated community indicators for the selected category being displayed within the data dashboard. The values displayed for each community indicator are calculated based upon the selected geographic area on the map.

Dashboard indicators can be accompanied by the following icons.



These icons allow you to see additional context for the indicator. Clicking on the bar icon will show the distribution of the indicator values across the range of block groups from the selected geographies. Clicking on the info icon will display an explanation of the indicator including its data vintage, how current the underlying data is, and source.

The information and distribution panels can be hidden by clicking the x icon in the upper right.

Changes to the Equity Index layer on the map can be initiated from the database by clicking on this icon. This functions similar to toggling on an Equity Index layer from within the Map Option navigation panel.



Print, Export and Share

The icons above the data dashboard can be used to print (or save to a PDF), export data and share details of the map with others via a URL link.



Printing/ Viewing as PDF

Click the Printer Icon at the top of the Data Panel to format the map and data panel for printing and saving a scenario for use in reports or to compare selected areas.

If the map area does not print properly, click on the Print Setting button at the top of the window to optimize your printer settings.

To Print or Save as a PDF, click the Print Icon at the top of the screen and follow the instructions given by your browser.

Exporting Data

Data can be exported, via a data download, from the application in two ways, as an Excel file or a GeoJSON file.

To download as a GeoJSON file, click the map icon to the right of the printer icon.

To download data into an Excel file, click the download icon.

After the download is complete you should be able to utilize and share the underlying data outside of the map application.

Sharing Map

To obtain a link that can be shared with others, click the share icon. This will display a link and will provide the ability to copy that link which could then be used to share with a colleague or embed share on a website or social media site.