

ECONOMIC DEVELOPMENT COMMITTEE

AGENDA

July 8, 2021
4:00-4:50 p.m.

VIA ZOOM

NOTE: The City of Des Moines is currently operating under a Proclamation of Emergency issued on March 5, 2020 and Governor Inslee's Stay-at-Home order issued March 23, 2020 in response to the COVID-19 Pandemic. Accordingly, this meeting will be held virtually using Zoom.

The public is welcome to attend the Economic Development Committee meeting via Zoom. Please follow this link to get instructions on how to participate:
<https://www.desmoineswa.gov/FormCenter/City-Forms-3/Council-Meeting-Comments-49>.

Please note that Zoom attendees do not interact with one another; they join in listen-only mode.

1. Approval of May 27, 2021 minutes
2. State Legislation Update – Housing and Tax Increment Financing
Planning Department and Legislative Advocate Anthony Hemstad will provide an update
3. King County Countywide Planning Policies Update
Staff will provide an update

DRAFT MINUTES

**Economic Development Committee Meeting
Thursday May 27, 2021
4:00 p.m. – 4:50 p.m.
Via Zoom Meeting**

<u>Council Members</u>	<u>City Staff</u>
Chair Jeremy Nutting	Michael Matthias – City Manager (CM)
Co-Chair Traci Buxton	Dan Brewer – Chief Operating Officer (COO)
Mayor Matt Pina	Scott Wilkins - Harbormaster
	Katy Bevegni – Assistant Harbormaster
	Denise Lathrop – Planning & Development Svcs Manager
	Matt Hutchins – Assistant Attorney
	Ashley Young – Events and Facilities Manager
	Jeff Friend – Deputy Finance Director
	Eric Lane – Land Use Planner II
	Bonnie Wilkins – City Clerk
	Taria Keane – Deputy City Clerk
	Jodi Grager – Admin Asst II

Guests: Councilmembers Luisa Bangs, Matt Mahoney, and JC.Harris
Citizens Bill Linscott and Jayme Wagner

Meeting was called to order at 4:01 p.m.

1. Approval of the April 22, 2021 Minutes

Minutes approved as submitted.

2. Review Status of Marina Redevelopment

City Manager Michael Matthias provided a brief review of staff's work over the last month including working closely with the consultants to finalize an RFQ which will be going out soon. Once a developer is chosen, there will be additional work on the Marina steps and buildings north of the steps such as a hotel and other retail. He stated there is an astonishing amount of private interest thanks in part to the previous work and planning that has already occurred.

3. Waterfront Food Pod

CM Matthias introduced Ashley Young, Events and Facilities Manager to present information about the Waterfront Food Pod Program. Manager Young shared a PowerPoint (see agenda packet) that outlined the history of the use of food trucks at the Marina, the details of this current program, the benefits and challenges, and directions on how vendors can participate. She explained that the program will focus on the Marina area, and could possibly expand to the Beach Park and other City properties such as Redondo or the Senior Activity Center. The Committee had an opportunity for questions and discussions including:

- Existing maps label six appropriate locations at the Marina
- City of Des Moines Business License and Des Moines Municipal Code details

- Marketing ideas

The Committee extended their support and appreciation of this effort.

Adjourned at 4:37 p.m.

Respectfully submitted by,

Jodi Grager, Public Works Administrative Assistant

Memo

Date: July 8, 2021

To: Council Economic Development Committee

From: Eric Lane – Planner II
Denise Lathrop, AICP – Community Development Manager
Susan Cezar, LEG – Chief Strategic Officer

RE: Legislative Update Re: HB 1220

Purpose

The purpose of this memorandum is to provide the Council Economic Development Committee with an overview of House Bill 1220; an act relating to supporting emergency shelters and housing through local planning and development regulations, which will be effective July 25, 2021. There are impacts to our local zoning code and long-term planning policies that will need to be addressed, with some deadlines as soon as September 30, 2021.

Background

The passing of HB 1220 resulted in a number of changes to how cities implement some of their local housing policies and development regulations. Starting July 25th, “a city shall not prohibit transitional housing or permanent supportive housing in any zones in which residential dwelling units or hotels are allowed.”

Additionally, by September 30, 2021 cities must allow indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed. An exception is provided for cities that have adopted an ordinance authorizing indoor emergency shelters and housing in most zones within one mile of transit. There is also language that allows reasonable occupancy, spacing, and intensity of use requirements for these sites.

There are a number of changes to definitions and additional terms to add to our housing policies:

- “Plan for and accommodate” is a new phrase that has replaced “encourage” concerning the affordable housing supply in our community. Indicating a requirement to be more targeted and direct with our affordable housing policies.
- Long term planning changes include:
 - Addressing a broader range of incomes, specifically moderate, low, very low, and extremely low-income households;
 - Defining emergency and permanent supportive housing;
 - Detailing our documented programs addressing housing; and
 - Detailing our anti-displacement efforts.

The section related to accessory dwelling units was vetoed, but for a technicality that was not caught during the progression of the bill approval. It is likely that section this will be reintroduced in future legislation and would have impacts to our current code. A few of those changes include:

- Removing owner occupancy restrictions related to accessory dwelling units;
- Reducing our minimum gross floor area requirements to match the state building code;
- Increasing our maximum gross floor area to 1000 square feet or 60 percent of the principal unit, whichever is greater, or that exceeds 1,200 square feet; and,
- Allowing existing structures to be converted to accessory dwelling units, even if they violate current code requirements for setbacks and lot coverage.

Staff intends to bring forward a draft ordinance for a public hearing and Council consideration prior to the September 30, 2021 deadline.

Direction

Staff requests the Committee's input and direction related to the proposed amendments prior to presentation to the full Council.



Des Moines *WA*
The Waterland City

House Bill 1220

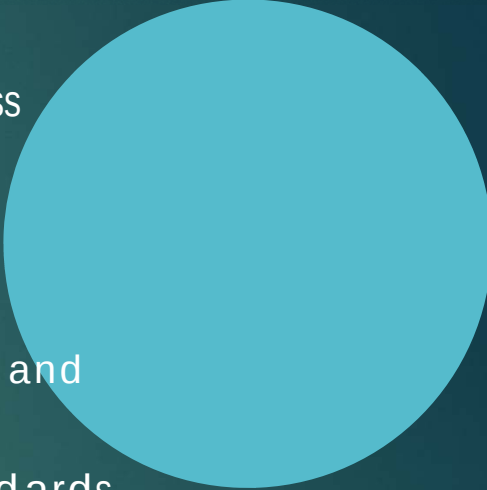
PRESENTATION TO THE COUNCIL ECONOMIC DEVELOPMENT COMMITTEE

CITY OF DES MOINES

JULY 8TH, 2021



Background



- ▶ House Bill 1220 was passed into law in May 2021 to address emergency shelters and housing.
- ▶ Changes that the City must consider are:
 - ▶ Comprehensive Plan - Housing Element Updates; and
 - ▶ Zoning and development regulations regarding emergency and permanent supportive housing.
- ▶ Proposed changes to Accessory Dwelling Unit (ADU) standards, were vetoed by the Governor but are expected to be reintroduced in future legislation.

Transitional Housing

A project that provides housing and supportive services to homeless persons or families for up to two years and that has as its purpose facilitating the movement of homeless persons and families into independent living.

Emergency Housing

- ▶ Temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families.



Emergency Shelter

- ▶ A facility that provides a temporary shelter for individuals or families who are currently homeless. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.



Permanent Supportive Housing

- ▶ Subsidized, leased housing;
- ▶ No limit on length of stay;
- ▶ Prioritizes people who need comprehensive support services to retain tenancy; and
- ▶ Utilizes admissions practices designed to lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors.



Significant Provision #1

- ▶ Cities are required to allow transitional housing and permanent supportive housing in all zones where hotels or residential dwelling units are allowed
- ▶ Local zoning authority is pre-empted by state law

Significant Provision #2

Indoor emergency shelters and indoor emergency housing:

- ▶ Effective September 30, 2021, a city can not prohibit in any zones in which hotels are allowed, except when permitted in a majority of zones within a one-mile proximity to transit.
- ▶ Reasonable occupancy, spacing, and intensity of use requirements may be imposed by ordinance to protect public health and safety.
 - ▶ However, such ordinances cannot prevent the siting of a sufficient number of these housing and shelter types necessary to accommodate each city's projected need under RCW 36.70A.070(2)(a)(ii).

City's Two Options

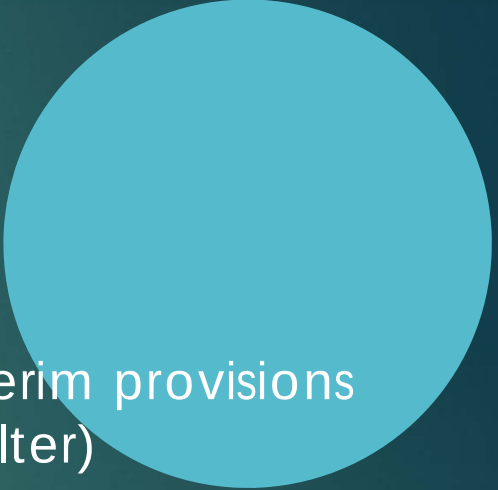
All Zones Where Hotels are Allowed

- ▶ Straightforward approach
- ▶ Zones currently where hotels are allowed are primarily commercial (I-C, C-C, H-C, PR-C, T-C, W-C) plus RM-900

Majority of Zones Within One-Mile of Transit

- ▶ Requires the following steps:
 - ▶ Mapping the transit stops/routes
 - ▶ Applying a one-mile radius to the mapped areas;
 - ▶ Identifying all of the zones that fall with the mapped radii (majority of the City and zones);
 - ▶ Selecting the majority of zoning categories for which indoor emergency shelters and indoor emergency housing would be allowed.
 - ▶ City has 20 zones, most or likely all zones would be within one mile of transit
 - ▶ Estimate this methodology would result in a broader geographic area and more allowed zones

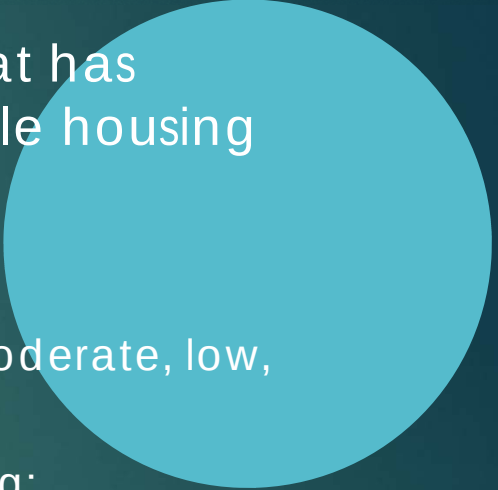
Occupancy, spacing, and intensity of use



- ▶ Spacing requirements from each other
- ▶ Proximity to transit
- ▶ Density – Example: same as other housing
- ▶ Number allowed (Example: Maple Valley interim provisions
- one continuously operating emergency shelter)

Approval process

Comprehensive Plan Update



- ▶ Plan for and accommodate” is a new phrase that has replaced “encourage” concerning the affordable housing supply in our community.
- ▶ Long term planning changes include:
 - ▶ Addressing a broader range of incomes, specifically moderate, low, very low, and extremely low-income households;
 - ▶ Defining emergency and permanent supportive housing;
 - ▶ Detailing our documented programs addressing housing; and
 - ▶ Detailing our anti-displacement efforts.

Accessory Dwelling Unit (ADU)& Accessory Living Quarters (ALQ)

- ▶ “Accessory dwelling unit (ADU)” means a detached structure or an attached part of a structure that is subordinate and incidental to the main or primary dwelling unit. ADUs provide complete independent living facilities exclusive for one single housekeeping unit, including provisions for living, sleeping, cooking, and sanitation. References to “accessory living quarters” or “ALQs” throughout the DMMC shall mean “accessory dwelling units” or “ADUs” and may be used interchangeably.



Over the Garage



Garage Conversion



Stand-Alone Unit



Basement or Attic Conversion

Timeline for Next Steps

- ▶ Presentation of HB1220 and input from EDC - **TODAY**
- ▶ Staff prepares draft code changes
- ▶ Public hearing and Council consideration
- ▶ Adoption

Potential ADU Changes

- ▶ Removing owner occupancy restrictions related to ADUs;
- ▶ Reducing our minimum gross floor area requirements to match the state building code;
- ▶ Increasing our maximum gross floor area to 1000 square feet or 60 percent of the principal unit, whichever is greater, or that exceeds 1,200 square feet; and,
- ▶ Allowing existing structures to be converted to accessory dwelling units, even if they violate current code requirements for setbacks and lot coverage.
- ▶ These revisions would be by separate ordinance once State law is revised