

1 City of Lake Forest Park - Planning Commission
2 Regular Meeting Minutes: September 8, 2020
3 Virtual/Zoom Meeting
4

5 **Planning Commissioners present:** Chair Maddy Larson, Vice Chair Rachael Katz, Steve Morris,
6 Ira Gross, Jon Lebo, Joel Paisner, T.J. Fudge
7

8 **Staff and others present:** Steve Bennett, Planning Director; Nick Holland, Senior Planner, Cristina
9 Haworth, Otak, Tom French, Councilmember (Commission Liaison), Lori Bodi, Councilmember
10

11 **Members of the Public:** Don Fiene
12

13 **Planning Commissioners absent:** Richard Saunders
14

15 **Call to order:** Chair Larson called the meeting to order at 7:00PM
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17 **Approval of Agenda:**

18 Cmr. Paisner made a motion to accept the agenda, Cmr. Katz seconded the motion. Chair Larson
19 asked for any discussion. There was no discussion and the motion carried unanimously.
20

21 **Approval of Meeting Minutes from August 11, 2020**
22

23 Cmr. Paisner made a motion to approve the draft minutes from August 11, 2020 and Cmr. Lebo
24 seconded the motion. Cmr. Katz pointed out an incorrect spelling of her first name on the first
25 page. Chair Larson suggested that page 2, line 26 should include the word “eliminating,” and a
26 spelling correction on page 5 line 18 of Councilmember’s Bodi be corrected as well as the spelling of
27 the name on page 1 line 9. Cmr. Paisner agreed to those friendly amendments to his motion to
28 approve the minutes and the minutes were approved as amended.
29

30 **Meeting Dates:**

31 It was noted that the next regular meeting is scheduled for October 13, 2020.
32

33 **Citizen Comments:**

34 Nathan Brown said he is new to LFP, and learned about the Commission’s work on the Town
35 Center code from Next Door, and that he said wanted to get up to speed. He talked about the
36 residential unit count and said that 1200 units would be too many for the town center.
37

38 Don Fiene said that over the weekend he had finished work on a program for accessory dwelling
39 units and the program can be done locally. He hopes that the program can be presented to the
40 Commission. He said that Windermere has a handle on market conditions and a finance expert
41 contributed to the study.
42

43 **Report from City Council Liaison**

44 Councilmember French said that, on Thursday (September 10th), a public hearing would be
45 conducted to extend the moratorium on development in Town Center. He said that the hearing was
46 advertised inaccurately. The Council would discuss the Commission’s work on the town center. He
47 said the discussion will continue in the Council Committee of the Whole meeting later in the month.
48 He said that the City is dealing with a challenging budget season. He said he wants to give the

1 public a chance to contribute to the effort on town center regulations and that he hopes that in
2 person meetings can start occurring soon.

3
4 Chair Larson asked when the Commission should make decisions and recommendations to the
5 Council on the work for town center. Councilmember French responded that the timeframe for
6 this work hasn't been discussed. He said he will be attending a conference where other small cities
7 will be discussing how they are doing business. He added that moving on with business virtually
8 should be something that the Commission can be comfortable doing. Director Bennett agreed with
9 Councilmember French.

10
11 **Old Business**

- 12 • Implementation of Town Center Vision
13 Mechanisms for encouraging housing affordability- Jae Hill, Housing Specialist

14
15 Chair Larson said that affordable housing and how to achieve it has been brought up during the last
16 few meetings and that tonight's discussion is in response to that.

17
18 Director Bennett introduced Jae Hill, an affordable housing consultant, formerly the Long Range
19 Planning Director at Redmond where he implemented a multifamily tax exemption program.

20
21 Jae Hill said that his presentation was intended to be informational and that questions can be
22 entertained at any time. He shared a power point presentation and said that he would talk about
23 ways to get to affordable housing, regulatory tools, and market trends. He presented an aerial photo
24 of Issaquah which showed various densities of housing adjacent to one another. He used this photo
25 to define typical terminology that is used in affordable housing. He clarified that density is defined
26 as units per acre. He explained the difference between median and average income and how it is
27 used to measure housing affordability. He said that HUD has the median income for the Seattle
28 area as \$113K per family. He defined Accessory Dwelling Units (ADU) and explained how
29 individuals use that type of housing. He talked about some of the regulatory measures that have
30 worked well and cited examples of Renton and San Diego County as examples. He talked about the
31 reasons why more ADUs are not seen or built in the region and that the financing is the biggest
32 reason. He mentioned an ADU basic design program that has been adopted by some jurisdictions
33 which can lower the design costs for ADU projects. He also talked about cities connecting people
34 with financing which can expedite the approval of an application for an ADU loan.

35
36 Cmr. Morris asked about the number of units in South King County and asked how many
37 unpermitted ADUs exist. Mr. Hill said that he is not aware of many documented cases of
38 unpermitted ADUs, but checking classified ads is a strategy to find them.

39
40 Mr. Hill spoke about cottage housing and the characteristics of those types of units. He talked
41 about the types of ownership types, regulations for cottage housing, and where to find examples. He
42 presented some characteristics of micro-housing where a lot of the amenities are shared between
43 owners and privacy is only provided in one room. He talked about tiny homes, which are dwellings
44 of less than 400 square feet, portable or fixed, not typically used in urban areas.

45
46 Mr. Hill said that some income groups can qualify for financial assistance. He added that apartments
47 larger than 800 square feet but less than 2000 square feet are not common in the region. He went

1 on to talk about development trends and that townhomes and condos are the most prevalent
2 development trend. He talked about indemnity laws that put liability on developers and that condo
3 conversions may become a future development trends. He talked about the financial end and how it
4 relates to the development trends in the region. Cmr. Katz asked what the current rental pro forma
5 is and why rents are needing to be higher. Mr. Hill said that a higher rent gets a better quality tenant.
6 He said that eviction has become common at this point. He said that retail and office space is
7 disappearing and the cost of commercial space is higher than the profit a developer will receive. He
8 talked about how the Washington State Building Council is allowing cross laminated timber as a
9 building material and how it may affect the market.

10
11 Mr. Hill presented said that certainty and predictability is the most important to developers. He said
12 that developers are looking for a return on investment. He said the City should consider the costs
13 of the amenities they ask for in a development code. He said municipal fees are relatively small part
14 of a development's overall cost. He talked about "five over two" development which is two stories
15 of concrete construction below five of timber and that it is the best way to make a return on an
16 investment. He said that proximity to transit is a key factor in a developer's plans.

17
18 Mr. Hill then talked about the difference between bonus and mandatory requirements and about
19 bonus provisions where a portion of a project is required to be built to house a certain income
20 bracket. He said that a city can have bonus provisions which include affordable housing or make
21 the affordable component mandatory and codify it in the regulations. He said that a housing
22 collation typically handles the applications for the housing project and ensures that the standards are
23 being adhered to.

24
25 Mr. Hill talked about the State's affordable housing laws and how the multi-family tax exemption
26 works at the State level. He said that the City has to designate a target area where the exemption is
27 going to be used. He also talked about in-lieu fee programs where fees are set aside for developing
28 affordable housing. He talked about how cities can be directly involved in affordable housing and
29 how they can participate. He indicated methods such as master leases, surplus land, development
30 agreements and fee waivers are some of the ways that cities can become directly involved in creating
31 affordable housing. He also talked about indirect participation to facilitate affordable housing such
32 as working with housing authority and related organizations. He provided some other resources on
33 the subject and gave some website addresses for reference.

34
35 Commissioners thanked Mr. Hill for the information and presentation. Cmr. Paisner asked what
36 makes sense for LFP to start with. Mr. Hill responded by talking about some of the methods that
37 could work for LFP including the tax exemption program, which is powerful, but underused. Chair
38 Larson asked how long these projects can sustain affordability. Mr. Hill responded that the
39 affordability component, in the form of a covenant on the property, is for the life of the project, but
40 the tax exemption is for a set amount of time. Cmr. Fudge asked about how the tax exemption is
41 applied and Mr. Hill explained that the entire project receives an exemption. Chair Larson asked
42 how many affordable housing units are in LFP. Mr. Hill said that he didn't know. Director Bennett
43 said that a count was done during the last comprehensive plan update. Director Bennett added that
44 the challenge is finding out what the demand for affordable housing in LFP is and that a housing
45 study would need to be done to get that type of data. Chair Larson said that the regional affordable
46 housing taskforce may have some of those answers. Cmr. Katz emphasized how smaller
47 developments have trade-offs in housing and height/massing/unit count and asked if affordable
48 units have to be contained in a five over two building. Mr. Hill responded that it is typical for the

1 developer to propose that type of construction. He said that the city government has a lot of control
2 over how affordable housing is created.

3
4 Review of Commission’s Recommended changes to Ch. 18.42.040- Limitations on use

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6 Chair Larson led a discussion on the Commission’s recommendations to Council and said that what
7 was recommended wasn’t necessarily what the Commission wanted to convey. She drew attention
8 to the town center code track-changes document. Director Bennett highlighted the issue how the
9 section limits residential density to seven units per acre. Cmr. Morris asked if the Commission is
10 concerned about this issue and said it isn’t an issue for him. Cmr. Fudge said that the odds of this
11 section being overlooked during the Council garage discussion sessions is high and that the
12 Commission should amend their recommendation. Cmr. Gross agreed with Cmr. Morris. Chair
13 Larson said that she is concerned that the current recommendations have removed the density
14 limitations, conditions for mixed use developments, and the ground floor provisions and would like
15 to recommend to Council to restore those provision. She asked how many Commissioners are
16 interested in making such a recommendation to Council. Cmr. Katz said that the parking garage as
17 an allowed use had to be recommended. Councilmember French said that the recommendations the
18 Commission sent are taken in the big picture and that the Council is aware that the parking garage
19 code would be a separate ordinance. He said that the circumstances of 2020 have made it necessary
20 to separate out the garage legislation and the overall town center legislation. Chair Larson said that
21 she recommends that a memo to Council be sent detailing the separation of garage legislation and
22 overall town center regulations. Cmr. Lebo asked if the intent is to ask the Council not to eliminate
23 the density requirement. He said that he’d like to review what the code language is before
24 recommending it. Cmr. Paisner said that he would rather just emphasize to the Council not to
25 eliminate the density requirement and not amend the code language. Cmr. Lebo recommended to
26 communicate to Council that the Commission did not mean to eliminate the density limitations in
27 the town center code. Cmr. Katz asked if the Council received a redlined version of the code, and
28 Director Bennett responded that the City Attorney created a redlined version for the Council.
29 Councilmember French said that the City Attorney indicated that additional language would need to
30 be added to make the language legally binding. Chair Larson said that she thinks it is important to
31 emphasize to the Council that the content of this change. Cmr. Paisner asked if someone should
32 make a motion. Chair Larson made a motion for the Commission send a brief memo to the City
33 Council clarifying that three key items have been omitted from the current Commission
34 recommendations with regard to limitations of use and she wanted to remind the Council that if the
35 current recommended codes are adopted before the future Commission recommendations, those
36 leverage points in the current code will be left out. Cmr. Gross seconded the motion. Cmr. Fudge
37 said that this is an important issue for the public to be educated on. Cmr. Lebo asked if the subject
38 of the motion and the memo would be brought to the Commission to review, Chair Larson said she
39 would bring it back to the Commission. A vote was taken on the motion The motion passed 4-1
40 with Cmr. Morris opposed and Cmr. Paisner abstaining. Chair Larson reiterated that she would
41 bring the memorandum to the Commission at the next meeting for review.

42
43 Reports and Announcements

44 None from staff.

45
46 Agenda for Next Meeting: Chair Larson asked to add a Native Land Acknowledgment to the
47 agenda. Cmr. Katz said that a discussion on the letter presented to the Commission could occur and
48 that the Commission may want to discuss the binder of information presented to them by citizens

1 on accessory dwelling units. She also said that the citizen group wanted to present information to
2 the Commission. Cmr. Paisner said he would like to talk about tonight's presentation at the next
3 meeting. Chair Larson said that virtual business should be a topic of discussion.

4
5 Chair Larson said that she would like ask the other Commissioners if the current code is sound and
6 talk about how much longer the Commission want to spend on town center. Cmr. Katz agreed that
7 the topic should be added to the next agenda as a future scoping discussion.

8
9 Cmr. Lebo moved to adjourn the meeting, Cmr. Katz seconded. All agreed and the meeting was
10 adjourned.

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13 **Adjournment:** 9:01pm

14 APPROVED:

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Maddy Larson, Chair