



MONROE PLANNING COMMISSION

Regular Meeting
Monday, April 12, 2021, 7:00 PM
Zoom Online Meeting Platform

Chair
Jay Bull

Commissioners
Bridgette Tuttle, Vice Chair;
Kyle Fisher; Elly Britt;
Dionne Miller, Liz Nugent, & Mike
Stanger

Page

1. CALL TO ORDER

Virtual Participation Information The Planning Commission meeting will be held virtually via Zoom Meeting. Due to the COVID-19 crisis, and OPMA guidance issued by Governor Jay Inslee, in-person attendance is not permitted at this time.

Join Zoom Meeting:

- [Click here to join Zoom Meeting](#); or
- Dial in: (253) 215-8782
- Meeting ID: 841 8070 7197

2. ROLL CALL

3. PUBLIC COMMENTS

Members of the audience may comment on any city matter that is not listed on the agenda. Comments by individuals are limited to three (3) minutes. The Commission usually does not respond to matters brought up during audience participation and may, if appropriate, address the matter at a subsequent meeting.

Virtual Participation Information

If you are attending the meeting virtually (using the link or number provided above) please indicate that you would like to speak by clicking “raise hand” and the Chair will call on attendees to speak at the appropriate time. If you are joining by phone, dial *9 to “raise hand.”

Attendees can alternatively submit written comments to be read into the record at the time of the meeting. All written comments must be received prior to 5:00 p.m. on the day of the meeting and must be 350 words or less. Submit to labarr@monroewa.gov.

4. APPROVAL OF MINUTES

4.1. March 22, 2021

3 - 6

5. PUBLIC HEARING

6. OLD BUSINESS

- 6.1. Housing Action Plan (HAP) Draft Review Anita Marrero 7 - 44
[Agenda Bill - Housing Action Plan - Pdf](#)

7. NEW BUSINESS

- 7.1. Review of Proposed Amendments to Chapter 22.40 Nonconforming and Reuse Standards Amy Bright 45 - 58
[Agenda Bill - Code Amendment: Nonconforming Use and Reuse Standards - Pdf](#)

8. DISCUSSION BY COMMISISONERS & STAFF

9. ADJOURNMENT



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Bridgette Tuttle, Vice Chair;
Kyle Fisher; Elly Britt;
Dionne Miller, Liz Nugent;
& Mike Stanger

MINUTES

1. CALL TO ORDER

Chair Bull called the meeting to order at 7:04pm

2. ROLL CALL

PRESENT: Vice Chair Bridgette Tuttle, Commissioner Dionne Miller, Chair Jay Bull, Commissioner Kyle Fisher, and Commissioner Elly Britt

EXCUSED: Commissioner Liz Nugent and Commissioner Michael Stanger

STAFF PRESENT: Permit Technician Leigh Anne Barr, Principal Planner Shana Restall, Community Development Director Ben Swanson, and Senior Planner Anita Marrero

3. PUBLIC COMMENTS

Tony Balk
Housing Hope
517 Circle Drive

Mr. Balk spoke about affordable housing and his suggestions for the Housing Action Plan.

Sarah Lunstrum

Take the Next Step

Ms. Lunstrum asked that the Planning Commission make affordable housing a priority for Monroe.

James Harrigan

Community Human Services Advisory Board (CHSAB) - Chair

Mr. Harrigan reminded the Commission that affordable housing needs to accommodate different levels of affordability and income.

Commissioner Fisher joined the meeting at 7:28pm.

4. APPROVAL OF MINUTES

4.1. February 22, 2021

Commissioner Kyle Fisher moved to approve the minutes from the February 22, 2021 regular meeting. The motion was seconded by Vice Chair Bridgette Tuttle. On vote, motion carried 5-0.

5. PUBLIC HEARING

5.1. Proposed Code Amendments regarding Temporary Homeless Encampments

Chair Bull opened the public hearing at 7:31pm.

Principal Planner Shana Restall presented a history of the ordinance starting in 2019. The amendments were originally proposed to bring the City into compliance with State law.

Vice Chair Bridgette Tuttle moved to open the public testimony portion of the public hearing. The motion was seconded by Commissioner Kyle Fisher. On vote, motion carried 5-0.

Vice Chair Bridgette Tuttle moved to close the public testimony portion of the public hearing. The motion was seconded by Commissioner Kyle Fisher. On vote, motion carried 5-0.

Vice Chair Bridgette Tuttle moved to recommend that the Monroe City Council approve the proposed amendments to Chapter 22.90 MMC, Temporary Encampments, to update the City's provisions regulating temporary homeless encampments in order to reflect current state law. The motion was seconded by Commissioner Dionne Miller. On vote, motion carried 5-0.

Vice Chair Bridgette Tuttle moved for the Planning Commission adopt the Findings of Fact and Conclusions of Law contained in Attachment 1 to the Planning Commission agenda bill, authorize the Planning Commission Chair to sign the Findings on behalf of the Commission, and recommend that the Monroe City Council approve the proposed amendments to MCC Chapter 22.90 MMC, Temporary Encampments. The motion was seconded by Commissioner Elly Britt. On vote, motion carried 5-0.

6. OLD BUSINESS

6.1. Housing Action Plan (HAP) Update Anita Marrero

Senior Planner Anita Marrero noted that the changes requested at the last Planning Commission meetings that have been updated in the Housing Needs Assessment. Senior Planner Marrero was looking for input on the strategies

during the discussion. The Commissioners and Staff discussed:

- Allowing duplexes in more zoning districts
- Mixed use development
- Student housing
- Displacement
- Affect of waived fees on the City budget

The Planning Commission opened the floor for public comment.

James Harrigan

Mr. Harrigan would like incentives that apply to individual owners and not only to large developers.

Tony Balk

Mr. Balk talked about utility fee reductions and how economic displacement historically has worked.

Commissioner Kyle Fisher moved moved to extend the meeting past 9pm.

The motion was seconded by Vice Chair Bridgette Tuttle. On vote, motion carried 5-0.

7. NEW BUSINESS

8. DISCUSSION BY COMMISISONERS & STAFF

Vice Chair Tuttle gave an Economic Development Advisory Board (EDAB) update.

Senior Planner Marrero informed the Commission that the Parks Director is requesting another joint Parks Board and Planning Commission meeting. The meeting is scheduled for Monday April 26, 2021 at 5:00pm.

Commissioner Fisher apologized for arriving late to the meeting and provided a Parks Board update.

Chair Bull thanked Principal Planner Restall and Senior Planner Marrero for their presentations.

9. ADJOURNMENT

Commissioner Kyle Fisher moved to adjourn at 9:10pm. The motion was seconded by Vice Chair Bridgette Tuttle. On vote, motion carried 5-0.

Chair, Jay Bull

Planning Commission Secretary, Leigh Anne Barr



AGENDA BILL

Meeting Date: April 12, 2021

Staff Contact: Anita Marrero, Senior Planner

Department: Community Development

SUBJECT: Housing Action Plan (HAP) Draft Review

PREVIOUS DISCUSSION:

February 22, 2021, March 22, 2021

PUBLIC HEARING(S):

N/A

REQUESTED ACTION:

N/A, Discussion Item Only, Planning Commission to review the Housing Action Plan draft, ask questions, and provide comments.

POLICY CONSIDERATIONS:

N/A, The Planning Commission is not being asked to consider any policy issues at this time.

DESCRIPTION/BACKGROUND:

Summary

At the March 22nd Planning Commission Meeting, the Planning Commission reviewed the draft Housing Action Plan and made comments on the housing strategies. The Planning Commission's comments have been incorporated into the current draft. The draft Housing Action Plan will be made available for public comment on April 9, 2021. Further changes to the HAP may be made as it proceeds through the public comment period, public hearing process, and City Council.

Background

In October 2019, the City of Monroe applied for a Department of Commerce (DOC) grant funded through E2SHB 1923, which provided \$5 million to increase residential building capacity in Washington communities. Of the list of eligible activities, as defined in the bill, the City chose to adopt a housing action plan with a total funding request of \$50,000. The City was awarded the grant on November 5, 2019.

The City Council accepted the grant and the Mayor signed the DOC grant agreement on January 14, 2020. Staff selected a consultant and Council approved the consultant agreement on April 28, 2020.

Housing costs and housing affordability have been an increasingly prominent state and national policy issue since the Great Recession. In Snohomish County, the 2019 Snohomish County Housing Affordability and Regional Task Force (HART) report found that housing affordability has worsened since 2010. From 2010 to 2017:

- The monthly rent for a two-bedroom apartment increased 49.5% from \$901 to \$1,347;
- The price for an average single-family home increased 36.1% from \$400,000 to \$544,449;
- During that same period, median household income increased only by 17.7%.

Population growth driven by the State's strong economy increased the demand for, and cost of, both rental and owner occupied housing. By comparison, wage growth outside of the tech industry has not kept up with these housing cost increases.

The Washington State legislature has been particularly active the past few years in considering and/or passing housing related legislature. Certain legislature has provided increased funding for housing programs (e.g. State Housing Trust Fund); other recent legislation has reduced Cities' ability to create limiting regulations for certain accessory dwelling units and also the operation of homeless encampments by religious organizations.

Still other legislation, which did not pass in 2020, sought to pre-empt local land use authority and require certain types of housing such as duplexes, triplexes, quadplexes, sixplexes, and courtyard apartments be allowed in areas zoned for single-family residential use.

HB 1923, passed in 2019, took an incentive approach. Rather than mandate certain requirements be adopted (as the bill originally proposed), HB 1923 allows local jurisdictions to work collaboratively with their communities to develop a Housing Action Plan to include housing recommendations and strategies appropriate to their jurisdiction. It also provides funding to support these efforts.

HOUSING ACTION PLAN

The goal of a housing action plan is to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family market.

The City of Monroe has planned for growth in the Comprehensive Plan. Growth targets require a population capacity of 24,754 in 2035. With the new density limits under the newly adopted Unified Development Regulations (UDR), Monroe now has a population capacity of 25,306 in 2035.

Although the City has the capacity to accommodate growth, the challenge is creating opportunities for non-profit and for-profit developers to build a variety of housing developments for all income levels. Pursuing a Housing Action Plan will provide the City with a clear vision and strategies to increase residential building capacity and/or streamline regulations.

As part of the Housing Action Plan, the city will focus on the following strategies:

- Helping people stay in affordable housing
- Creating a variety of housing choices
- Creating more affordable housing
- Unlock housing supply by making it easier to build
- Identify public lands for housing opportunities

Public involvement will be key in this process. The City wants to hear from all groups who have an interest in affordable housing and residents from all income levels. The Affordable Housing Committee will be able to provide input on proposed strategies as well as the Planning Commission.

The Housing Action Plan will provide guidance to the City when planning for the future and will be instrumental when drafting the mandated Comprehensive Plan 2024 Update.

The City hopes that the Housing Action Plan will stimulate development of new housing, preserve existing affordable housing, and improve the overall quality of life in the City. Addressing the affordable housing crisis is a top priority for the City and the goal is to create an inclusionary community through quality development and collaboration.

Staff has been working with the consultant to create a project charter, public participation plan, schedule, and project website. The consultant is currently working on the Housing Needs Assessment. Housing needs assessments typically involve a housing inventory, household characteristics (e.g. size, income, housing costs), population and employment forecasts, and an evaluation of needs for all demographic and economic segments of the community. This information is consistent with Growth Management Act (GMA) data requirements.

HOUSING NEEDS ASSESSMENT

A Housing Needs Assessment (HNA) is a study that evaluates current and future housing needs among all economic segments of the of the community and for different household sizes and types. The HNA also identifies gaps between the current housing supply and identified needs.

Components of an HNA

- Community Profile
- Workforce Profile
- Housing Inventory
- Gap Analysis
- Land Capacity

Next Steps

- An HNA is the first step towards addressing housing affordability challenges in the City of Monroe.
- The next steps are to:
 - Identify suitable housing strategies for addressing housing needs
 - Create an action plan for implementing these strategies

GOALS AND OBJECTIVES

Goals

- Assess Monroe's housing needs.
- Through a comprehensive public engagement process, develop a strategy addressing housing needs for the citizens of Monroe.
- Prepare a HAP that is consistent with the housing element of the City's Comprehensive Plan and addresses goals and policies.

Objectives

- Develop strategies and recommendations to increase the supply and types of housing needed, in Monroe.
- Develop zoning, regulatory, and incentive strategies to support housing that meets the needs of Monroe.
- Evaluate and refine existing housing policies and actions.
- Develop recommendations for improvement based on housing needs assessment data.
- Identify a schedule of programs/actions to implement the recommendations of the HAP.
- Create a collaborative process that is inclusive and focused on housing solutions.

Findings of the HNA

Community Profile:

- Monroe's population has grown by 6,005 people since 2000 and by 2,496 since 2010.
- Monroe's population is younger on average than Snohomish County and Washington State.
- Monroe has seen a 3 percent increase of Hispanic/Latino residents since 2011.
- Monroe households earn predominately middle to upper-middle incomes and are majority homeowners.
- Monroe renters saw a greater income increase between 2011 and 2018 than homeowners did.
- Renter households are more likely than homeowners to experience overcrowding.
- Displacement risk is moderate.

Workforce:

- In 2017, Monroe was home to nearly 8,000 jobs and 7,149 workers (10 percent of whom also work in the city).
- A majority of Monroe employees live outside the city.
- Monroe has added medium and high wage jobs in recent years, but low wage jobs have stagnated.

Housing Market:

- Monroe's housing stock is predominately single-family homes built between 1980 and 2000.

- The majority of Monroe’s housing units have between 1 – 4 bedrooms while the average household size has 1 – 4 people.
- Construction of single-family homes has grown steadily over the past 10 years; in contrast, multi-unit buildings have flatlined.
- A scarcity of affordable housing across much of the central Puget Sound region is pushing residents east and north into fringe cities such as Monroe.
- Renters are more likely to spend more than 30% of their income on housing than homeowners.

Gap Analysis:

- Monroe residents earning the median income can comfortably afford the average market rate housing; however, there are not enough units at this price to satisfy the demand.
- There is a need for housing units that accommodate 1 – 2 person households.

Land Capacity:

- The city has room to accommodate the 1,200 housing units needed for the 2035 growth projections, with caveats.

MEETING SCHEDULE (TENTATIVE)

Planning Commission/City Council:

PC	3/22 Draft HAP Discussion	4/12 Draft HAP Discussion	4/26 Draft HAP Discussion	5/10 Open House/Public Hearing
CC	3/23 P3 Committee	4/20 Council Study Session	5/11 First Reading	6/08 Final Reading/Adoption

FISCAL IMPACTS:

There is no match requirement. The grant is reimbursement based. Qualified expenditures made by the City are not to exceed the grant award amount of \$50,000.

TIME CONSTRAINTS:

The Commerce deadline for adoption of the HAP is June 30, 2021.

ALTERNATIVES TO REQUESTED ACTION:

N/A

ATTACHMENTS:

[DRAFT #2 March 2021](#)



City of Monroe Housing Action Plan



“Attainable housing and innovated residential development for the needs of the thriving community of Monroe.”

March 2021-DRAFT

Prepared by:
City of Monroe and LDC, Inc.

Acknowledgements

Housing is an important.....

Geoffrey Thomas, Mayor

CITY COUNCIL

Kevin Hanford
Pasty Cudaback
Jeff Rasmussen
Heather Rousey
Ed Davis
Jason Gamble
Kirk Scarboro

PLANNING COMMISSION

Kyle Fisher
Bridgette Tuttle
W. Jay Bull, Jr.
Liz Nugent
Elly Britt
Michael Stranger
Dionne Miller

STAKEHOLDER ADVISORY COMMITTEE

Tony Balk, Housing Hope, Resident
Junelle Lewis, Resident
Jay Bull, Planning Commissioner
Petra Dungan, YMCA Board Member, Resident
Rachel Adams, Monroe Community Human Services Advisory Board, Resident
Mariana Medina, Resident

PROJECT STAFF

Ben Swanson, Community Development Director
Anita Marrero, Senior Planner

LDC, INC.

Todd Hall, Project Manager
Matt Covert, AICP, Planner
Ian Faulds, Planner
Samantha Adams, Permit Tech

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Appendix 4: Demographics

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Executive Summary

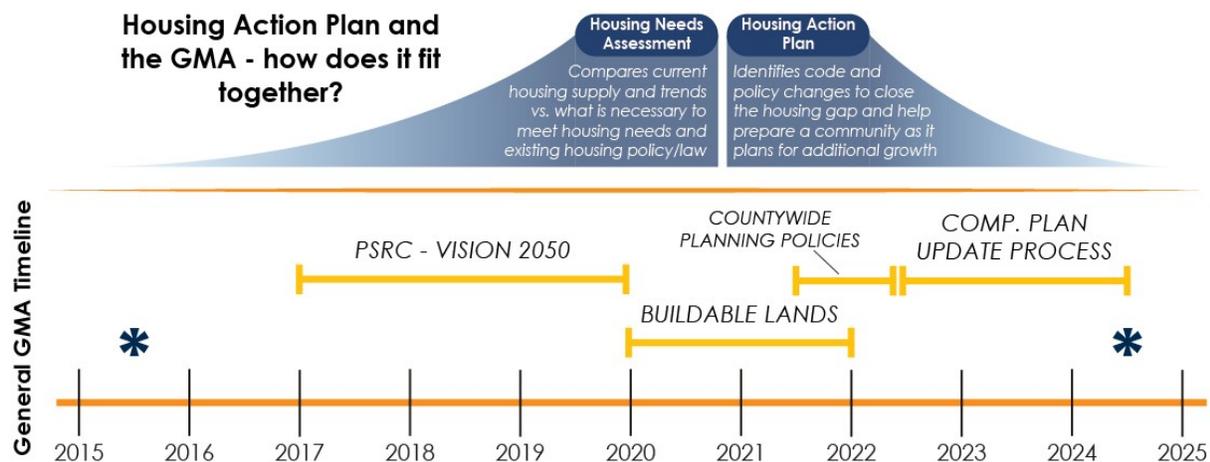
The Washington State Department of Commerce (“Commerce”) received \$5 million in the 2019 Legislative Session to provide grant funds to local governments for activities to increase residential building capacity, streamline development, or develop a Housing Action Plan (HAP).

The City of Monroe has chosen to develop a housing action plan. As required by the State legislation, the project will generally focus on possible future actions that would “...encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market.”

The Commerce deadline for adoption of the HAP is June 30, 2021.

The HAP process itself will not result in any Comprehensive Plan Policy or development regulation changes. However, the project elements will outline information, recommendations, and possible actions that the City can consider taking in the future. The development of a HAP should also be a helpful tool as the City embarks on updating the comprehensive plan prior to June 2024. The elements and objectives of a HAP are directly linked to housing requirements under the Growth Management Act (GMA).

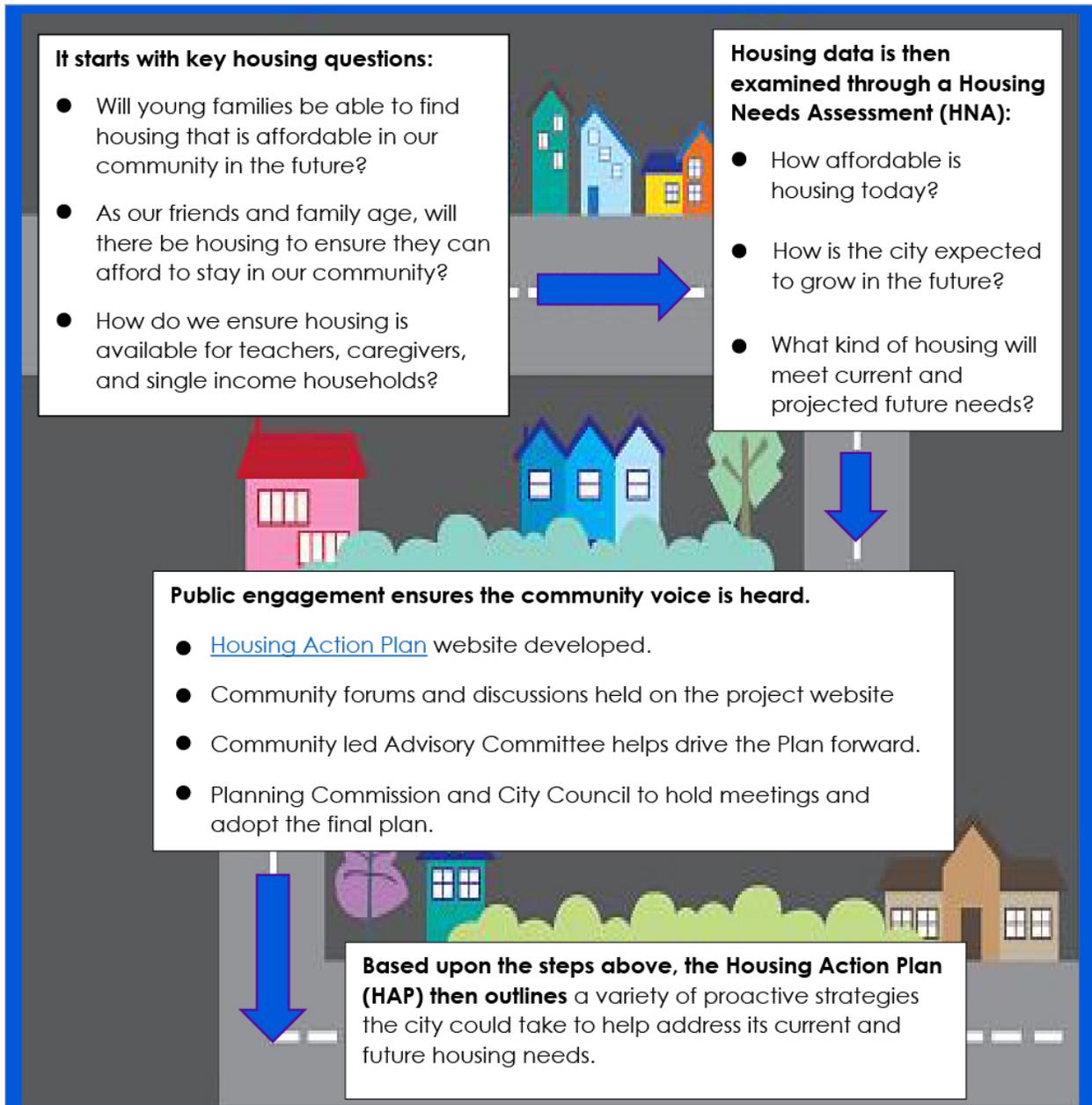
Figure 1: HAP and GMA Timeline



* Comprehensive Plan update deadlines

Note: ESHB 2342 was passed during the 2020 Legislative Session. It extended the time period between required updates from eight to nine years for this cycle.

The Roadmap to Housing Affordability – How a Housing Action Plan (HAP) Works



Introduction

The state of Washington is in the middle of an affordable housing crisis. Per the Department of Commerce, “It is the goal of the state of Washington to coordinate, encourage, and direct, when necessary, the efforts of the public and private sectors of the state and to cooperate and participate, when necessary, in the attainment of a decent home in a healthy, safe environment for every resident of the state. The legislature declares that attainment of that goal is a state priority.”

The Growth Management Act (GMA) Housing Goal, RCW 36.70A.020(4), encourages the availability of affordable housing to all economic segments of the population of this state, promotes a variety of residential densities and housing types, and encourages preservation of existing housing stock. The housing element of the City of Monroe Comprehensive Plan lists the following policies that support affordable housing and a diverse range of housing options:

- P.076, P.099, P.115: Promote redevelopment and infill along the west Main Street corridor, including higher-density residential and mixed-use development.
- P.093, P.110: Support maintenance and revitalization of older housing to beautify and help stabilize existing neighborhoods.
- P.112: Coordinate with non-profit agencies and other groups providing low to moderate-income housing.
- P.113: Promote the development of affordable housing.
- P.117: Allow the development of Work/Live units within Mixed Use areas and Downtown.
- P.118: Permit a variety of smaller-sized housing, including cottage housing, manufactured home parks, or other types where compatible with surrounding neighborhoods.
- P.119: Encourage the development of housing for special needs populations that may include the following: integration of universal design standards to assist elderly and other special needs populations to stay in their homes; coordination of housing and service providers in serving special needs populations; and promoting the development of ongoing operations of supportive housing with appropriate services for people with special needs throughout the county and region.

According to Monroe’s 2015 Comprehensive Plan, nearly half of the City’s households are cost burdened. The City currently has 415 affordable housing units available for approximately 2,075 needy households accommodating only one-fifth of Monroe’s cost-burdened population. Approximately two-thirds of the City’s residential units are comprised of single-family homes thus creating the need for alternative forms of residential development.

The City is looking for ways to stimulate development of new housing, preserve existing affordable housing, and improve the overall quality of life in the City. Addressing the affordable housing crisis is a top priority for the city and the goal is to create an inclusionary community through quality development and collaboration.

The goal of a housing action plan is to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family market.

The City of Monroe has planned for growth in the Comprehensive Plan. Growth targets require a population capacity of 24,754 in 2035. With the new density limits under the newly adopted Unified Development Regulations (UDR), Monroe now has a population capacity of 25,306 in 2035.

Although the City has the capacity to accommodate growth, the challenge is creating opportunities for non-profit and for-profit developers to build a variety of housing developments for all income levels. Pursuing a Housing Action Plan will provide the City with a clear vision and strategies to increase residential building capacity and/or streamline regulations.



Housing Needs Assessment

This section contains a summary of the Housing Needs Assessment. The full HNA can be found in Appendix 1.

Introduction

The need for housing in Monroe is great and increasing, and the kind of housing needed will shift over the next few decades. A key initial step to addressing housing challenges is to analyze the best available data to define the range and depth of unmet housing demand and affordability. This analysis answers questions about the availability of different housing, who lives and works in the community, and what range of housing is needed to address housing needs and demands into the future. Housing analysis is an important exercise because housing needs tend to evolve based on changes in the broader economy, local demographics, and regulatory environment. The data used in the HNA come from various sources, including the Census Bureau’s American Community Survey, or ACS, Washington’s Office of Financial Management and Employment Security Department, the Bureau of Labor Statistics, Zillow, and the City of Monroe. Roughly 3.5 million households are surveyed every month, every year to create the ACS datasets. However, there is a lag period between collection and publication. Much of these tabulations date from 2018, and other data sources stretch through 2020. Despite the time lag, the ACS data are still very valuable because they help establish important trends.

Monroe has grown significantly over the years, although not as quickly as other

communities in the Central Puget Sound region. The city’s population change is partially a result of the increasing cost of housing in more centrally located communities such as Kirkland, Bothell, or Mill Creek. This price pressure likely will continue to affect housing demands in the future.

Analyzing housing is complex, as it represents a bundle of services that people are willing or able to pay for, including shelter and proximity to daily household needs (job, grocery shopping, healthcare), access to public services (quality of schools, parks, etc.), and lifestyle amenities (type and quality of home fixtures and appliances, landscaping, views). It is difficult for households to maximize all these services and minimize costs. As a result, many families make tradeoffs and sacrifices between needed services and what they can afford.

Housing markets tend to function at a regional scale, which makes it a challenge for jurisdictions to adequately address issues individually. This also presents a prime opportunity for cities like Monroe to broadly meet their housing needs. The following section helps frame the broader context associated with key housing trends.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Broader Demographic Trends

Several demographic changes have emerged since the mid-20th century that have influenced housing demand. These trends help explain broader housing market issues.

- Nationally, family households with children and parents/guardians shrank from 40 percent in 1970 to 20 percent in 2018, while the share of single-person households increased from 15 to 28 percent over that time. Persons living alone have become the most prevalent household type, which could result in smaller household sizes and increased housing unit demand.
- Around one-third of Americans between 18 and 34 are now living in their parents' homes, possibly delaying their household formation.
- The population is aging, and the number of U.S. seniors will continue to grow over the next twenty years as the Baby Boomer generation exits the workforce. National estimates suggest that around 22 percent of Americans will be over 65 years of age by 2050. Seniors are projected to outnumber children for the first time ever by 2035. The over 65 age group is 8.3 percent of Monroe's population. The aging Baby Boomer generation (born 1946 to 1964) could result in greater demand for smaller housing for those wishing to "downsize" and greater demand for assisted living housing situations.
- Nationwide, the Hispanic/Latino population is predicted to be the

Sources: AARP (2018) Making Room for a Changing America, U.S. Census Bureau Annual Social and Economic Supplements 1950 and 1970, 2015 U.S. Census ACS, PSRC Draft 2050 Forecast of People and Jobs.

fastest growing racial/ethnic group over the next few decades. The growing diversity of American households will have a large impact on domestic housing markets. Over the coming decade, minorities will make up a larger share of young households and constitute an important source of demand for rental housing and small homes.

Another factor affecting housing is the COVID-19 pandemic. Since its emergence, the pandemic has slowed the production of housing in many regions and due to growing remote work practices, commuting rates have diminished and housing preferences are shifting. In addition, the pandemic has impacted the ability to pay for housing consistently, which will likely exacerbate housing availability and stability. These types of trends should be monitored as communities adjust.

Another crucial ingredient for estimating housing needs is population growth. The growth around Puget Sound has been intense, with the region welcoming one million new people (a total of 4.3 million residents) since 2000 and a forecast showing a similar population increase through 2040.² While population growth has been moderate in Monroe compared to central Puget Sound, the effects of regional growth has arguably had an impact at both a local and countywide level. This growth has put pressure on an already limited housing supply in and around Monroe and has certainly had an impact on housing affordability.

² Puget Sound Regional Council (PSRC). 2017. Land Use Vision Dataset. Retrieved from: <https://www.psrc.org/projections-cities-and-other-places>.

Monroe Housing Needs Assessment Results Summary

Monroe Housing Gap and Housing Production Target

The results of the Housing Needs Analysis show a gap in housing estimated at around 1,200 housing units needed by 2035 when Monroe's population is forecasted to reach approximately 22,102 persons. This means that to meet the additional housing demand by 2035 and close the current gap, 50 units or more units per year, on average, would need to be built in Monroe.

In addition to supporting needed housing growth, Monroe should also develop strategies to more equitably meet diverse housing needs such as planning for housing that is available and affordable to varying income levels. For example, in 2018 a renting household earning the median annual income could afford a market rate unit of \$1,309 per month. However, only 66% of rental units were priced low enough to keep this demographic from being cost-burdened by their housing payments. Affordable housing in the city of Monroe does exist for those earning close to the median income, but there is simply not quite enough of it. Additionally, there should be emphasis on housing strategies for those earning a very low income, or none at all; this covers immediate and temporary housing situations.

Several demographic trends including household size, race/ethnicity, incomes, and tenure influence housing demand and should be evaluated to identify emerging trends and variations in what people need for their families and households.

Monroe's Average Household Size Increases Slightly between 2011 - 2018

Although the overall household size remained relatively even between 2007-11 and 2014-18 (3.3 people per household to 3.4 people per household, respectively), household size is similar in Monroe to Snohomish County and the State, with roughly half of all households including two or three persons.

Finding: This trend of consistent household size over time in Monroe compared with the County and the State may suggest that families of a similar nature are continuing to move to the city from other central Puget Sound jurisdictions. The City should explore strategies that not only provide for a broader mix of family-friendly housing units, but also smaller units that will accommodate other demographics within the community. In all cases, however, there should be a strategy to encourage the development of units at varying price points and will attract a wider range of incomes.

Monroe Has Become Increasingly Diverse

Consistent with national and county trends, the City of Monroe has become more diverse since 2000. The share of the population identifying as white decreased from 85 percent to 80 percent between 2011 and the 2014-18 survey period. The Hispanic/Latino population rose 3% over this same period to become the second most prevalent non-white population group in Monroe. The Black community grew at the same rate as the Hispanic/Latino population. Hispanic and Latino households compared to non-Hispanic households overall tend to have a larger household size, and younger Hispanic

and Latino households on average have higher homeownership rates and lower than average incomes. Households for Hispanic and Latino immigrants are more likely to include multiple generations, requiring more space than smaller household sizes, and they tend to need lower-cost renting and ownership opportunities.

Findings: Strategies should focus on providing lower-cost rentals and increased moderate to middle-income priced homes with home ownership opportunities and multigenerational accommodations.

Monroe's Population is Aging

Since housing needs change over a person's lifetime, it is important to track shifts among age cohorts to anticipate expected demand. Similar to Snohomish County trends, the overall demographic shift from 2000 - 2018 indicates that Monroe is aging. While the largest age group is currently the 20-64 cohort, indicating that the community is likely made up of families with children, working adults and soon to be retirees, the changes in the age cohorts above (65+) indicates the population is slowly aging.

Findings: As noted earlier, the dominant housing available in Monroe is larger single-family structures. This accommodates the existing 20-64 cohort with children and larger multi-generational families. However, the HAP should include strategies to address the increased housing needs for individuals

³ "Missing middle" housing referred generally herein as middle housing primarily includes single-family attached housing with two or more units (duplexes, triplexes, quad homes, townhomes, courtyard cottages, accessory dwelling units, etc.) or other housing bridging a gap between single family and more intensive multifamily housing.

of this age who may not have children or families, or for individuals of other cohorts.

Homeownership rates tend to increase as age increases, and older people are more likely to live in single-person households. The aging of the Baby Boomer generation (born 1946 to 1964) could also generate greater demand for housing offering living assistance, multigenerational accommodations, and opportunities for residents to age-in-place or age elsewhere in their community. Overall, these trends indicate high demand for "missing middle" housing (e.g., ADUs, townhomes, triplexes, duplexes, quad homes, and cottages), which would allow more seniors and couples to downsize and remain in their community.³

Increased Demand, Housing Scarcity, Rising Costs, and Lagging Household Incomes

Since the 2008/09 Great Recession, fewer units have been built per year than in the preceding decade.⁴ Between the years 2011 and 2019, the Washington State Office of Financial Management estimates Monroe added a total of 527 housing units, at an average rate of 64 units per year. The construction of multi-unit homes nearly plateaued in 2010 while 630 single-family, detached homes were added to the city over that time. This housing underproduction in Monroe, coupled with high demand for housing needed

⁴ From 2000 to 2008, an average of 118 single-family homes were permitted per year with variable numbers of duplexes, fourplexes, and apartments. From 2009 to 2019, an average of 42 homes per year were permitted, with only 33 total two- and multi-family units across that span.

for home-buyers, has fueled rising housing costs.

Both median rents and house values have increased dramatically between 2011 and 2018. The median rent in Monroe increased from \$1,079 (2011) to \$1,309 (2018), while house values increased from \$243,559 (2011) to \$434,338 (2018). This is a 21.3% change in rental rates and a 78.3% change in home value over seven years. Over that same period of time, median income increased at a much lower rate of 15%.

When household incomes increasingly lag behind rents and home values, this creates cost burden, including for households who may at one time have not faced this burden. And with Monroe's population aging and more of the population nearing retirement, the number of cost burdened households will likely increase.

Findings: Where feasible, additional home ownership opportunities should be provided for households earning less than 80 percent of the area median income. Housing serving this income bracket tends to be rental housing, with some smaller-sized middle density housing (i.e. duplex, triplexes, condos). Demand for middle housing and rentals, especially for 1- to 2-person households, is increasing mostly due to aging baby boomers. However, as noted previously, while the community is roughly 40% renters, there is little new construction in this segment to meet future demand. As a result, strategies should be developed to support middle housing production, including new rental units. The Monroe renter population tends to include households at the moderate to lower income levels, and the rising cost of housing has disproportionate impacts

for units priced at these levels.

Consequently, additional production of apartments, multiplexes and middle housing, and subsidized housing should be supported.

Monroe Residents Commute Outside City for Work

Understanding Monroe's workforce profile and commuting trends will help plan for workers' housing needs. Factors such as job sector growth and the city's commuting patterns may have implications for how many people are able to both live and work within the city.

The top industries in Monroe (holding above 10 percent of total city employment) are manufacturing (16.9%), retail trade (17.1%), educational services (13.9%), healthcare and social services (14.6%). While the number of lower paying jobs (\$1,250/month or less) has remained relatively stable, Monroe's high wage sector has increased significantly and is growing faster than the low wage sector. This likely contributes to upward pressure on housing prices.

A majority of employed Monroe residents do not work within city limits, with approximately 90 percent of employed residents commuting outside the city for work. Conversely, around 850 Monroe residents, or 11 percent of the workforce both live and work in the city. This results in a net outflow of 6,716 workers during the day.

Findings: The high percentage of employed city residents commuting elsewhere is likely due the higher costs of housing in neighboring jurisdictions. Housing costs in King County elsewhere in Snohomish County tend to be even

higher, making it difficult for employees of those places to live in the same area.

Monroe’s Housing Stock is Aging

A plurality (roughly 50 percent) of housing units in Monroe were built between 1980 and 2000. Twenty-three percent were built before 1980, and roughly twenty percent were built since 2000.

Just over 70 percent are single-family homes, 8 percent are two to four units, 16 percent are 5 or more unit multifamily dwellings, and 2 percent are mobile homes or another type. Moreover, of all units, just about 70 percent of units have either 2 or 3 bedrooms.

Findings: Because growth pressure is mild in Monroe relative to other locations in the Puget Sound region, redevelopment pressure where existing dwellings are demolished and denser housing is built in its place is less likely than in Seattle, Tacoma, and inner-ring communities. However, the age of existing structures makes naturally occurring affordable housing somewhat vulnerable to displacement by newer and more expensive units.

The low supplies of single-family attached housing such as townhomes, triplexes, duplexes, and cottage courtyard apartments and multifamily housing should be addressed to provide broader housing options. In addition, demand is expected to increase for single-family attached housing mostly due to aging baby boomers and young households forming.

Cost-burden Disproportionately Affects Lower-Income Renters, Young Families Looking to Buy and Senior Households

The affordability of housing in Monroe is of increasing concern. Home values have risen much faster than incomes between the years 2011 and 2018. Rental prices have not increased at such a high rate, but still significantly at more than 20 percent. Over that same span, the median home value has risen roughly 78 percent, roughly five times faster than the median income of households that own their dwelling. Because of the rapidly increasing value of homes, Monroe residents have expressed the difficulty in making the transition between renting and owning their housing unit.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Affordable housing problems have not affected all households evenly; in fact, low and moderate-income households and older age cohorts in Monroe are impacted in a unique way.

Monroe’s aging population (those above the age of 65) was listed at 1,526 residents in the 2018 ACS survey period; 14 percent of that population is above the age of 85. The existing assisted living and care facilities in Monroe have the capacity to house only 27 percent of those in that population who may need assistance. This age group face affordable housing difficulties often because of fixed incomes such as social security or disability payments.

Findings: Monroe faces an existing gap of housing units affordable to many households, particularly low to moderate income renters, median-income earning families looking to buy and seniors. At the same time, it will face increased need for more affordable housing to accommodate projected population growth and the aging of its current population.



Monroe Neighborhood | Photo Credit: LDC, Inc.

What is Affordable Housing?

The term affordable housing refers to a household’s ability to find housing within its financial means. The typical standard used to determine housing affordability is that a household should pay no more than 30% of the gross household income for housing, including payments and interest or rent, utilities, and insurance. Another indicator for measuring and tracking housing affordability concerns is housing cost burden. The US Housing and Urban Development (HUD) guidelines indicate that a household is cost-burdened when they pay more than 30% of their gross household income for housing and severely cost-burdened when they pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Median Income Level

When examining household income levels, the Area Median Income (AMI) and Median Family Income (MFI) are helpful benchmarks for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, HUD produces a median income limit for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes.

Missing Middle Housing



Strategies to Address Housing Needs in Monroe

Table 1 identifies the housing needs identified in Monroe and the overall strategies to address those needs. The following pages contain a detailed summary of each strategy, descriptions, examples, and policy considerations.

Table 1. Matrix of Strategies and Identified Housing Needs

Strategies	Needs							
	1	2	3	4	5	6	7	8
Zoning Regulations	★	★	★	★	★	★		★
Middle-Income Housing	★	★	★	★	★	★		
Workforce Housing	★	★		★	★			★
Minimize Displacement							★	
Multi-family Incentives		★			★	★	★	

Housing Needs:

1. Provide a broader mix of family-friendly housing units, but also smaller units that will accommodate other demographics within the community.
2. Provide lower-cost rentals and increased moderate to middle-income priced homes with home ownership opportunities and multigenerational accommodations.
3. Address the increased housing needs for individuals of this age (20-64) who may not have children or families, or for individuals of other cohorts.
4. Where feasible, additional home ownership opportunities should be provided for households earning less than 80 percent of the area median income.
5. Strategies should be developed to support middle housing production, including new rental units.
6. The low supplies of single-family attached housing such as townhomes, triplexes, duplexes, and cottage courtyard apartments and multifamily housing should be addressed to provide broader housing options.
7. The age of existing structures makes naturally occurring affordable housing somewhat vulnerable to displacement by newer and more expensive units.
8. Provide housing opportunities for employees who work in the city to also live in the city.

Strategy #1

Zoning Regulations

Certain zoning restrictions can limit potential development. Providing flexibility promotes opportunities for desirable housing projects.

Possible zoning changes include:

- Allowing duplexes in all single-family zoning districts.
- Allowing duplexes in multifamily zoning districts.
- Allowing duplexes in mixed-use zoning districts.
- Increasing height limits in multifamily zoning districts.
- Relaxing parking restrictions.
- Increasing SEPA Threshold Exemptions.
- Allowing residential in commercial zoning districts.

- Zoning Districts**
- Single-Family Residential – 4 units per acre (R4)
 - Single-Family Residential – 7 units per acre (R7)
 - Single-Family Residential – 15 units per acre (R15)
 - Multifamily Residential (R25)
 - Mixed Use – Neighborhood (MN)
 - Mixed Use – General (MG)
 - Downtown Commercial (DC)
 - General Commercial (GC)
 - Tourist Commercial (TC)

Unified Development Regulations (UDR)		
	UDR	Possible Zoning Changes
Duplexes	Permitted in R4 and R7	Allow in R15, M25, MN, MG
Height Limits	45' in R25	Increase to 55'
Parking	Multifamily: 1.5 parking spaces per unit	Reduce the parking requirement to 1 parking space per unit
SEPA Thresholds	Residential units: up to 9 units	Single-family up to 30 units, Multifamily up to 60 units
Commercial Zones	Residential permitted in the North Kelsey/Tjerne Place Overlay, DC (mixed-use only in Downtown Promenade)	Create other overlays in GC to allow residential, allow stand-alone multifamily in Downtown Promenade, allow residential in TC.

Strategy #2

Middle-Income Housing

This section covers housing options to meet the needs of middle-income housing. The types of housing discussed include ADU's, duplexes, cottage housing, triplexes/fourplexes, townhomes, and mixed-use.

Accessory Dwelling Units (ADU's)



An Accessory Dwelling Unit (ADU) is a small separate living unit attached to or contained within the structure of the primary dwelling unit or detached from the primary dwelling unit but located on the same lot.

Currently, ADU's are permitted in all single-family residential zoning districts.

Benefits of ADU's:

- Makes it possible for adult children to provide care and support to a parent or other relative in need of assistance.
- Provides increased security and companionship for homeowners.
- Provides the opportunity for homeowners to gain extra income to help meet the rising costs of homeownership.
- Provides for the care of disabled persons within their own homes.

Policy Considerations:

Fast-track new ADU's by offering pre-approved plans to homeowners.

Streamline the ADU permitting process.

Look at amending the current ADU code.

Actively promote ADU's as an option for multigenerational housing.

Duplexes



A duplex is a residential building, either on one lot or on separate lots, containing two kitchens and designed to be occupied by two families living independently of each other, sharing a common wall; a common wall includes floors or ceilings.

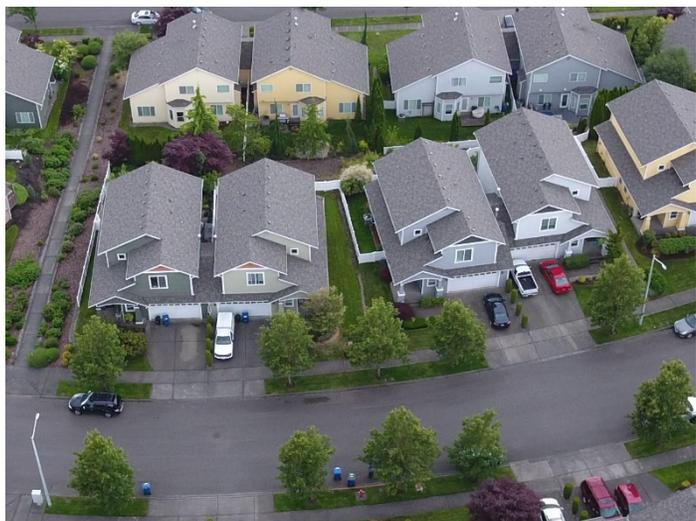
Duplexes are building code friendly in the sense that they can be built under the residential building code versus the international building code which has tougher building requirements.

Duplexes can provide opportunities for families to live near each other and can even be an investment opportunity.

Policy Considerations:

Expanding where duplexes are permitted.

Create an inventory of existing duplexes in the city to determine where best to allow new development.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Cottage Housing



Cottage housing is a smaller scaled, usually 1 – 1.5 story, detached single-family residential housing. This type of housing is ideal for first time home buyers, empty nesters, small families, and seniors.

Cottage housing developments are clustered around a common open space area, shared parking, and other shared amenities.

Cottage housing can be a type of infill development and can be sited on smaller lots. This type of housing is less expensive than traditional single-family housing and can create a strong sense of community.

Policy Considerations:

Develop cottage housing regulations.

Streamline the permitting process.

Allow for cottage housing subdivisions.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Triplexes/Fourplexes



Triplexes and fourplexes are attached dwelling units that are relatively low-cost development projects which in turn creates an affordable housing option. These are ideal for infill development and can be sited on smaller lots.

Existing single-family residences and duplexes can be converted to triplexes or fourplexes if zoning allows.

Policy Considerations:

Relaxing setback requirements.

Reducing parking requirements.

Promote this type of small development through incentives.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Townhomes



A townhouse or townhome is a building containing a group of three or more attached dwelling units in which each unit extends from foundation to roof and with open space on at least two sides. A townhome development can be sited on one lot or subdivided to create fee-simple lots.

Townhome developments allow multiple units on a property, require smaller lot sizes if subdivided, and cost less to construct than detached single-family homes.

With good design, townhomes create an aesthetically pleasing neighborhood landscape. They are compact and provide open space recreation areas.

Townhomes provide an affordable housing option for families. They are also a good option for residents transitioning from multi-family residential.

Policy Considerations:

Review current regulations and determine if code changes are needed to encourage townhome developments.

Allow townhomes in all single-family residential zones.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Mixed-Use



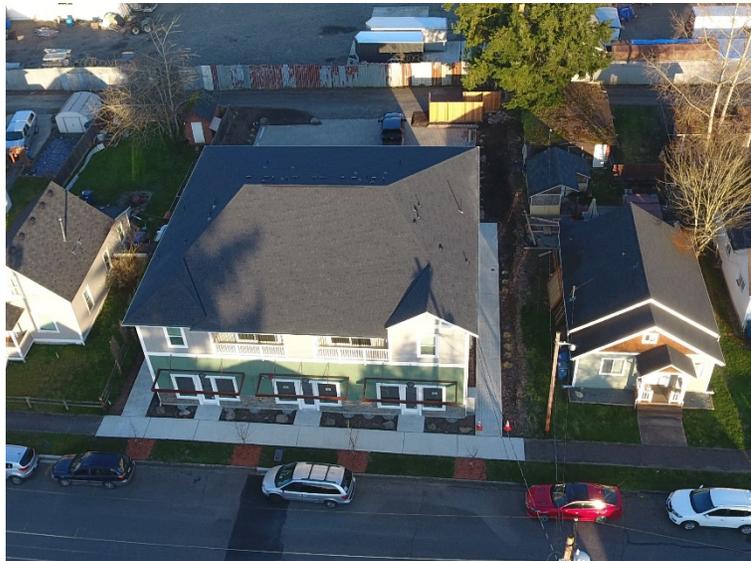
A mixed-use building is a building that contains a combination of residential and one or more different land uses, which may include office, commercial/retail, restaurant and/or public uses.

Mixed-use developments create an opportunity for a more walkable community and the potential for live/work units.

Policy Considerations:

Reduce parking requirements for mixed-use developments.

Increase residential density in the Mixed Use – Neighborhood zone.



Monroe Neighborhood | Photo Credit: LDC, Inc.

Strategy #3

Expanding the Supply of Attainable Housing for Low-Wage Workers

Housing is needed for low-wage workers, which includes those working in the retail, hospitality, and restaurant industries, and students. Siting housing near transit options and businesses is key to allowing workers to live and work in Monroe.

A type of housing to consider is microhousing or small efficient dwelling units. These types of units are less expensive, compact, and are generally easier to acquire construction loans.

Microhousing, microapartments, or small efficient dwelling units are small single-occupancy units that contains a sleeping area, kitchenette, and bathroom. These units can be new construction or be installed in renovated buildings such as shopping centers, office buildings, or school buildings.

Policy Considerations:

Allow microhousing or small efficient dwelling units in multi-family zones, mixed-use zones, and commercial zones.

Create standards and regulations that make microhousing or small efficient dwelling units feasible and attractive to developers.

Living in 282 square feet



Monroe Neighborhood | Photo Credit: LDC, Inc.

Strategy #4

Minimize Displacement

Displacement: occurs when a city grows and needs to make room for new residents, usually achieved through redevelopment or infill development. As a result, older housing units are demolished resulting in residents moving someplace less desirable.

Three types of displacement:

- Physical Displacement
- Economic Displacement
- Cultural Displacement

Displacement Index

Physical displacement is the result of eviction, acquisition, rehabilitation, or demolition of property, or the expiration of covenants on rent or income-restricted housing.

Economic displacement occurs when residents and businesses can no longer afford escalating rents or property taxes.

Cultural displacement occurs when people choose to move because their neighbors and culturally related businesses have left the area.

Source: City of Seattle

Strategies to Minimize Displacement of Low-Income Residents:

- Proactively address displacement.
 - Create a database of potentially affected areas.
 - Set goals and monitor progress.
 - Capture benefits of new development.
 - Community land trusts.
 - Tenant relocation assistance.
-

Strategy #5

Multi-Family Development Incentives

The housing market dictates housing prices and rent. It comes down to supply and demand. Building more housing units regulates the housing market and keeps prices affordable. Construction of multi-family units stabilizes the renter vacancy rate and provides for lower rents.

To encourage developers to build new apartments or convert existing buildings to rental units, the City needs to provide a number of tax, economic, financial, and regulatory incentives.

This can be accomplished by adopting the Multifamily Property Tax Exemption (MFTE) Program. The MFTE Program provides a tax exemption on eligible multifamily housing in exchange for income- and rent-restricted units. By supporting mixed-income residential development, the MFTE program ensures affordability as the community grows.

Per the Alliance for Housing Affordable (AHA), under a Multifamily Tax Exemption, cities define residential target areas with insufficient housing opportunities where development is eligible for MFTE. State law sets specific standards as to what can qualify as a target area. In these areas, approved multifamily projects are exempt from ad valorem property taxes for a period of eight or 12 years, per RCW 84.14. To secure the longer exemption period, the property must meet a minimum affordable housing standard. The required public benefit to obtain the eight-year exemption is left to the city's discretion, and affordable housing is not required, though a city may choose to do so.

Other incentives include:

- Reduction in utility fees (sewer and water connection fees)
- Permit fee waivers
- Density bonus for providing affordable housing units
- Height bonuses
- Parking reductions
- Expedited permit processing
- Setback reductions
- Incentives for residents of Monroe for small developments or single-family homes

Strategy #6

Master-Planned Communities

A Master-Planned Community (MPC) is a large-scale residential development located in urban or suburban areas and includes a variety of housing options and styles and recreation amenities such as tennis courts, community centers, parks, playgrounds, and sometimes commercial uses.

The idea for MPC's in the City would be on a smaller scale but the concept of having a variety of housing options in a neighborhood would meet the demand for more affordable housing units. These would be sited close to transit options and commercial areas.

Policy Considerations:

Consider rezoning the school district property to allow a master-planned community.

Consider other public-owned land and rezone to allow master-planned communities.

Allow master-planned communities under development agreements.

Draft a MPC code section.



Implementation Plan

The Housing Action Plan provides strategies that can be implemented within a five-year time frame. The matrix below shows the implementation plan for each strategy which includes priority, timeline, type of action needed, and investment/cost.

The implementation plan's actions serve as a guide to direct budgets and workplans for the City's Community Development Department. Implementation depends on available funding and staff time.

Strategy	Priority	Timeline	Type of Action	Investment/Cost
Zoning Regulations: <ul style="list-style-type: none"> • Allowing duplexes in all single-family zoning districts. • Allowing duplexes in multifamily zoning districts. • Allowing duplexes in mixed-use zoning districts. • Increasing height limits in multifamily zoning districts. • Relaxing parking restrictions. • Increasing SEPA Threshold Exemptions. 	High	2021-2022	Code Amendments	Low, staff time
Zoning Regulations: Allowing residential in commercial zoning districts.	Medium	2022-2023	Comprehensive Plan Amendment/Code Amendment	Medium, staff time
Middle-Income Housing: ADU's <ul style="list-style-type: none"> • Fast-track new ADU's by offering pre-approved plans to homeowners. 	Low	2022-2023	Administrative	High, funding source needed to cover the cost of the plans.

<ul style="list-style-type: none"> Streamline the ADU permitting process. Look at amending the current ADU code. Actively promote ADU's as an option for multigenerational housing. 	High	2021-2022	Code Amendment	Low, staff time
	Medium	2021-2022	Code Amendment	Low, staff time
	High	2021-2022	Community Outreach	Low, staff time
<p>Middle-Income Housing: Duplexes</p> <ul style="list-style-type: none"> Expanding where duplexes are permitted. Create an inventory of existing duplexes in the city to determine where best to allow new development. 	High	2022-2023	Code Amendment	Low, staff time
	High	2022-2023	Data Collection	Low, staff time
<p>Middle-Income Housing: Cottage Housing</p> <ul style="list-style-type: none"> Develop cottage housing regulations. Streamline the permitting process. Allow for cottage housing subdivisions. 	Medium	2022-2023	Code Amendments	Medium, staff time
<p>Middle-Income Housing: Triplexes/Fourplexes</p> <ul style="list-style-type: none"> Relaxing setback requirements. Reducing parking requirements. 	Medium	2022-2023	Code Amendments	Low, staff time

<ul style="list-style-type: none"> Promote this type of small development through incentives. 				
<p>Middle-Income Housing: Townhomes</p> <ul style="list-style-type: none"> Review current regulations and determine if code changes are needed to encourage townhome developments. Allow townhomes in all single-family residential zones. 	Medium	2022-2023	Code Amendments	Low, staff time
<p>Middle-Income Housing: Mixed-Use</p> <ul style="list-style-type: none"> Reduce parking requirements for mixed-use developments. Increase residential density in the Mixed Use – Neighborhood zone. 	Medium	2022-2023	Code Amendment	Low, staff time
	High	2022-2023	Comprehensive Plan Amendment/Code Amendment	Low, staff time
<p>Expanding the Supply of Attainable Housing for Low-Wage Workers</p> <ul style="list-style-type: none"> Allow microhousing or small efficient dwelling units in multi-family zones, mixed-use zones, and 	High	2023-2024	Code Amendments	Medium, staff time and consultant services

<p>commercial zones.</p> <ul style="list-style-type: none"> • Create standards and regulations that make microhousing or small efficient dwelling units feasible and attractive to developers. 				
<p>Minimize Displacement:</p> <ul style="list-style-type: none"> • Proactively address displacement. • Create a database of potentially affected areas. • Set goals and monitor progress. • Capture benefits of new development. • Community land trusts. • Tenant relocation assistance. 	High	2022-2024	Community Outreach	Medium, staff time and consultant services
	High	2021-2022	Administrative	Low, staff time
	High	2022-2024	Administrative	Medium, staff time and consultant services
	High	2022-2024	Administrative	Medium, staff time and consultant services
	Medium	2023-2024	Administrative	High, need funding source
	High	2022-2024	Administrative	High, need funding source
<p>Multi-Family Development Incentives:</p> <ul style="list-style-type: none"> • Draft and adopt a MFTE Program and code. • Provide other incentives for multi-family development. 	High	2021-2022	Code Amendment	Low, staff time
	Medium	2022-2023	Code Amendment	Medium, funding source needed
<p>Master-Planned Communities:</p>				

<ul style="list-style-type: none"> Consider rezoning the school district property to allow a master-planned community. 	Medium	2022-2023	Comprehensive Plan Amendment/Code Amendment	Medium, staff time
<ul style="list-style-type: none"> Consider other public-owned land and rezone to allow master-planned communities. 	Medium	2022-2023	Comprehensive Plan Amendment/Code Amendment	Medium, staff time
<ul style="list-style-type: none"> Allow master-planned communities under development agreements. 	Medium	2022-2023	Code Amendment	Medium, staff time and consultant services
<ul style="list-style-type: none"> Draft a MPC code section. 	Medium	2022-2023	Code Amendment	Medium, staff time and consultant services



AGENDA BILL

Meeting Date: April 12, 2021

Staff Contact: Amy Bright, Associate Planner

Department: Community Development

SUBJECT: Review of Proposed Amendments to Chapter 22.40 Nonconforming and Reuse Standards

PUBLIC HEARING(S):

April 26, 2021

REQUESTED ACTION:

N/A, Discussion Item Only

POLICY CONSIDERATIONS:

N/A, Planning Commission is not being asked to consider any policy issues at this time.

DESCRIPTION/BACKGROUND:

The 2018 adoption of the Unified Development Regulations changed the allowed uses within the Tourist Commercial zone. At present, eighty percent of the current uses within the Tourist Commercial zone are nonconforming.

The amendments to Monroe Municipal Code (MMC) 22.40 Nonconformance and Reuse Standards, propose revisions to all for expansions of legal nonconforming uses within the Tourist Commercial zone. The Tourist Commercial zone contains existing established uses that would otherwise not be permitted to expand.

FISCAL IMPACTS:

None

TIME CONSTRAINTS:

None

ALTERNATIVES TO REQUESTED ACTION:

N/A

ATTACHMENTS:

[Proposed Text Amendments S&D](#)

[Nonconforming Use and Reuse Amendment PowerPoint Presentation](#)

Chapter 22.40NONCONFORMANCE AND REUSE STANDARDS

Sections:

- **22.40.010Purpose.**
- **22.40.020Applicability.**
- **22.40.030General provisions.**
- **22.40.040Preexisting legal lots of record.**
- **22.40.050Nonconforming lots.**
- **22.40.060Nonconforming structures.**
- **22.40.070Nonconforming uses.**
- **22.40.080Nonconforming sites.**
- **22.40.090Enforcement.**

22.40.010Purpose.

The purposes of this chapter are established as follows:

- A. To establish the legal status of a nonconforming use, site, or structure by creating provisions through which a nonconforming use, site, or structure may be maintained, altered, reconstructed, expanded, or terminated.
- B. To establish the legal status of nonconforming lots and create provisions through which a nonconforming lot may be maintained or developed.
- C. To encourage the adaptive reuse of existing structures.
- D. To identify standards for determining which nonconforming structures, sites, lots, and uses must be brought into conformance with the provisions of all applicable code requirements. (Ord. 005/2019 § 10 (Exh. B))

22.40.020Applicability.

All nonconformances shall be subject to the provisions of this chapter. The provisions of this chapter do not supersede or relieve a property owner from compliance with the following:

- A. The requirements of the International Building and Fire Codes; and
- B. The provisions of this code beyond the specific nonconformance(s) addressed by this chapter. (Ord. 005/2019 § 10 (Exh. B))

22.40.030General provisions.

A. Any legally established nonconformance may be maintained in legal nonconforming status as long as no new nonconformances are created, there is no expansion of any existing nonconformity, and legal nonconforming status is not lost under any of the circumstances set forth in this section. If legal nonconforming status is lost, the structure, site, lot, or use must be brought into conformance with all applicable code requirements.

B. Development or modification of a legal nonconforming structure, site, lot, or use shall not increase or expand the degree of nonconformity.

C. A tract created to protect critical areas, provide open space, or as a public or private access tract shall not be considered legally buildable.

D. No nonconforming structure, site, lot, or use shall be created as a result of the division of land or any modification of a lot line through any subdivision or lot line revision.

E. Change of tenancy, ownership, or management shall not affect legal nonconforming status.

F. Nothing in this chapter shall be deemed to prevent the strengthening or restoring to a safe condition of any legal nonconforming building or part thereof declared to be unsafe by order of the city to protect the public safety.

G. This chapter shall govern nonconforming structures, sites, lots, and uses within any critical area, unless Chapter 22.80 MMC, Critical Areas, establishes more specific standards.

H. Legal nonconforming signs are regulated pursuant to Chapter 22.50 MMC, Signs. (Ord. 005/2019 § 10 (Exh. B))

22.40.040 Preexisting legal lots of record.

A lot, tract, or parcel is considered a legal lot of record if it was subdivided in compliance with applicable laws regarding platting at the time of its creation.

A. A lot, tract, or parcel shall be deemed a legal lot of record if it meets one of the following criteria:

1. Any lot platted or legally created under a Monroe subdivision ordinance on or after December 31, 1968; or
2. Any lot that was a legal lot of record under the regulations and standards of Snohomish County prior to annexation into the city of Monroe; or
3. Any parcel divided by metes and bounds, or fractional section description, or platted and recorded with the Snohomish County auditor prior to December 31, 1968; or
4. Any parcel defined by metes and bounds, or fractional section description, and conveyed by notarized deed prior to December 31, 1968.

B. Pursuant to RCW 58.17.210, the city shall not issue any building or development permits for lots, tracts, or parcels divided in violation of state or local land use regulations. The applicant shall bear the burden of proving that a lot, tract, or parcel is legal. (Ord. 005/2019 § 10 (Exh. B))

22.40.050 Nonconforming lots.

A. *Legal Nonconforming Lots.* Legal lots of record that do not meet the requirements set forth in this title are considered legal nonconforming lots.

1. *Alterations.* Legal nonconforming lots may be altered or changed, provided such change does not increase the degree of nonconformity.

2. *Consolidation.* Where two or more contiguous legal nonconforming lots of record are under common ownership and will result in legal lots in conformance with bulk requirements and critical area regulations, the owner shall consolidate the subject lots into one lot. An approved and recorded boundary line adjustment shall be required prior to issuance of any development permits.

3. *Development.* To be deemed buildable, a legal nonconforming lot shall meet all of the following requirements:

- a. The lot must exceed a minimum gross area of three thousand square feet;
- b. The lot must have a minimum width of thirty feet;
- c. The property owner shall provide evidence to the city that establishes that the lot was:
 - i. Legally created, pursuant to MMC 22.40.040;
 - ii. Intended to be a building site at the time of its creation; and
 - iii. Is not is not subject to consolidation pursuant to subsection (A)(2) of this section.

4. *Exemptions.* A lot, tract, or parcel established in conformance with the requirements of RCW58.17.040 shall be exempt from the provisions of this chapter.

B. *Illegal Nonconforming Lots.* A lot that was not legally created in accordance with the laws of the local governmental entity in which it was located at the date of its creation is an illegal nonconforming lot and will not be recognized for development. (Ord. 005/2019 § 10 (Exh. B))

22.40.060 Nonconforming structures.

A. *Legal Nonconforming Structures.* A legal nonconforming structure is a structure that conformed to the applicable code requirements that were in effect at the time of its construction, but does not conform to the current regulations of the zoning district in which it is situated due to subsequent changes in code requirements. Legal nonconforming structures may be altered, repaired, enlarged, added to or moved only as regulated by this section.

1. *Enlargement.* A structure that is legal nonconforming solely by reason of substandard yard, height, area or other bulk requirements, and is not occupied by a nonconforming use, may be enlarged. The enlargement shall conform to the regulations for the zoning district in which the building is located.

2. *Interior Remodel.* An interior remodel of a legal nonconforming structure is permitted and will not result in loss of legal nonconforming status regardless of the cost or extent of the interior remodel, provided no exterior alteration or enlargement is involved.

3. *Repairs and Maintenance.* Repairs and/or maintenance necessary and incidental to meeting requirements of law regarding building safety, including but not limited to the International Building Code, International Residential Code, or International Fire Code, may be performed on a building or structure. In no event shall the repair of a building or structure result in the expansion of any existing nonconformity or the creation of any new nonconformity.

4. *Relocation.* Legal nonconforming structures that are moved to another location, either within the same zoning district or to another zoning district, must conform to all the rules and regulations of the zoning district to which it is moved.

5. *Reconstruction.* Legal nonconforming structures, when destroyed by accidental causes, may be rebuilt to the original building footprint and bulk requirements, and may be occupied by the same use after reconstruction subject to the following conditions:

- a. The extent of the previously existing nonconformance is not increased;
- b. No new nonconformities are created;
- c. A complete building permit application for repair or reconstruction is submitted to the city by the owner of the property within twelve months of the date of the occurrence of damage or destruction;
- d. The structure has not been damaged or destroyed beyond seventy-five percent of its assessed value;
- e. Legal nonconforming residential structures located in any single-family or multifamily residential zoning district may be rebuilt to their original dimensions and bulk after destruction by accidental causes. However, legal nonconforming residential structures may not be altered except as provided in this section;
- f. If a change in ownership of a structure subject to restoration under this section occurs after the date of the occurrence of damage or destruction, but prior to completion of such restoration, the legal nonconforming status of the structure shall be lost and it shall not be reconstructed except in conformity with the provisions of this chapter;
- g. For the purposes of this chapter, accidental causes include accidental fire, storm, earthquake, or any other natural disaster, or an act of vandalism, terrorism, or war. Reconstruction shall not be permitted for a structure subject to the National Flood Insurance Program (NFIP) unless it complies with all applicable NFIP requirements.

B. *Illegal Nonconforming Structures.* A structure that was not legally constructed in accordance with the laws of the local governmental entity in which it was located at the date of its creation is an illegal nonconforming structure and will not be allowed by the city to remain pursuant to MMC 22.40.090(C), Illegal Nonconformances. (Ord. 005/2019 § 10 (Exh. B))

22.40.070 Nonconforming uses.

A. *Legal Nonconforming Uses.* A legal nonconforming use of land and/or structures is a use that conformed to the applicable code requirements that were in effect at the time of the establishment of the use, but does not conform to the current regulations of the zoning district in which it is situated due to subsequent changes in code requirements. Nonconforming uses are regulated subject to the requirements of this section.

1. *Expansion of Use.* A legal nonconforming use shall not be enlarged, expanded, or extended to occupy a greater area of building or land than was occupied at the effective date of adoption or amendment of that portion of this code which rendered the use nonconforming. Expansion includes increasing the size of the structure in which the use occurs or significantly enlarging the scope, volume, area, or intensity of the use.

a. Alterations to or expansion of a legal nonconforming use that are required by law or a public agency in order to comply with public health or safety regulations are the only alterations or expansions allowed to legal nonconforming uses.

b. Improvements, expansions, or additions to existing single-family dwellings including accessory buildings, considered nonconforming due to the zone in which they are located, are permissible when the improvement, expansion, or addition:

i. Does not change the existing use, as established, from the effective date of the nonconformance;

ii. Does not increase the land area devoted to the nonconforming use by more than twenty-five percent from the effective date of the nonconformity;

iii. Does not create additional dwelling units;

iv. Conforms to required occupancy, setback, lot coverage, landscaping, parking, and all other development standards within the respective zone;

v. Meets the applicable design standards prescribed in Chapter 22.42 MMC; and

vi. Provides public improvements, as deemed necessary for the project, such as sewer, water, drainage, pedestrian circulation, and vehicle circulation, in addition to other concurrency provisions.

c. Improvements, expansions, or additions to existing uses and buildings within the Tourist Commercial zone, considered nonconforming due to the zone in which they are located, are permissible when the improvement, expansion, or addition:

- i. Does not change the existing use, as established, from the effective date of the nonconformance;
- ii. Does not increase the land area devoted to the nonconforming use by more than fifty percent from the effective date of the nonconformity;
- iii. Conforms to required occupancy, setback, lot coverage, landscaping, parking, and all other development standards within the respective zone;
- iv. Meets the applicable design standards prescribed in Chapter 22.42 MMC; and
- i.v. Provides public improvements, as deemed necessary for the project, such as sewer, water, drainage, pedestrian circulation, and vehicle circulation, in addition to other concurrency provisions.

2. *Change of Use.* Unless specifically permitted by this chapter, an existing structure devoted to a legal nonconforming use shall not be structurally altered, except for those alterations necessary to change the nonconforming use of the structure to a use permitted in the zoning district in which it is located.

a. If no structural alterations are made, any legal nonconforming use of a structure, or structure and premises, may be changed to another nonconforming use; provided, that the hearing body findings in the specific case shall find that the proposed use is more appropriate to the zoning district than the existing legal nonconforming use. In permitting such change, the hearing body may require appropriate conditions and safeguards in accord with the provisions of this title.

b. Any structure, or structure and land in combination, in or on which a legal nonconforming use is superseded by a permitted use shall thereafter conform to the regulations for the zone in which such structure is located, and the nonconforming use may not thereafter be resumed.

c. *Relocation.* No legal nonconforming use shall be moved, in whole or in part, to any other portion of the structure or lot other than that portion occupied by such use at the effective date of adoption or amendment of the ordinance codified in this chapter.

d. *Restoration.* In the event that a structure containing an existing legal nonconforming use is destroyed by accidental causes, the legal nonconforming status of any use contained in the structure shall not be lost, provided a complete building application to rebuild the structure and reestablish the legal nonconforming use is submitted within twelve months of the date of the loss.

e. *Conditional Uses.* An existing legal use does not become a conditional use because the zoning district in which it is located is changed to a zoning district that requires a conditional use permit for the specified use. The existing use may be enlarged without obtaining a conditional use permit.

f. *Exemption – Residential/Group Care Facilities.* The conversion of an existing residential structure to housing for people with functional disabilities, as defined by RCW 74.39A.009(23), shall not be deemed a change of use or an abandonment or discontinuity of the prior use of the structure, if such structure constituted a prior legal nonconforming use.

B. *Illegal Nonconforming Uses.* A use that was not legally established in accordance with the laws of the local governmental entity in which it was located at the date of its creation is an illegal nonconforming use and will not be allowed by the city to remain pursuant to MMC 22.40.090(C), Illegal Nonconformances. (Ord. 005/2019 § 10 (Exh. B))

22.40.080 Nonconforming sites.

A. *Legal Nonconforming Sites.* A legal nonconforming site is a developed building site that conformed to the applicable code requirements that were in effect regarding site development at the time of development, but does not conform to the current regulations of the zoning district in which it is situated due to subsequent changes in code requirements. Alterations to legal nonconforming sites shall be regulated by this section.

1. *Impervious Surface Coverage.* A structure on a site that is legally nonconforming because the maximum allowable impervious surface coverage has been exceeded may be increased in height and gross floor area up to the maximum allowed in the zoning district in which the site is located. No new impervious surfaces are permitted outside the footprint of an existing structure on a nonconforming site.

2. *Parking.* For any site deemed legal nonconforming due to insufficient off-street parking, as set forth in Chapter 22.44 MMC, Parking Standards and Design, such legal nonconforming conditions may continue as permitted by the provisions set forth in this section. However, in no case shall a site legal nonconforming to parking requirements have its existing number of off-street parking spaces reduced.

a. *Legal Nonconforming Residential Parking.* No additional parking spaces shall be required for modifications to residential structures on sites legal nonconforming to parking, provided:

- i. The primary land use located on the site is residential;
- ii. The number of dwelling units on the site is not increased; and
- iii. The number of off-street parking spaces on the site is not decreased.

b. *Legal Nonconforming Nonresidential Parking.* For a nonresidential site deemed legal nonconforming to insufficient off-street parking, it shall be exempt from providing additional off-street parking, provided:

- i. A structure is not enlarged, extended, or structurally altered outside the existing building footprint in a manner that would require additional parking pursuant to Chapter 22.44 MMC.
- ii. The use of the structure is changed to one that does not require more parking than the previous use.
- iii. The number of off-street parking spaces on the site is not decreased.

c. *Movement of Structure.* If a structure that is nonconforming to parking requirements is moved to a new lot, off-street parking spaces shall be provided in accordance with the requirements of Chapter 22.44 MMC.

d. *Reduction of Required Off-Street Parking for Nonconforming Sites.* The zoning administrator may approve a reduction of up to twenty percent of the required off-street parking spaces, per Chapter 22.44 MMC, when the applicant provides one or more of the following:

- i. A parking study, written by a qualified professional, demonstrating that the parking need can be met by the proposed reduction.
- ii. The applicant enters into joint parking agreement, for use of a cooperative parking facility, in accordance with Chapter 22.44 MMC.

3. *Landscaping.* For any site deemed legal nonconforming due to insufficient landscaping, as set forth in Chapter 22.46 MMC, Landscaping Standards, such legal nonconforming conditions may continue as permitted by the provisions set forth in this section. However, in no case shall a site legal nonconforming to landscaping requirements have the total existing area of existing landscaping on site reduced.

a. *Legal Nonconforming Residential Landscaping.* No additional landscaping shall be required for modifications to residential structures on sites legal nonconforming to landscaping, provided:

- i. The primary land use located on the site is residential;
- ii. The number of dwelling units on the site is not increased; and
- iii. The total area of the landscaping on the site is not decreased.

b. *Legal Nonconforming Nonresidential Landscaping.* A nonresidential site deemed legal nonconforming to landscaping shall be exempt from providing additional landscaping, provided the following are met:

i. A structure is not enlarged, extended, or structurally altered outside the existing building footprint in a manner that would require additional landscaping pursuant to Chapter 22.46 MMC.

ii. The use of the structure is changed to one that does not require more landscaping than the previous use.

iii. The total area of the landscaping on the site is not decreased.

c. *Landscape Plan.* When the city determines that landscaping on a nonconforming site shall be brought into compliance with code requirements, a landscape plan, which substantially conforms to the requirements of Chapter 22.46 MMC, Landscaping Standards, shall be submitted to the city for approval prior to issuance of a building or development permit.

B. *Illegal Nonconforming Sites.* A site that was not legally developed in accordance with the laws of the local governmental entity in which it was located at the date of its creation is an illegal nonconforming site and will not be allowed by the city to remain pursuant to MMC 22.40.090(C), Illegal Nonconformances. (Ord. 005/2019 § 10 (Exh. B))

22.40.090 Enforcement.

A. *Compliance with Current Regulations.* Pursuant to the provisions of this chapter, the following shall come into compliance with current code requirements:

1. Any illegal nonconforming structure, site, lot, or use;
2. Any legally nonconforming structure, site, lot, or use that loses its nonconforming status; and
3. Any structure or use that is deemed vacated or abandoned shall be enforced pursuant to the provisions of Chapter 1.04 MMC.

B. *Loss of Nonconforming Status.* A legally established nonconformance shall lose its legal nonconforming status when any of the following conditions are met. When legal nonconforming status is lost, the structure, site, lot, or use must be brought into conformance with all applicable code requirements.

1. *Nonconforming Structures.*

- a. Should any legal nonconforming structure be destroyed by any means other than accidental causes to an extent of more than seventy-five percent of its replacement cost at time of destruction, in the judgment of the city, it shall not be reconstructed except in conformity with the provisions of this chapter. Structures destroyed by accidental causes are subject to the requirements of MMC 22.40.060(A)(5), Reconstruction.

b. When a legal nonconforming structure, or structure and premises in combination, is vacated or abandoned for six consecutive months, the structure, or structure and premises in combination, shall thereafter be required to be in conformance with the regulations of the zoning district in which it is located.

2. *Nonconforming Uses.*

a. If any such legal nonconforming use is vacated or abandoned for any reason for a period of more than six consecutive months, any subsequent use shall conform to the regulations specified by this title for the zoning district in which such use is located.

b. Any structure, or structure and land in combination, in or on which a legal nonconforming use is superseded by a permitted use shall conform to the regulations specified by this title for the zoning district in which such use is located.

3. *Nonconforming Sites.*

a. *Maximum Lot Coverage.* Sites legally nonconforming to lot coverage standards shall conform to current regulations regarding impervious surface coverage when new impervious surfaces are placed outside of the footprint of an existing structure on a legal nonconforming site.

b. *Parking Requirements.* Sites legally nonconforming to off-street parking standards shall conform to current parking regulations subject to the following:

i. *Legal Nonconforming Residential Parking.* Residential sites that are legal nonconforming due to insufficient off-street parking shall be brought into conformance with the requirements set forth in Chapter 22.44 MMC, Parking Standards and Design, under the following conditions:

(A) The primary land use located on the site is changed to a nonresidential land use; or

(B) The number of dwelling units on the site is increased.

ii. *Legal Nonconforming Nonresidential Parking.* Nonresidential sites that are legal nonconforming due to insufficient off-street parking shall be brought into conformance with the requirements set forth in Chapter 22.44 MMC when one of the following conditions is met:

(A) A structure is enlarged or extended outside the existing structure footprint in a manner that would require additional parking pursuant to Chapter 22.44 MMC; or

(B) The use of the site changes to a use that requires more parking than the previous use.

c. *Landscaping.* Sites legally nonconforming to landscaping standards shall conform to current landscaping regulations in Chapter 22.46 MMC, subject to the following:

i. *Legal Nonconforming Residential Landscaping.* Residential sites that are legal nonconforming to landscaping requirements shall be brought into conformance with the requirements set forth in Chapter 22.46 MMC, Landscaping Standards, under the following conditions:

(A) The primary land use located on the site is changed to a nonresidential land use; or

(B) The number of dwelling units on the site is increased.

ii. *Legal Nonconforming Nonresidential Landscaping.* Nonresidential sites that are legal nonconforming due to insufficient landscaping shall be brought into conformance with the requirements set forth in Chapter 22.46 MMC, Landscaping Standards, when one of the following conditions is met:

(A) A structure is enlarged or extended outside the existing structure footprint in a manner that would require additional landscaping pursuant to Chapter 22.46 MMC; or

(B) The use of the site changes to a use that requires more landscaping than the previous use.

C. *Illegal Nonconformances.* Any use, structure, lot, or site not established in compliance with applicable development regulations in effect at the time of establishment shall be deemed illegal and shall be discontinued or terminated and subject to removal pursuant to the applicable provisions of Chapter 1.04 MMC, Code Enforcement. (Ord. 005/2019 § 10 (Exh. B))

