



STAFF REPORT

DATE: November 22, 2021
TO: PLANNING COMMISSION
FROM: Ann Siegenthaler, Associate Planner
RE: **Zoning Code Text Amendment – SENIOR HOUSING INCENTIVES & CODE REVISIONS**

I. BACKGROUND / WHY THE AMENDMENTS ARE BEING PROPOSED

The adopted Sumner Housing Action Plan (HAP) identified senior housing as an important need in the community. The HAP included several important findings related to senior housing:

- Sumner's 65+ age group grew modestly between 2000-2018 to 1,509 persons, but was 15% of the total in 2014-18.
- By 2040, the number of seniors in Pierce County will increase to 26% of total population, consistent with a broader trend of an increasing older population.
- Homeownership rates will decrease (especially for households 75+ years).
- There are currently 251 housing units in Sumner dedicated to seniors in a variety of housing types from adult family home care to assisted living care and independent living.
- Of the 251 senior housing units, 63 (25% of total) are affordable for low income and rent restricted.
- 76% of householders that are 65 and over and renting are cost burdened.

These facts demonstrate the current demand and need for affordable senior housing in Sumner. The combination of an overall aging population, lack of inventory, and a decreasing homeownership rates among seniors points to a need for more senior apartment options within the City of Sumner.

The purpose of this code update is to create incentives and opportunities for more senior housing in Sumner by: 1) Expanding where senior housing can be built, with a focus on independent living; and 2) Providing flexibility in Zoning Code standards (e.g. building height, parking) while minimizing impacts.

The Planning Commission held a study session on the amendments on November 4, 2021. The public hearing will be on December 2, 2021.

II. DESCRIPTION OF PROPOSAL

The zoning code amendments will authorize senior housing and, in particular, senior apartments in all zoning districts (with some restrictions in single family residential zones), reduce requirements for parking and open space for senior apartments, and allow density and height increases for senior housing through a Planned Residential Development process.

A. Update definitions for senior housing

Zoning Code definitions related to senior housing, summarized below, would be clarified.

- **Senior housing.** Current definition is broad; staff proposes making this term the "umbrella" term for all the various housing types that may serve seniors at different life stages with different housing needs. This would cover any housing serving ages 55 and older.
- **Assisted living facilities.** Provides rooms with communal facilities and personal care. May serve

any age. Staff proposes clarifications.

- **Continuing care or life care communities.** Current definition has no age specified. However, these are typically communities that serve seniors. Staff proposes adding 55+ to the definition.
- **Nursing home.** Provides medical care as primary function; serves any age. No change proposed.
- **Retirement home.** This is an apartment complex with some shared facilities and services. There is no age specified; staff proposes adding 55+ to definition.
- **Senior apartments.** Staff proposes a new definition that captures a type of senior housing commonly seen in neighborhoods: individual apartments for independent living, similar to all other apartment complexes, except that there is an age restriction of 55 years and older.

B. Allow senior apartments outright in multifamily zones

Currently, no apartments are allowed in multifamily zones (MDR/HDR) outside of East Sumner. A trend in senior housing is for multi-story apartments that allow 55+ independent living, which can provide a more-affordable housing option than home ownership. Proposed code would allow senior housing in all residential zones, including senior apartments.

C. Eliminate ground floor commercial for senior housing

Currently, multifamily uses are allowed in commercial zones but only with commercial on the ground floor (or to the side or behind). Based on market and provider information, requiring a commercial component is a significant impediment to providing senior housing. The amendments would eliminate this commercial requirement, except for Neighborhood Commercial in East Sumner (ESUV/NC) to keep pedestrian-oriented services along primary streets.

D. Allow senior apartments in Low Density Residential zones through PRD process

Some Low Density Residential (LDR) sites are the largest in town and located near desirable services. The proposal would allow senior housing, including duplexes, townhomes and senior apartments, in LDR only through a Planned Residential Development (PRD) process.

- A PRD housing development would be allowed only on larger sites.
- PRD development standards would be more flexible and provide increases in density and building height, subject to certain approval criteria.
- In exchange for increases in density and height, at least 20% of the senior housing units must be affordable. See the PRD regulations below.

E. Increase density and building height through Planned Residential Development process

The Planned Residential Development (PRD) process is a special permit process that requires projects to meet approval criteria and to go through a public hearing. Through a PRD, standards such as lot size and setbacks can be adjusted. Although small-scale senior housing might be feasible in Sumner, code changes are needed to accommodate 55+ senior apartments. Discussions with senior housing providers/developers indicate that senior apartments typically need a density of 35-40 dwelling units per acre. A feasible senior apartment complex typically needs a "critical mass" of 150-200 units. For smaller projects on a church or non-profit site, 25 dwelling units per acre is feasible.

Sumner code currently doesn't support the higher densities and building heights needed for senior apartments. To incentivize senior apartments, significant increases in density and building height would be allowed through a PRD. The project would need to provide amenities and show a public benefit to receive these adjustments and increases. Updates are discussed further below.

1. Set minimum area for development site.

Minimum acreage for a PRD in Low Density Residential zones (LDR) would be 1 acre, one-half acre in Multifamily Zones, and one-half acre for multi-use sites owned by public institutions or churches. A large site in LDR allows for a greater buffer near residential uses.

2. Provide density and building height increases for senior housing.

Many cities provide density and height increases as incentives for needed housing. Proposed increases below are for senior housing only through the PRD process.

a. Low Density Residential (LDR) zone:

- Proposed density: Allow up to 25 dwelling units per acre (du/ac) to a maximum of 200 units. Current density ranges from 9-13 du/ac.

- **Proposed height:** Allow up to 35-foot building height (approx. 3 stories). Current building height is 30 feet (1-2 stories).
- Taller buildings must be located further away from adjacent single family uses.
- **Backyard setback:** In a PRD, the setback from a adjacent backyards would increase by 4 feet for every 1 foot over the 30-foot base height. For example, a 2-story house has a backyard setback of 30 feet. A 35-foot (3-story) building would have a setback of 50 feet $((4 \times 5) + 30)$.
- **Side yard setbacks:** Would increase by 2 feet for every 1 foot increase in building height. For example, setbacks for a 35-foot (3-story) building would be 15-20 feet from side property lines.
- **Affordable requirement:** At least 20 percent of the senior housing units must be affordable housing units. "Affordable housing" means dwelling units rented or owned at rates affordable to low- and moderate-income households.¹

b. Medium Density Residential and High Density Residential, and East Sumner Urban Village area (MDR, HDR, ESUV/MDR, ESUV/HDR) zones:

- **Proposed density:** Allow up to 40 du/ac. Current du/ac allowed is 15-26 du/ac in MDR and HDR, up to 40 du/ac in ESUV/HDR.
- **Proposed height:** Allow up to 50-foot building height (4-5 stories). Current height limit is 35 feet in MDR/HDR, and 45 feet in ESUV/HDR, but Sumner Design Guidelines allow apartments to go up to 50 feet.
- Taller buildings must have an increased setback from single family uses. Backyard setbacks are currently 20-25 feet in MDR/HDR.
- **Proposed setbacks:** The PRD process would increase setbacks 1 foot for every 1 foot over the base height. For example, a 40-foot building in MDR zone would have a 30-foot setback $((1 \times 5) + 25)$; a 50-foot building in MDR would have a 40-foot setback $((1 \times 15) + 25)$ from adjacent backyards.

c. Neighborhood Commercial (NC, ESUV/NC) zones:

- **Proposed density:** Allow up to 40 du/ac. Current density allowed is 25 du/ac for NC, and 26 du/ac for ESUV/NC.
- **Proposed height:** Allow up to 50-foot building height. Current building height is 35 feet for NC, and 45 feet for ESUV/NC.
- NC zones are not typically adjacent to low density residential zones.

d. General Commercial (GC, ESUV/GC) zones:

- **Proposed density:** Allow up to 40 du/ac. Current density allowed is 25 du/ac for GC, and 40 du/ac for ESUV/GC.
- **Proposed height:** Allow up to 50-foot building height. Current height is 35 feet and 45 feet for ESUV/GC.
- GC zones are not typically adjacent to low density residential zones.

3. Clarify approval authority in PRD process.

The PRD approval process would be streamlined. The Hearing Examiner would hold the public hearing and make the decision similar to a Conditional Use Permit (versus City Council and Planning Commission). A simplified process is more predictable, and an incentive to use the PRD.

4. Require a recorded covenant to ensure units remain as senior housing.

Many cities require development increases/incentives to be subject to a restrictive covenant. Proposed code would require a recorded covenant ensuring that the units remain as senior units in perpetuity, unless a rezone to a zone with corresponding density is approved by the City.

F. Parking reduction for senior housing

The amount of parking required can be a significant factor in the feasibility of a project, and providers indicate that typically only 1 stall is needed per senior housing unit. Parking requirements would be

¹ The definitions and thresholds for affordable housing are established by the US Department of Housing and Urban Development. Based on that, "affordable housing" is defined in Sumner Municipal Code generally as:

- Rental housing where housing costs do not exceed 30 percent of the household's monthly income; or
- Owner-occupied housing that is within the means of low- or moderate-income households.
- A low-income household has an adjusted income at or below 80% of the median family income in the county. A moderate-income household has an adjusted income between 80% and 115% of the median family income.

reduced for senior housing to allow 1 parking space per unit and 1 visitor space per 10 units (instead of per 5). Further adjustments to parking could be justified through a PRD process.

G. Open space reduction for senior housing

To reduce project costs, proposed code would allow a reduction in open space required for senior housing. Current regulations require between 25%-50% of a site as open space for a large housing development. Many senior apartments do not have balconies or patios but provide common open space and internal common areas. Other cities typically waive private open space and reduce common open space for senior housing. The proposed code reduces open space as follows:

- Reduce private open space for senior apartments to 32 square feet for 30 percent of the units, but could reduce this to zero through PRD process.
- Reduce common open space for senior apartments to minimum 25% of the site, but could reduce this to 20% through PRD process.
- If the senior housing is not apartments (e.g. cottages, townhomes), it must still provide private open space, but can qualify for a reduction through the PRD process.

H. Continue requirement for Design Review

- Senior housing will continue to be subject to Design Review, which will be coordinated with the PRD process. The PRD will authorize final site layout and building height, while Design Review will ensure that guidelines are applied for building quality (e.g. modulation, architectural features).
- Sumner Design Guidelines currently allow all apartments to increase height up to 50 feet. The guidelines also allow unlimited density for apartments, so long as they meet parking and open space requirements.
- Proposed code will establish that PRD approval supersedes the design guidelines, so that impacts of height and density can be evaluated through the PRD's public process.

III. ANALYSIS

The proposed Zoning Code amendments, are consistent with the intent and policies of the Comprehensive Plan, specifically the policies discussed below.

Land Use Element

The proposed code update will allow another development option for infill development. It also includes development standards to minimize impacts of increased density and to apply design review to senior housing, consistent with the following policies:

- 1.1 "Ensure that appropriate transitions so that more intensive uses do not adversely impact adjacent uses.
 - 1.1.1 Maintain the design guidelines and ordinances to achieve compatible and attractive new residential, commercial, and industrial uses.
 - 1.1.2 Maintain zoning and subdivision regulations to ensure adequate setbacks, landscaping, and buffering are required where land use conflicts and impacts may occur."
- 1.2 "Encourage infill development on vacant properties with existing public services and public utilities, and new development in areas with existing or planned public facilities."

Land Use Element - Land Use Designations

The Comprehensive Plan anticipates the need for flexibility in development regulations, including increased density, to accommodate a variety of housing types, such as the proposed senior housing regulations. The Planned Residential Development (PRD) overlay is established to provide this flexibility, with the provision that: "The PRD offers greater flexibility to develop a mix of housing types with varying lot sizes and dimensions, increased density as appropriate, adequate open space, and building setbacks and heights that are compatible with adjacent residential uses. The result is a development that allows for a high level of variety in housing and flexibility in site design while remaining compatible with the character of the surrounding neighborhood."

Community Character Element

The proposed code update will expand the variety of housing allowed in zoning districts, while applying development standards to minimize impacts to community character, consistent with these policies:

- 1.7 "Preserve the single-family residential scale and historic character of existing residential streetscapes

through various means such as floor area ratio and setback requirements.”

- 2.6 “In recognition of the need for a variety of housing, allow through the Comprehensive Plan and Zoning Code a mix of residential uses as appropriate to the neighborhood character.”

Housing Element

The proposed code update will increase the variety of housing available at all life stages, will support efforts of non-profit agencies to provide housing, and will help meet Sumner’s housing targets, consistent with the following policies:

- 1.4 This policy calls for “...protection of viable neighborhoods and the need to provide for a range of housing to all life stages and economic segments...”
- 1.5 “Accommodate local non-profit housing agencies' efforts to purchase and rehabilitate housing to meet affordable housing needs and special needs of the community.”

Goal 2: “Provide a range of housing types for all life stages and economic segments of the Sumner community.”

- 2.1.1 “Develop a housing strategy to implement fair share objectives...” which includes meeting Sumner’s allocations for affordable housing.”
- 2.2 “Plan for an adequate supply of land in appropriate land use designations and zoning categories to accommodate projected household growth.”
- 2.3 “Encourage a variety of housing available to all economic segments of the community.”
- 2.3.1 “Review the Zoning Code, Subdivision Code, Building Codes, and other development-control ordinances to identify and remove excessive, duplicative, or unnecessary regulations...”
- 2.3.4 “Promote the development of senior housing units in proximity to needed services.”

Conclusion:

Sumner’s Comprehensive Plan provides a general policy basis for promoting housing for seniors that is affordable and varied, and for accomplishing that through flexible development standards and increased housing densities. Proposed code amendments will further the policies in the Comprehensive Plan by expanding opportunities for senior housing. Updates to the planned residential development permitting process and removal of unnecessary standards will help streamline the process for senior housing. The ordinance also contains development standards to minimize impacts, and a planned residential development permitting process that will ensure that senior housing developments do not adversely impact the character of adjacent single family residential uses and other lower density uses.

IV. SEPA ENVIRONMENTAL REVIEW

A SEPA environmental checklist and analysis of the proposed amendment has been completed. A Determination of Non-Significance was issued on November 10, 2021.

V. PUBLIC & AGENCY COMMENTS

No comments as of publishing date of report.

VI. STAFF RECOMMENDATION

Staff recommends that the Planning Commission hold a public hearing on the proposal, and provide recommendations in January 2022.

VII. PLANNING COMMISSION RECOMMENDATION

Pending.

VIII. EXHIBITS

- A. Ordinance No. XXXX draft