



PLANNING COMMISSION STAFF REPORT

July 15, 2020

TO: Lawson Bronson, Federal Way Planning Commission Chair

FROM: Brian Davis, Community Development Director
Robert "Doc" Hansen, Planning Manager

SUBJECT: **File 16-105018-UP: 2020 Proposed Comprehensive Plan Amendment and Rezone, Shelter Resources Property from RS-7.2 to High Density, Multiple Family Classification, and RM 1800.**

I. INTRODUCTION

Pursuant to RCW 36.70A(2)(a), the City of Federal Way may update its comprehensive plan annually. Per *Federal Way Revised Code* (FWRC) 19.80.050, the city has elected to review citizen-initiated requests on an annual basis. As part of the annual review, the city may also make changes to chapters and maps of the comprehensive plan. The governing body shall consider all proposals concurrently so that the cumulative effect of the various proposals can be ascertained.

Shelter Resources, Inc. re-submitted a request for a comprehensive plan amendment and rezone on September 19, 2019, to change the designations of parcels #720480-0172 and #720480-0174 from Single-Family High Density Residential and Single-Family (RS 7.2, one unit per 7,200 square feet) to Multifamily Residential and Multifamily (RM 1800, one unit per 1,800 square feet). Shelter Resources, Inc. is requesting the comprehensive plan designation and rezone in order to allow transit-oriented multifamily housing as the parcels are within one half mile of the planned 272nd Sound Transit Light Rail Station, which will be constructed in 2024 at the existing Star Lake Park and Ride, located adjacent to the intersection of I-5 and South 272nd Street.

These parcels do not front on a public street. However, the applicant has acquired the Silver Shadow Apartments which is adjacent to the west, in order to provide the necessary access to parcels #720480-0172 and #720480-0174.

II. REASON FOR PLANNING COMMISSION ACTION

FWRC Chapter 19.80, "Council Rezones," establishes a process and criteria for comprehensive plan amendments. Consistent with Process VI review, the role of the Planning Commission is as follows:

1. To review and evaluate the requests for comprehensive plan amendments;

2. To determine whether the proposed comprehensive plan amendments meet the criteria provided by FWRC 19.80.140, 19.80.150, and 19.75.130(3); and
3. To forward a recommendation to the City Council regarding adoption of the proposed comprehensive plan amendments.

III. PROCEDURAL SUMMARY

Steps	Date
Issuance of Determination of Nonsignificance (DNS) pursuant to the State Environmental Policy Act (SEPA)	March 13, 2020
End of SEPA Comment Period	March 27, 2020
End of SEPA Appeal Period	April 17, 2020
Public Hearing before the Planning Commission	July 15, 2020
LUTC Meeting	August 3, 2020
City Council 1st Reading	September 1, 2020
City Council 2nd Reading	September 15, 2020

IV. BACKGROUND AND PROJECT DESCRIPTION

The land requested for rezone is 3.5 acres in size and is now vacant. The parcel has no direct access to any city street, and its land-locked situation is most likely the reason that the land has not been developed.

In 2017, Shelter Resources, Inc. wanted the land being considered for rezone to be used for a potential multiple-family, transit-oriented development and made application for rezone. The property does not front on a public street, and there was no documented access point to Pacific Highway South when the application was made. Access had to be secured before the site would be suitable for the requested RM 1800 zoning. The land owners indicated that they would eventually obtain public access by the time of the public hearing, and the city submitted the proposal to the state's Department of Commerce for review of the proposal and its adherence to RCW 36.70A, the Growth Management Act. No issues were raised by the Department of Commerce and it is considered to have been reviewed by the state.

Since the first application was made, the applicants for the proposal have secured public access to the property through an existing multiple-family development. Such access was not available when the application was first made in 2018, which prevented the city from processing the request.

Land Use

An existing multiple family residential development is located adjacent and west of the proposed rezone/comprehensive plan site, similar to the request made by the applicants. A Metro Transit Park and Ride area is located north of the site and is zoned Business Commercial (BC). Land at the northeast point of the site is zoned RM 1800 and is developed with multifamily housing. Land directly east of the proposed change is zoned RS 7.2 and is vacant. Approximately 200 feet southeast from the southeastern corner of the proposed rezone site is a single-family subdivision,

which has been developed and is zoned RS 7.2. Land directly south and adjacent of the site is vacant and zoned 7.2. The single-family development located southeast of the proposal is buffered from this site by wetlands and a Native Growth Protection Easement (NGPE), where development is prohibited.

Multi-family housing is not allowed in the existing RS 7.2 zone. However, it is allowed in the requested RM 1800 zone. The applicant is requesting a comprehensive plan designation and rezone in order to allow transit-oriented multi-family housing as the parcel is within one half mile of the planned 272nd Sound Transit Light Rail Station. The station is planned to be operating by 2024 at the existing Star Lake Park and Ride located adjacent to the intersection of I-5 and South 272nd Street.

V. COMPLIANCE WITH THE COMPREHENSIVE PLAN

The property proposed to be rezoned is now within a Single-Family High-Density Residential plan classification. Applicants request to be within a multifamily classification allowing the proposed multi-family development. According to FWRC 19.80.140, the city may consider, but is not limited to, the following factors when considering a proposed amendment to the comprehensive plan.

(1) The effect upon the physical environment.

There are no environmental restrictions to development here. There is a steep slope to the east of the site. Rigorous, existing stormwater and development standards will reduce the impact of development. An additional 120 units is expected to increase traffic by approximately 8500 vehicle trips per day, assuming 7 trips per unit.

(2) The effect on open space, streams, and lakes.

Please refer to the above.

(3) The compatibility with and impact on adjacent land uses and surrounding neighborhoods.

Multiple family development will be compatible with the neighborhood area. Existing multi-family development exists to the west and northeast of the project. The commercial land use along Pacific Highway South has a high-density potential that is conducive to such development. The zone classification will be compatible with surrounding environment. The open space area to the east contains a wetland that may remain undeveloped; thereby, providing a buffer between the existing single-family housing in the RS 7.2 zone, and the proposed multiple family development.

(4) The adequacy of and impact on community facilities including utilities, roads, public transportation, parks, recreation, and schools.

Existing sewer and water capital facilities exist adjacent to the development adequate to service any potential development. Access has been provided to the site which will provide an appropriate entrance to a proposed development. Any project is subject to transportation and school impact fees designed to address impact upon these facilities.

- (5) The benefit to the neighborhood, city, and region.

The proposed zone and amendment provide opportunity for development of additional housing needed within the city as encouraged by the comprehensive plan. Existing land uses surrounding the proposal are compatible with development that may result from the action of the amendment. Any development would be Transit Oriented Development (TOD) by locating next to the transit station located to the north of the site. Single-family development to the east of the site will be buffered by native vegetation expected to remain. Any development within the space will meet objectives and policies for provision of adequate housing, for compatible development, and appropriate land use.

- (6) The quantity and location of land planned for the proposed land use type and density and the demand for such land.

The site is near mass transportation and has adequate physical public facilities (road, water, and sewer) to accommodate high density development.

- (7) The current and projected population density in the area.

This proposed amendment will allow additional provision/production of needed high-density housing for existing and future populations. The site exists near and adjacent to high-density development, making it compatible with the surrounding environment.

- (8) The effect upon other aspects of the comprehensive plan.

Approval of this proposal fulfills and meets relevant land use, capital facilities, housing, environmental, and transportation policies within the adopted comprehensive plan (see item 3 below per FWRC 19.80.150).

Per FWRC 19.80.150, the city may amend the comprehensive plan only if it finds that the proposal meets the criteria for amending the comprehensive plan, including:

- (1) The proposed amendment bears a substantial relationship to public health, safety, or welfare;

The proposed amendment and rezone enable the development of needed housing within the City of Federal Way.

- (2) The proposed amendment is in the best interest of the residents of the city.

Please see the responses under Sections V(1)(2) and (5).

- (3) The proposed amendment is consistent with the requirements of Chapter 36.70A RCW and with the portion of the city's adopted plan not affected by the amendments.

The proposed category and zone reclassification are consistent with policies listed in Chapter 5 of the *2015 Federal Way Comprehensive Plan*. Specifically, the following policies are relevant to the proposal being made:

LUP 21 Support multi-family development with transportation and capital facilities improvements.

The proposal is located adjacent to a transit stop, making it a transit-oriented development, and providing potential residents access to public transportation.

HP13 Continue to use design guidelines to ensure that new and infill developments have aesthetic appeal and minimize impacts on surrounding development.

The proposal will be designed to provide the needed housing while maintaining the compatibility of the neighborhood. It will provide a housing buffer between an existing single-family neighborhood to the southeast and the multiple family development to the west and northeast. Any development in the rezoned area will meet design standards required in FWRC 19.115 to insure compatibility.

HG5 Develop a range of affordable housing opportunities for low-income households consistent with the CWPPs and the needs of the community.

Two CWPP are significant to this development including:

H-9 plan for housing that is accessible to major employment centers and affordable to the workforce in them so people of all incomes can live near or within reasonable commuting distance of their places of work. Encourage housing production at a level that improves the balance of housing to employment throughout the county.

T-12 address the needs of non-driving populations in the development and management of local and regional transportation systems.

The proposed project is located near a public transit station allowing low income residents to access to public transportation throughout the region and therefore, access to employment and shopping.

HP21 Promote fair housing access to all persons without discrimination.

The proposed project is intended to provide housing on the basis of income and not upon any social status, thereby avoiding any discrimination issues.

HP22 As required by the CWPPs, maintain sufficient land supply and adequate zoning within the City to accommodate those types of housing consistent with the City's affordable housing targets.

Land for the development of all housing is scarce and this property has not been developed largely due to the non-access of the property to any street. Since the project proponents obtained access to the property, the development will aid in the development of affordable and in reaching low income housing objectives.

VI. COMPLIANCE WITH FWRC 19.75.130(3)

Site-specific requests are also required to be evaluated for compliance with this section.

- 1) The city may approve the application only if it finds that:

- a. The proposed request is in the best interests of the residents of the city.

Provision of affordable housing is a main objective within the city's comprehensive plan, and the proponents initiating the reclassification and rezone have a primary purpose of providing affordable housing for all ages. The proponents will eventually apply for a project providing needed affordable housing.

- b. The proposed request is appropriate because either:

- (i) Conditions in the immediate vicinity of the subject property have so significantly changed since the property was given its present zoning that, under those changed conditions, a change in designation is within the public interest; or

Demand for affordable housing and all housing has increased dramatically since the adoption of the plan. Average housing cost in 2015 was \$289,100, increasing to \$362,100 in 2018, a 12% percent increase and demonstrating a need for rental, multifamily dwellings. The proposed reclassification will permit of expanded affordable housing.

- (ii) The rezone will correct a zone classification or zone boundary that was inappropriate when established.

In relation to item (ii) above, the proposal is not intended to "correct" any inappropriate zone classification.

- c. It is consistent with the comprehensive plan.

The proposal is designated for High-Density Residential in the comprehensive plan. The proposal will reclassify the site to "Multiple Family," which is in the nature of "high-density" multifamily development (see the expanded response in V.19.80.150[3] above.).

- d. It is consistent with all applicable provisions of the title, including those adopted by reference from the comprehensive plan.

If this request is granted, any future development will be required to comply with all city regulations, including those adopted by reference from the comprehensive plan.

- e. It is consistent with the public health, safety, and welfare.

The proposed amendment provides opportunity for development of affordable housing, similar to the project proponents have discussed. Provision of any affordable housing is consistent with meeting public welfare. All development will meet current codes and regulations to protect public safety.

VII. CITIZEN COMMENT

No citizen comment has been received on this proposal at the time of writing the report. Comment was received in a March 11, 2020, letter encouraging the testing of soils for arsenic and lead prior to any development. These items are reviewed at the time of SEPA review when a project is submitted.

VIII. MAYOR'S RECOMMENDATION

Upon review of the application and information that has been presented, the Mayor makes recommendation to approve the proposed amendment.

IX. PLANNING COMMISSION ACTION

- 1 Recommend to City Council adoption of the proposed comprehensive plan amendment;
2. Recommend to City Council that the proposed comprehensive plan amendment not be adopted;
3. Forward the proposed comprehensive plan amendment to City Council without a recommendation; or
4. Modify the proposed comprehensive plan amendment and recommend to City Council adoption of the amendment as modified.