

# MEETING AGENDA



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## *City of Lake Stevens Vision Statement*

*By 2030, we are a sustainable community around the lake with a vibrant economy, unsurpassed infrastructure and exceptional quality of life.*

March 16, 2022 - 6:00 PM

### **REMOTE ACCESS ONLY – VIA ZOOM**

**Join Zoom Meeting:** <https://us02web.zoom.us/j/89759799206>

1. **Call to Order**
2. **Roll Call**
3. **Action Items**
  - A. Approval of 2-16-22 Meeting Minutes
  - B. Short-Term Rentals Code Amendment Jill Needham
4. **Guest Business**
5. **Public Hearing**
  - A. Recommendation to City Council on Ratification of 2022 Comprehensive Plan Docket David Levitan
6. **Commissioner Report**
7. **Planning Director's Report**
8. **Adjourn**

### **THE PUBLIC IS INVITED TO ATTEND**

**Special Needs:** *The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Human Resources, City of Lake Stevens ADA Coordinator, (425) 622-9400, at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service, (800) 833-6384, and ask the operator to dial the City of Lake Stevens City Hall number.*

# PLANNING COMMISSION MEETING MINUTES



REMOTE PARTICIPATION

2-16-2022

CALL TO ORDER: 6:00 PM by Chair Welch

MEMBERS PRESENT: Todd Welch, John Cronin, Mike Duerr, Janice Huxford, Todd Welch, Linda Hoult

MEMBERS ABSENT: None

STAFF PRESENT: Community Development Director Wright and Planning Manager Levitan

OTHERS PRESENT: None

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Chair Welch called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Roll Call: All present.

Guest business: None

Approval of Minutes: Minutes of 2-2-2022. Motion by Commissioner Duerr to approve minutes with addition, seconded by Commissioner Hoult (6-0-0-0).

**Action Items:** Planning Manager Levitan provided an overview of the 2022 Comprehensive Plan docket, which includes minor text amendments to the Land Use Element, Parks Element, Utilities and Public Services Element and Capital Facilities Element as well as proposed amendments to the Shoreline Master Program. The city also received three citizen-initiated map amendment proposals within the 20th St SE Corridor subarea, which were introduced to commissioners and subsequently reviewed with City Council on February 22. Commissioners requested that all three map amendments be reviewed and analyzed on their own merits, and that staff provide more background information (including the applications and narratives) at the next meeting. Planning Manager Levitan noted that a full docket analysis would be prepared in advance of the Commission's March public hearing to make a recommendation to City Council on ratification of the docket.

**Commissioner Reports:** Commissioners Hoult asked about future Planning Commission meetings and what the format might look like. Community Development Director Wright said there will a meeting in March with Executive Staff to decide on future meeting format. The City Council has been doing a hybrid option with people in person and virtual and likely will be the format we use. Commissioner Huxford thanked Commissioner Oslund for her service on the Planning Commission and asked for an update on HB1782, which was reported to have died on the floor. Commissioner Welch gave a thank you to Commissioner Oslund for her contributions to Planning Commission. He also thanked outgoing Chair Cronin for his chairmanship for the last year, as well as all the good work all the commissioners have done. Commissioner Davis thanked Commissioner Oslund for her time on Planning Commission and asked for an update on her replacement.

**Director's Report:** Community Development reported that HB1782 didn't pass, and the city had commented in opposition. Council Member Petershagen testified on behalf of the city of Lake Stevens. Mr. Wright reported the City Council retreat was held and he reported on the final report from Urban3, Retail Strategies, the City Campus and Capital projects.

Adjourn: Moved by Commissioner Huxford, seconded by Commissioner Hoult to adjourn the meeting at 6:53 p.m. On vote the motion carried (6-0-0-0).

Jennie Fenrich, Planning Commission Clerk

# STAFF REPORT



Council Agenda Date: 3/16/2022

**Subject:** Short-Term Rentals Code Amendment

**Contact Person/Department:** Jill Needham, Community Development

**Budget Impact:** N/A

**Legal Review:** No

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## RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL:

This is an informational briefing. No action is requested at this time. Commissioners are asked to provide feedback on the draft code language (including optional elements discussed in the staff report) and direction on any additional public outreach that should be conducted before the code amendment is brought back to Planning Commission for a public hearing.

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## SUMMARY/BACKGROUND:

The city adopted supplementary use regulations for tourist homes in 1998 ([LSMC 14.44.064](#)), which have remained unchanged even as the popularity of short term rentals (STRs) has increased exponentially. Commissioners reviewed the existing code language during an initial briefing on [December 1, 2021](#) and responded to a series of questions posed by staff. In response, staff provided an update on February 2, 2022, which focused on reviewing and gathering feedback on codes from several other cities and counties that had been compiled into summary spreadsheet (**Attachment 1**), which has since been updated to include additional lakefront communities in Western Washington such as Kirkland, Seattle, Sammamish, Issaquah and Mercer Island.

In general, commissioners provided the following feedback on February 2:

- Keep the code language and review process as simple as possible;
- Do not distinguish between the Waterfront Residential zone and other zoning districts (treat areas the same);
- Parking was a prominent concern that needs to be adequately addressed;



- There is not currently a need to limit the number or location of STRs in the city, given the relative scarcity of rentals (~30 per current listings on Airbnb and VRBO);
- Further assess whether unhosted rentals (those where a property owner does not live at the property) should be allowed. Existing regulations require that STRs be owner-occupied; and
- Develop a permit and public notice process that balances private property rights with the need to regulate the more transient nature of STRs and potential impacts on neighboring properties.

As noted above, public comments from three Lake Stevens residents were submitted to the Planning Commission between February 20 and March 2 (**Attachment 2**). All three residents were opposed to amending the code to allow unhosted rentals, with several citing neighboring properties that have operated outside of the current regulations in LSMC 14.44.064 (including unhosted rentals).

Staff has also reviewed articles published on the Municipal Research Center Website to understand regional or national issues related to short term rentals. Some common issues were potential impacts to neighborhoods (e.g., traffic, public safety, noise, enforcement); effects on housing affordability; competition with other types of lodging; revenues and taxes; life safety concerns such as smoke detectors, fire extinguishers and defined exits. In the article *A Practical Guide to Effectively Regulating Short-Term Rentals on the Local Government Level* (**Attachment 3**), the authors provide some recommendations for best practices when developing regulations to ensure that the common issues identified can be adequately mitigated.

Based on feedback provided by commissioners, research and public comment, staff has developed draft code language (**Attachment 4**), which would replace the existing Tourist Homes regulations in LSMC 14.44.064. Major components include:

- Limiting STRs to owner-occupied residences;
- Prohibiting unhosted rentals by requiring the owner, property manager, or authorized agent live on premises during all STR agreements;
- Establishing limits of two concurrent STR rental agreements and two guests per bedroom, up to a maximum of eight total guests;
- Requiring one parking space per rented bedroom in addition to the parking requirement for the primary use or residence

Commissioners are asked to provide feedback and direction on the code amendment process and topics. Should commissioners wish to consider allowing unhosted rentals, staff would recommend that a higher level of project review such as a Type II

Administrative Conditional Use Permit (ACUP) be required. Other questions to consider might also include:

- Should the city consider adding restrictions related to hours of operation and ancillary uses such as weddings?
- Should there be additional traffic mitigation fees for the change of use?

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#### **APPLICABLE CITY POLICIES:**

LSMC 14.44.064

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#### **ATTACHMENTS:**

1. Attachment 1 - Regulations in Other Cities
2. Attachment 2 - Public Comments
3. Attachment 3 - A Practical Guide to Regulating Short-Term Rentals
4. Attachment 4 - Draft Short-Term Rental Code Language

City	Link	Process/Permit zone	Unhosted Rentals Allowed?	Maximum guests	Parking	Location/Area Limits	Duration Limits	Signs	Other regulations
Bellevue	<a href="#">BMC 20.20.800</a>	Registration notice filed at city	Not explicitly stated	N/A	N/A	Maximum of 5 units per building or 20% of a development	N/A	N/A	Only allowed in PUDs or multifamily
Cashmere	<a href="#">CMC 17.58.170</a>	Bed and Breakfasts allowed with CUP, Short Term Rentals allowed in Commercial Zones	No, occupied only	N/A	1 space per bedroom plus spaces for SFR use. Parking behind the front setback must be screened	N/A	14 days	N/A	
Chelan (City)	<a href="#">CMC 5.15</a>	Annual License	Yes, must have local contact person	N/A	3 parking stalls	N/A	N/A	N/A	
Chelan County	<a href="#">CCC 11.88.290</a>	<a href="#">Varies by Tier</a>	Yes with Tier 2/3 permit	Varies based on tier	1 for onsite owner and 1 per rented bedroom	Requires permit	15 days for Tier 1		
Cle Elum	<a href="#">CEMC 17.160</a>	Annual License	Yes, must have local contact person	Fire Dept determines case by case		Must be separated by 250 feet between parcel boundaries	N/A	N/A	Limited to 3 per owner, robust safety standards and inspection, requires insurance
Clyde Hill	<a href="#">CHMC 5.20</a>	Approved under the business license	Yes	N/A	No increase in parking demand shall occur	N/A	N/A	Not allowed	
Edmonds	<a href="#">ECC 20.23</a>	Two or less bedrooms: secondary use.Two or more: CUP	No, occupied only	N/A	1 space per rental room if street does not have adequate parking	N/A	30 days	Regulated in 20.60 EDC	No weddings or gatherings
Everett	<a href="#">EMC 19.08.150</a>	Permitted in all residential zones	Yes	8	3 spaces for sites with on street parking in front, 4 spaces for sites without street parking	N/A		Not allowed	Must have business license
Kirkland	<a href="#">KMC 7.02.300</a>	Permitted under business license	Yes	N/A	N/A	N/A	120 days per year unoccupied; no limit occupied.	N/A	Owner must live on site 240 days per year to do unoccupied rentals. Occupied-no limit
Lake Oswego, OR	<a href="#">LOMC 50.03.004</a>	Home occupation license	No, occupied only	N/A	N/A	N/A	N/A		No weddings or gatherings
Milwaukie, OR	<a href="#">MMC 19.507.5</a>	Business license	Yes, limited to 95 days per year. ADU properties	2 "rental parties"	N/A	N/A	95 days	N/A	N/A
Yakima	<a href="#">YMC 15.09.080</a>	Business License/Home Occupation	No	5 bedrooms	1 space each guest room	N/A	N/A	One non-illuminated or externally illuminated	Weddings and gatherings permitted under Director approval on a case by case basis
Seattle	<a href="#">SMC 23.42.060</a>	Short term rental operator's annual license	Yes	Maximum number allowed by fire code	N/A	N/A	N/A	Yes	Business License required

## David Levitan

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**From:** kathy nysether <kathycn@hotmail.com>  
**Sent:** Sunday, February 20, 2022 4:55 PM  
**To:** lsplanning  
**Subject:** Short Term Rental code

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Lake Stevens Planning Commission,

I am following your discussion on short term/vacation rental homes. Our neighborhood was greatly impacted by a home that was rented out as an unattended VRBO for several months until the owners were made aware of the city's code.

We may live in a unique situation where there are 4 other homes surrounding the one that was rented out. Very close quarters with shared access via an easement road with no legal parking. It was very disruptive to daily living for us permanent residents. The noise at all hours of day and night plus so much traffic in and out. It seems that vacation home renters get a lot more food deliveries than an average fulltime family. Neighbors with small children worrying about the safety of their kids as cars are flying in and out! Sometimes we felt worried that people may be casing our homes for future break-ins. Luckily this was resolved into a long term rental situation, which is better(not perfect, but it is legal). We don't want to go back to the previous description.

Lake Stevens is not a destination tourist resort.

I am asking you not to allow unattended short term rentals.

Imagine this happening in the house right next to yours! Or possibly on both sides of you! New renters every 3 – 10 days, cleaning crews in between, garbage everywhere, cars parked or driving on your property, dogs getting loose and damaging your yard. Food deliveries being left on your doorstep that you didn't order.

As you mentioned at your meeting, parking is a huge issue. The # of parking spaces should somehow be related to the # of bedrooms rented out or the # of people that can be in the house.

I understand that there is the issue of enforcing these rules. I feel it is worth the work to keep our community livable. If there are not permits and regulations there is no way of controlling or keeping track these businesses. If you loosen the restrictions these short term rentals will take over our area.

I am more in favor of keeping them attended rentals. I feel if the owner is living onsite, they will keep things under control because they will also be living with whatever their customers bring!

The majority of the people live in Lake Stevens full time, have jobs, go to school etc. and probably would prefer not to have potentially loud, noisy vacationers next door every day.

I urge you to look into this further and call some of the cities mentioned at your meeting (Chelan, Lake Tahoe) or more! Ask them what they would do differently, knowing what they know now. I feel like these places are more destination type areas than Lake Stevens is, but they are water front.

I'm sorry for the people that want to rent out their properties in this manner, but personally I would prefer that they were not allowed at all.

Sincerely,

Kathy Nysether

[kathycn@hotmail.com](mailto:kathycn@hotmail.com)

## David Levitan

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**From:** Aileen <aileenspradlin@gmail.com>  
**Sent:** Monday, February 21, 2022 12:39 PM  
**To:** lsplanning  
**Subject:** Tourist Home vacation rentals

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

10429 E Davies Loop Rd  
Lake Stevens, Wa 98258

February 21 2022

Dear Lake Stevens Planning Commission:

We are writing regarding amendment of the city's Tourist Home, Short Term Rental code and have recent experience we hope you will take into consideration.

Approximately 2 years ago the lakefront property next to us sold to the Birch family who also own and operate STB Rentals LLC. They introduced themselves as a family from Bellevue very excited to live on Lake Stevens.

After several months of remodeling the home they informed us they intended to rent the house on VRBO.

The first rental occurred on July 4, 2020 with approximately twenty young men and women partying and setting off fireworks throughout the day and night. We observed probable underage drinking, Roman Candle like fireworks being discharged into our yard and being directed toward boats as they drove by. At the end of the night people were up on the roof setting off projectile fireworks within 25-30 feet of our home.

Despite several neighbors complaining to the property owners we continued to encounter trespassing, illegal parking and cars driving at excessive speeds down our private road, unleashed dogs defecating on our lawn, and the stench of marijuana causing us to remove ourselves and our guests from our beachfront on multiple occasions.

We decided to appeal to the city for advice after the Birch's approached us asking if they could pay us to provide parking for weddings at the house.

We learned we had been naive assuming the Birch's had obtained a permit to operate their VRBO. We were informed this matter required a complaint and quickly submitted a code enforcement request on behalf of ourselves and two of our neighbors.

After the Cease and Desist letter there were continued violations. We contacted the city Code Compliance Inspector who asked us to provide photo documentation of these violations.

On November 21, 2020 we believe we were victims of retaliative behavior after hearing a series of obscenities being shouted in our direction from the Birch's yard. Later that same night we heard banging on metal sound and a loud voice shouting and chanting. We observed the homeowner naked and dancing around a large bonfire in his yard.

We called 911 requesting an anonymous welfare check.

After the police responded Officer Wells called to tell us he suspected this was possibly drug induced, psychotic behavior and asked if we wanted to press charges. He suggested because this had been going on for hours already the neighbor would likely be exhausted and go back inside sooner than later. We did not press charges but the behavior persisted until almost 2 am.

We appreciate our experiences may be extreme but we appeal to you to take them into account before you open the door to these for profit, VRBO and unhosted Air BNB businesses in our residential neighborhoods.

It was proven to us from the outset that VRBO owners and their unhosted guests do not comply with rules and have little interest in being a good neighbor.

Regarding enforcement of violations, we believe the current protocol places unfair onus on homeowners surrounding these properties to report and provide documentation for inevitable violations and code enforcements. We imagine the city's law enforcement will also be impacted if more of these businesses are allowed to operate in our neighborhoods.

The Birch's are currently compliant with long term renters in the home.

Thank you for your time and attention considering our concerns.

Aileen and Todd Spradlin

## David Levitan

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**From:** Nikki Odegaard <nikkioodegaard55@gmail.com>  
**Sent:** Wednesday, March 2, 2022 9:57 PM  
**To:** lsplanning  
**Subject:** Att: Planning Commissioners re. AirBNB and VRBO rentals on Lake Stevens - input for the next planning meeting

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Commissioners,

We are writing to ask that you not change the existing codes for short term rentals to allow AirBNB and VRBO rentals in residential areas. Our family has lived on the Lake for four generations and seen much growth over the past about 80 years! However, it has always been a residential haven - and the existing short term rental codes allow at least a somewhat controlled way for some families to make an income from their home.

Our issue with the proposed expansion into AirBNB and VRBO rentals is that there is simply not enough oversight on the activities of totally unsupervised renters. There is a history of them often being used for basically days-long parties with unchecked noise and unsafe behavior. That stretches throughout the summer. We have experienced this ourselves! There is apparently not the man-power to have law enforcement control this. Our legendary Lake Stevens 4th July parties are one thing - but that behavior throughout the entire rental season would literally change the lives of regular lakeside residents.

Another aspect that is very concerning is that of parking. Many of the houses along the lake shore have very limited parking. Turning single-family homes into multi-person holiday spots will likely make for some very dangerous parking situations.

All in all, we would ask that the Commission NOT expand the current regulations which keep the property owner as on-site hosts. The proposals would change the very nature of our family-friendly, residential lake - and not for the better. Please don't sacrifice that for the sake of a relatively small number of potential business opportunities which would have an outsized effect on their neighbors and neighborhoods. Many communities have come to regret their opening up to this form of rentals and it is not easy to backtrack once that decision has been made and shown to be a bad one. Thank you for your consideration.

Bruce and Nikki Odegaard



# **A PRACTICAL GUIDE TO EFFECTIVELY REGULATING SHORT-TERM RENTALS ON THE LOCAL GOVERNMENT LEVEL**

**Ulrik Binzer, Founder & CEO Host Compliance LLC**

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## Introduction: The meteoric rise of “home-sharing” and short-term rentals

Sharing our homes has been commonplace for as long as there have been spare rooms and comfortable couches. Whether through word of mouth, ads in newspapers or flyers on community bulletin boards, renters and homeowners alike have always managed to rent out or share rooms in their living spaces. Traditionally these transactions were decidedly analog, local and limited in nature, but with advance of the internet and websites such as Airbnb.com and HomeAway.com it has suddenly become possible for people to advertise and rent out their homes and spare bedrooms to complete strangers from far-away with a few mouse-clicks or taps on a smartphone screen. As a result, the number of homes listed for short-term rent has grown to about 4 million, a 10 fold increase over the last 5 years. With this rapid growth, many communities across the country are for the first time experiencing the many positive and negative consequences of an increased volume of “strangers” in residential communities. While some of these consequences are arguably positive (increased business for local merchants catering to the tourists etc.) there are also many potential issues and negative side-effects that local government leaders may want to try to mitigate by adopting sensible and enforceable regulation.

How to effectively regulate home-sharing and short-term rentals has therefore suddenly become one of the hottest topics among local government leaders across the country. In fact, at the recent National League of Cities conference in Nashville, TN, there were more presentations and work sessions dedicated to this topic than to any other topic. Yet, despite more than 32,000 news articles written on the topic in recent years<sup>i</sup>, surprisingly little has been written on how to implement simple, sensible and enforceable local policies that appropriately balances the rights of homeowners with the interests of neighbors and other community members who may only experience the negative side-effects associated with people renting out their homes on a short-term basis. This guide seeks to address this knowledge gap and offer practical advice and concrete examples of short-term rental regulation that actually works.

## Why regulate home-sharing and short-term rentals in the first place?

There are many good reasons why local government leaders are focused on finding ways to manage the rapid growth of home-sharing and short-term rental properties in their communities. To name a few:

1. Increased tourist traffic from short-term renters has the potential to slowly transform peaceful residential communities into “communities of transients” where people are less interested in investing in one another’s lives, be it in the form of informal friend groups or church, school and other community based organizations.

2. Short-term renters may not always know (or follow) local rules, resulting in public safety risks, noise issues, trash and parking problems for nearby residents.
3. So-called “party houses” i.e. homes that are continuously rented to larger groups of people with the intent to party can severely impact neighbors and drive down nearby home values.
4. Conversion of residential units into short-term rentals can result in less availability of affordable housing options and higher rents for long-term renters in the community.
5. Local service jobs can be jeopardized as unfair competition from unregulated and untaxed short-term rentals reduces demand for local bed & breakfasts, hotels and motels.
6. Towns often lose out on tax revenue (most often referred to as Transient Occupancy Tax / Hotel Tax / Bed Tax or Transaction Privilege Tax) as most short-term landlords fail to remit those taxes even if it is required by law.
7. Lack of proper regulation or limited enforcement of existing ordinances may cause tension or hostility between short-term landlords and their neighbors
8. The existence of “pseudo hotels” in residential neighborhoods (often in violation of local zoning ordinances etc.) may lead to disillusionment with local government officials who may be perceived as ineffective in protecting the interests of local tax-paying citizens.

In short, while it may be very lucrative for private citizens to become part-time innkeepers, most of the negative externalities are borne by the neighbors and surrounding community who may not be getting much in return. The big question is therefore not whether it makes sense to regulate short-term rentals, but how to do it to preserve as many of the benefits as possible without turning neighbors and other local community members into “innocent bystanders”. In the next sections we will explore how to actually do this in practice.

## **Effective short-term rentals regulation starts with explicit policy objectives and a clear understanding of what regulatory requirements can be enforced**

As with most regulation enacted on the local level, there is no “one size fits all” regulatory approach that will work for all communities. Instead local regulation should be adapted to fit the local circumstances and policy objectives while explicitly factoring in that any regulation is only worth the paper it is written on if it can be enforced in a practical and cost-effective manner.

### **Start with explicit policy objectives!**

As famously stated in Alice in Wonderland: *“If you don't know where you are going, any road will get you there.”* The same can be said about short-term rental regulation, and unfortunately many town and city councils end up regulating the practice without first thinking through the community's larger strategic objectives and exactly which of the potential negative side effects

associated with short-term rentals that the regulation should try to address. As an example, the Town of Tiburon in California recently passed a total ban of short-term rentals without thinking through the severely negative impact of such regulation on its stated strategic policy objective of revitalizing its downtown. Likewise the City of Mill Valley, California recently adopted an ordinance requiring short-term landlords to register with the city, while failing to put in place an effective mechanism to shut-down “party-houses” although there had been several complaints about such properties in the past. Such oversight was clearly unintentional but highlights the fact that the topic of regulating short-term rentals is extremely complicated and it is easy to miss the forest for the trees when it comes time to actually writing the local code. To avoid this pitfall, local government leaders should therefore first agree on a specific list of goals that the new short-term rental regulation should accomplish *before* discussing any of the technical details of how to write and implement the new regulation. Any draft regulation should be evaluated against these specific goals and only code requirements that are specifically designed to address any of those concrete goals should be included in the final ordinance. Below are a few concrete examples of what such lists of concrete policy objective could look like for various types of communities:

### Example A: List of short-term rental policy objectives for an affluent residential community in attractive location

- Ensure that traditional residential neighborhoods are not turned into tourist areas to the detriment of long-time residents
- Ensure any regulation of short-term rentals does not negatively affect property values (and property tax revenue)
- Ensure that homes are not turned into pseudo hotels or “party houses”
- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Give permanent residents the option to occasionally utilize their properties to generate extra income from short-term rentals as long as all of the above mentioned policy objectives are met

### Example B: List of short-term rental policy objectives for an urban community with a shortage of affordable housing

- Maximize the availability of affordable housing options by ensuring that no long-term rental properties are converted into short-term rentals
- Ensure that short-term rentals are taxed in the same way as traditional lodging providers to ensure a level playing field and maintain local service jobs
- Ensure that the city does not lose out on hotel tax revenue that could be invested in much needed services for permanent residents

- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Give citizens the option to utilize their properties to generate extra income from short-term rentals as long as all of the above mentioned policy objectives are met

### Example C: List of short-term rental policy objectives for a working-class suburban community with ample housing availability and a struggling downtown

- Give property owners the option to utilize their properties as short-term rentals to help them make ends meet
- Encourage additional tourism to drive more business to downtown stores and restaurants
- Minimize public safety risks and the noise, trash and parking problems often associated with short-term rentals without creating additional work for the local police department
- Ensure that the city does not lose out on tax revenue that could be invested in much needed services for permanent residents

### Example D: List of short-term rental policy objectives for beach town with a large stock of traditional vacation rentals

- Ensure any regulation of short-term rentals does not negatively affect the value of second homes (and thereby property tax revenue)
- Encourage increased visitation to local stores and restaurants to increase the overall availability of services and maximize sales tax collections
- Minimize public safety risks and the noise, trash and parking problems associated with existing short-term rentals without creating additional work for the local police department

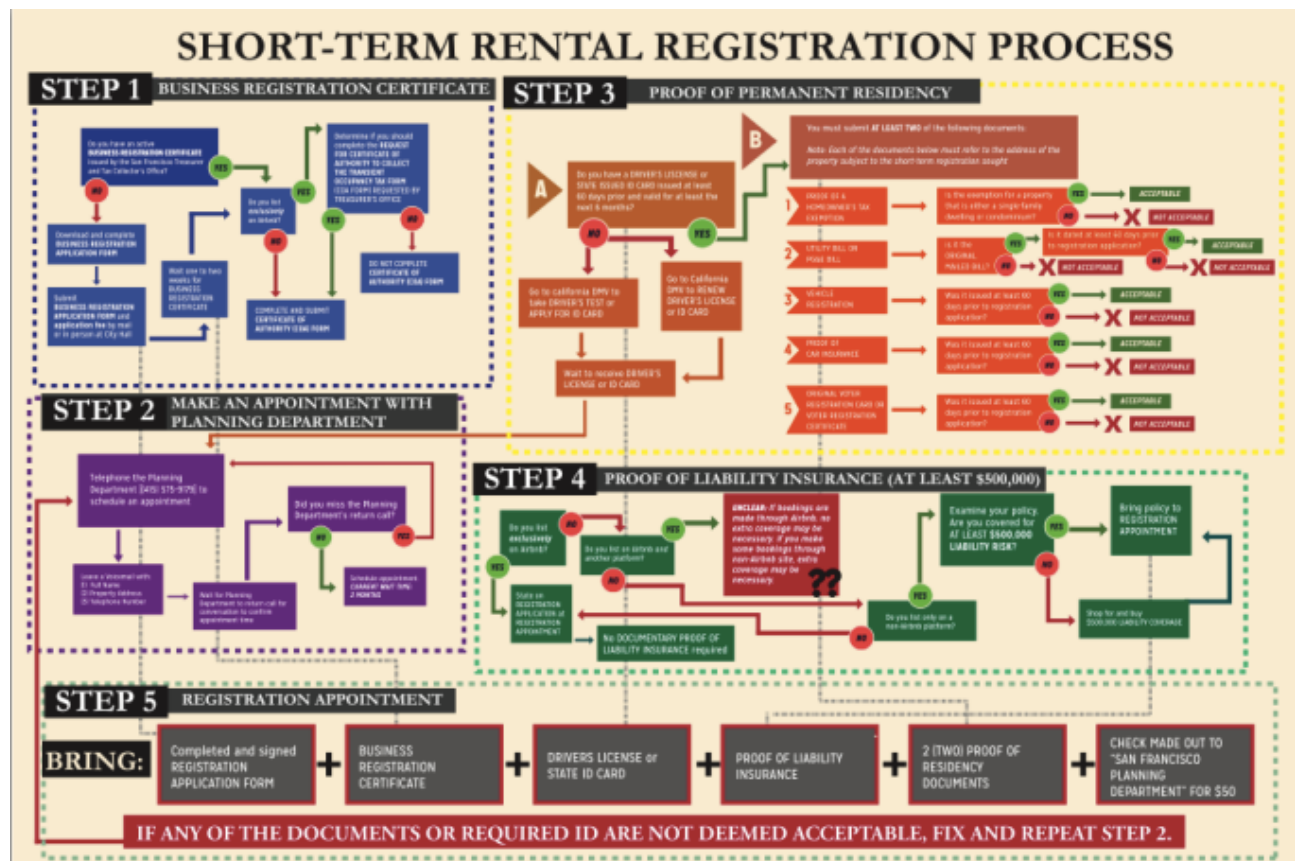
Once clear and concrete policy objectives have been formulated the next step is to understand what information can be used for code enforcement purposes, so that the adopted short-term rental regulation can be enforced in a cost-effective manner.

## Only adopt policy requirements that can and will be enforced!

While it may seem obvious that *only enforceable legislation should be adopted*, it is mind-boggling how often this simple principle is ignored. To give a few examples, the two California towns previously mentioned not only failed to adopt regulation consistent with their overall strategic policy objectives, but also ended up adopting completely unenforceable rules. In the case of Tiburon, the town council instituted a complete ban of all short-term rentals within its jurisdiction, but not only failed to allocate any budget to enforce it, but also failed put in place

As for local governments that require short-term rental property owners to pay tax to the local jurisdiction without allocating budget to enforcing such rules, they have found themselves in similar situations, with compliance rates in the 5% range.

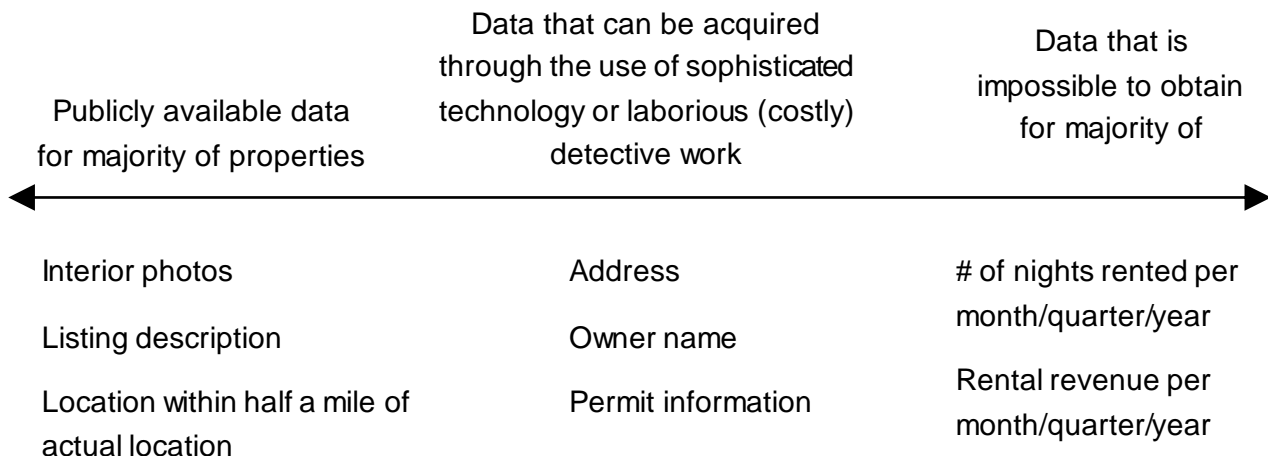
Another common mistake is for cities to adopt complicated rules that are hard for citizens to understand and follow and that require large investments in enforcement. As an example, despite setting up a dedicated department to enforce its short-term rental regulation, the City of San Francisco has only achieve a 10-15% compliance rate as its regulation is so complicated and its registration process so agonizing that most people give up before even trying to follow the rules. Below is flow-chart that illustrates San Francisco's cumbersome short-term rental registration process.





While hindsight is 20/20, it is worth noting that the registration requirements were probably well-intended and made logical sense to the council members and staff that adopted them. The problem was therefore not ill-will but a lack of understanding of the practical details as to how the various short-term rental websites actual work. As an example, San Francisco's short-term rental regulation require that property owner's display their permit number on any advertising (including online listings) whereas Airbnb's website has built-in functionality that specifically prevents short-term landlords from doing so and automatically deletes all "permit sounding" information from the listings in most locations. Likewise, San Francisco's legislation bans anyone for renting their homes for more than 90 days per calendar year, while none of the home-sharing websites give code enforcement officers the ability to collect the data necessary to enforce that rule. To make matters worse, the listing websites have refused to share any property specific data with the local authorities and have even gone as far as suing the cities that have been asking for such detailed data. Local government officials should therefore not assume that the listing websites will be collaborative when it comes to sharing data that will make it possible for local code enforcement officers to monitor compliance with complicated short-term rental regulation on the property level. Instead, local government leaders should seek to carefully understand the data limitations before adopting regulation that cannot be practically enforced. To get a quick overview of what information that can be relied on for short-term rental compliance monitoring and enforcement purposes, please see the diagram below that shows which:

1. data is publicly available on the various home-sharing websites
2. information that can be uncovered through the deployment of sophisticated "big data" technology and trained experts (or time-consuming and therefore costly detective work conducted by a town's own staff)
3. property specific details that are practically impossible to obtain despite significant investment of time and money





So where does that leave local government leaders who want to put in place enforceable short-term rental regulation? In the next section we will explore, describe, and assess the viable regulatory tools available for local government leaders to effectively address the key issues related to taxation, regulation, social equity and economic development.

## Viable regulatory approaches to managing short-term rentals

As mentioned earlier, the first step to creating effective short-term rental regulation is to document and get agreement on a set of clear and concrete policy objectives. Once this has been accomplished, putting together the actual regulatory requirements can be simplified by referring to the “cheat sheet” below, which lists the regulatory levers that can be pulled to accomplish those goals in a practical and cost-effective manner while factoring in the data limitations highlighted in the previous section.

Short-term Rental Policy Objectives and the Associated Viable Regulatory Approaches		
Policy Objective	Viable Regulatory Approach(es)	Unviable Regulatory Approach(es)
Give <b>law abiding and respectful</b> citizens the option to utilize their homes as short-term rentals	Adopt a formal annual permitting requirement and a process for revoking permits from “trouble properties”. As an example a local government can adopt a “3 strikes rule” whereby a permit is automatically revoked for a number of years in the event the local government receives 3 (substantiated) complaints about a property within a certain time frame (i.e. a 24 month period). Alternatively, a local government can adopt a rule by which a permit is automatically revoked in the event the town receives conclusive evidence (police report, video evidence etc.) that a city ordinance has been violated.	Failing to clearly specify what rules law abiding and respectful short-term landlords and their renters must comply with. Adopting regulation that does not clearly define the criteria and process for revoking a short-term rental permit.
Ensure that speculators do not buy up homes to turn them into pseudo hotels while still giving <b>permanent</b>	Adopt a formal permit requirement and make it a condition that the permit holder verifies residency on an annual	Adopting a permitting process that does <b>not</b> formally require short-term rental permit

<b>residents</b> the option to utilize their homes to generate extra income from short-term rentals	basis by submitting the same documentation as is required to verify residency for public school attendance purposes	holders to verify that they are permanent residents of the permitted property
<p>Ensure that homes are <b>only</b> occasionally used as short-term rentals (and <b>not</b> continuously rented out to new people on a short term basis)</p>	<p>It is unfortunately not practically possible to enforce any formal limits on the number of times or number of days that a particular property is rented on an annual/quarterly/monthly basis, but adopting a permanent residency requirement for short-term rental permit holders (see above) can ensure that there is a practical upper limit to how often most properties are rented out each year (most people can only take a few weeks of vacation each year and they are therefore practically restricted to rent out their homes for those few weeks). There is unfortunately no easy way to deal with the tiny minority of homes where the “permanent resident” owners have the ability to take extended vacations and rent out their home continuously. That said, if the above mentioned “permanent residency requirement” is combined with rules to mitigate noise, parking and trash related issues, the potential problems associated with these few homes should be manageable.</p> <p>Adopting a “permanent residency requirement” also comes with the additional side benefit that most people don’t want to rent out their primary residence to people who may trash it or be a nuisance to the neighbors. The “permanent residency requirement” can therefore also help minimize noise, parking and trash related issues.</p>	<p>A formal limit on the number of times or number of days each property can be rented on an annual/quarterly/monthly basis is not enforceable as occupancy data is simply not available without doing a formal audit of each and every property.</p>

<p>Ensure homes are <b><u>not</u></b> turned into “party houses”</p>	<p>Adopt a formal permit requirement and put in place a specific limit on the number of people that are allowed to stay on the property at any given time. The “people limit” can be the same for all permitted properties (i.e. a max of 10 people) or be correlated with the number of bedrooms. In addition, the regulation should formally specify that any advertisement of the property (offline or online) and all rental contracts must contain language that specifies the allowed “people limit” to make it clear to (potential) renters that the home cannot be used for large gatherings. While not bullet-proof, adopting these requirements will deter most abuse. In addition it is possible to proactively enforce this rule as all listing websites require (or allow) hosts to indicate their property’s maximum occupancy on the listings.</p>	<p>Adopting any regulation that does not clearly define what types of uses are disallowed will be ineffective and likely result in misinterpretation and/or abuse.</p>
<p>Minimize potential parking problems for the neighbors of short-term rental properties</p>	<p>Adopt a formal permit requirement and put in place a specific limit on the number of motor vehicles that short-term renters are allowed to park on/near the property. The “motor vehicle limit” can be the same for all permitted properties (i.e. a max of 2) or be dependent on the number of permanent parking spots available on the property. In addition, the regulation should formally specify that any advertisement of the property (offline or online) and any rental contract must contain language that specifies the allowed “motor vehicle limit” to make it clear to (potential) renters that bringing more cars is disallowed. As with the “people limit” rule mentioned above,</p>	<p>Adopting any regulation that does not clearly define a specific limit on the number of motor vehicles that short-term renters are allowed to park on/near the property.</p>

	adopting these parking disclosure requirements will deter most abuse. In addition it is easy to proactively enforce this rule as most listing websites require or allow their hosts to describe their property's parking situation on the listing.	
Minimize public safety risks and possible noise and trash problems without creating additional work for the local police department and code enforcement personnel	<ol style="list-style-type: none"> <li>1. Require that all short-term rental contracts include a copy of the local sound/trash/parking ordinances and/or a "Good Neighbor Brochure" that summarizes the local sound/trash/parking ordinances and what is expected of the renter.</li> <li>2. Require that short-term rental permit holders list a "local contact" that can be reached 24/7 and immediately take corrective action in the event any non-emergency issues are reported (i.e. deal with suspected noise, trash or parking problems)</li> <li>3. Establish a 24/7 hotline to allow neighbors and other citizens to easily report non-emergency issues without involving local law/code enforcement officers. Once notified of a potential ordinance violation, the hotline personnel will contact the affected property's "local contact", and only involve the local law and/or code enforcement personnel in the event that the "local contact" is unsuccessful in remedying the situation within a reasonable amount of time (i.e. 20-30 minutes).</li> </ol>	Adopting any regulation and enforcement processes that do not explicitly specify how non-emergency problems should be reported and addressed.
Ensure that no long-term rental properties are converted to short-term	Adopt a permanent residency requirement for short-term rental permit holders (see above) to	Adopting a permitting process that does <b>not</b> formally require short-

rentals to the detriment of long-term renters in the community	prevent absentee landlords from converting long-term rental properties into short-term rentals.	term rental permit holders to verify that they are permanent residents of the permitted property will be ineffective in preventing absentee landlords from converting their long-term rental properties into short-term rentals.
Ensure that residential neighborhoods are not inadvertently turned into tourist areas to the detriment of permanent residents	Implement one or both of the following regulatory approaches: 1. Adopt a formal permit requirement and set specific quotas on the number of short-term rental permits allowed in any given neighborhood, and/or 2. Adopt the “permanent residency requirement” for short-term rental permit holders (mentioned above) to ensure that there is a practical upper limit to how often any property is rented out each year	Adopting a complete ban on short-term rentals, unless such a ban is heavily enforced.
Ensure any regulation of short-term rentals does not negatively affect property values or create other unexpected negative long-term side-effects	Adopt regulation that automatically expires after a certain amount of time (i.e. 2-5 years) to ensure that the rules and processes that are adopted now are evaluated as the market and technology evolves over time.	Adopt regulation that does not contain a catalyst for evaluating its effectiveness and side-effects down the line.
Ensure the physical safety of short-term renters	Adopt a physical safety inspection requirement as part of the permit approval process. The inspection can be conducted by the municipality’s own staff or the local fire/police force and can cover various amounts of potential safety hazards. As a minimum such inspection should ensure that all rentals provide a minimum level of protection to the renters who are sleeping in	Adopting a self-certification process that does not involve an objective 3 <sup>rd</sup> party.

	unfamiliar surroundings and therefore may be disadvantaged if forced to evacuate the structure in the event of an emergency.	
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In addition to the above targeted regulatory measures, local governments should adopt requirements for short-term rental permit holders to maintain books and records for a minimum of 3 years so that it is possible to obtain the information necessary to conduct inspections or audits as required. Finally, it is imperative that local governments adopt fine structures that adequately incentivizes short-term landlords to comply with the adopted regulation. Ideally the fines should be proportionate to the economic gains that potential violators can realize from breaking the rules, and fines should be ratcheted up for repeat violators. Below is an example of a fine schedule that will work for most jurisdictions:

	1 <sup>st</sup> violation	2 <sup>nd</sup> violation	3 <sup>rd</sup> violation	4 <sup>th</sup> violation
Fine for advertising a property for short-term rent (online or offline) without first having obtained a permit or complying with local listing requirements	\$200 per day	\$400 per day	\$650 per day	Upon the fourth or subsequent violation in any twenty-four month period, the local government may suspend or revoke any permit. The suspension or revocation can be appealed.
Fine for violating any other requirements of the local government's short-term rental regulation	\$250 per day	\$500 per day	\$750 per day	
<b>Notes:</b> <ul style="list-style-type: none"><li>(a) Any person found to be in violation of this regulation in a civil case brought by a law enforcement agency shall be ordered to reimburse the local government and other participating law enforcement agencies their full investigative costs, pay all back-owed taxes, and remit all illegally obtained short-term rental revenue proceeds to the local government</li><li>(b) Any unpaid fine will be subject to interest from the date on which the fine became due and payable to the local government until the date of payment.</li><li>(c) The remedies provided for in this fine schedule are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the local government to address any violation or other public nuisance.</li></ul>				

## Best Practices for Enforcing Short-term Rental Regulation

To implement any type of effective short-term rental regulation, be it a total ban, a permitting requirement, and/or a tax, local governments must expect to invest some level of staff time and/or other resources in compliance monitoring and enforcement. That said, most local governments are neither technically equipped nor large enough to build the true expertise and

sophisticated software needed to do this cost-effectively. There are several reason why this is the case:

1. Rental property listings are spread across dozens (or hundreds) of different home sharing websites, with new sites popping up all the time (Airbnb and HomeAway are only a small portion of the total market)
2. Manually monitoring 100s or 1,000s of short-term rental properties within a specific jurisdiction is practically impossible without sophisticated databases as property listings are constantly added, changed or removed
3. Address data is hidden from property listings making it time-consuming or impossible to identify the exact properties and owners based just on the information available on the home-sharing websites
4. The listing websites most often disallow property owners from including permit data on their listings, making it impossible to quickly identify unpermitted properties
5. There is no manual way to find out how often individual properties are rented and for how much, and it is therefore very difficult to precisely calculate the amount of taxes owed by an individual property owner

Luckily, it is possible to cost-effectively outsource most this work to new innovative companies such as Host Compliance that specialize in this area and have developed sophisticated big data technology and deep domain expertise to bring down the compliance monitoring and code enforcement costs to a minimum. In many situations, these companies can even take on all the work associated with managing the enforcement of the short-term rental regulation in return for a percentage of the incremental permitting fees, tax revenue and fine revenue that they help their local government partners collect. ***Adopting short-term rental regulation and outsourcing the administration and enforcement can therefore be net-revenue positive for the local government, while adding no or little additional work to the plates of internal staff. What's more, getting started generally requires no up-front investment, long-term commitment or complicated IT integration.***

That said, while it is good to know that adopting and enforcing short-term regulation can be net revenue positive if done in partnership with an expert firm, it is important to note that the economic benefits are only a small part of the equation and that local government leaders should also factor in the many non-economic benefits associated with managing and monitoring the rapidly growing short-term rental industry in their local communities. These non-economic benefits are often much more important to the local citizens than the incremental tax revenue, so even if the incremental revenue numbers may not seem material in the context of a local government's overall budget, the problems that unregulated and/or unmonitored short-term rentals can cause for the neighbors and other "innocent bystanders" can be quite material and should therefore not be ignored. Or as Jessica C. Neufeld from Austin, TX who suddenly found herself and her family living next to a "party house" reminds us: *"We did not buy our house to be*



*living next to a hotel. Would you buy a home if you knew a hotel like this was operating next door, if you wanted to set your life up and raise a family?”<sup>ii</sup>.*

## Conclusion

It is the responsibility of local government leaders to ensure that as few people as possible find themselves in the same unfortunate situation as Jessica and her family. In this white-paper we have outlined how to make it happen - in a revenue positive way. To find out more about how we can help your community implement simple, sensible and enforceable short-term rental regulation, feel free to visit us on [www.hostcompliance.com](http://www.hostcompliance.com) or call us for a free consultation on (415) 715-9280. We would also be more than happy to provide you with a complimentary analysis of the short-term rental landscape in your local government's jurisdiction and put together an estimate of the revenue potential associated with adopting (or more actively enforcing) short-term rental regulation in your community.

## About the Author

Ulrik Binzer is the Founder and CEO of [Host Compliance LLC](http://Host Compliance LLC), the industry leader in short-term rental compliance monitoring and enforcement solutions for local governments.

Ulrik got the idea to found Host Compliance when he was serving on a committee appointed by his local town council to study possible ways to regulate short-term rentals in the local community. In preparation for his work on the committee, Ulrik spent countless hours researching how other municipalities had approached the regulation of short-term rentals, and it became evident that enforcing the regulations and collecting the appropriate taxes without the support of sophisticated technology was virtually impossible. As a result, Ulrik set out to build those tools and make them available to municipalities of all sizes at a fraction of the cost of what it would cost them to build and run such technology internally.

Prior to founding Host Compliance, Ulrik served as Chief Operating Officer of Work4 Labs - an 80 person Venture Capital backed technology company with offices in Silicon Valley and Europe, and Soligent Distribution LLC - the largest distributor of solar equipment to local governments and businesses in the Americas.

Before assuming executive management roles in technology companies, Ulrik served as Vice President of the private equity firm Golden Gate Capital, as a strategy consultant at McKinsey & Company and as an Officer in the Danish Army where he commanded a 42-person Platoon and graduated first in his class from the Danish Army's Lieutenant School.

Ulrik received his M.B.A. from Harvard Business School where he was as a Baker Scholar (top 5% of his class) and earned his Bachelor of Science degree in International Business from Copenhagen Business School and New York University.





Ulrik can be contacted on (415) 715-9280 or [binzer@hostcompliance.com](mailto:binzer@hostcompliance.com). You can follow him and Host Compliance on twitter on [@HostCompliance](https://twitter.com/HostCompliance).

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<sup>i</sup> Google News accessed on 1/5/2016

<sup>ii</sup> New York Times article: "New Worry for Home Buyers: A Party House Next Door", October 10, 2015

#### **LSMC 14.44.064 – Short-Term Rentals**

- (a) Purpose – the purpose and intent of requiring specific standards for short term rentals (rentals of 30 days or less) is to ensure that their location and operation is consistent with the existing residential character of the surrounding area in terms of appearance, traffic levels and other development standards.
- (b) Applicability and General Requirements – the following requirements shall apply to all short-term rentals.
  - (1) Short-term rentals are allowed in the zoning districts identified in Table 14.40-I.
  - (2) Short-term rentals are limited to owner-occupied residences and subject to any additional covenants and restrictions on individual properties.
  - (3) The owner, authorized agent or property manager shall live on the premises for the entire duration of any short-term rental agreement.
  - (4) No short-term rental can be rented to more than two separate parties, per facility, or exceed eight total individuals at any time.
  - (5) The total number of guests covered by a short-term rental agreement shall not exceed two per rented bedroom and six total individuals.
  - (6) A city business license and home occupation addendum are required on an annual basis.
  - (7) As part of the initial business license application, the building official or designee in coordination with the fire marshal shall perform a safety inspection of the property. It shall be the owner's responsibility to ensure that the short-term rental is and remains in substantial compliance with all applicable codes regarding fire, building, health, safety and other relevant laws and regulations.
  - (8) At the time of application for a short-term rental use, the property owner shall provide written notification to adjoining property owners of their intent to operate a short-term rental and provide a copy of the notification to the Planning and Community Development Department.
  - (9) A short-term rental owner must maintain primary liability insurance consistent with RCW 64.37.050.
  - (10) Applicable lodging taxes must be paid to the State of Washington, and those payments are the responsibility of the property owner.
- (c) Development Standards
  - (1) A minimum of one off-street parking space that meets all requirements and standards of LSMC Chapter 14.72 shall be provided per rented bedroom in addition to the minimum parking requirement for the residence (see Table 14.72-I).
  - (2) Approved accessory dwelling units may be utilized as short-term rentals subject to all other requirements of this section, including the maximum number or rental agreements for the property.
  - (3) Signage shall be limited to four square feet in area, consistent with LSMC 14.68.020.

(4) The property shall give no outward appearance or exhibit characteristics of a business that would be incompatible with the ability of the neighboring residents to enjoy peaceful occupancy of their properties.

(5) Meal service shall be limited to overnight guests. Separate kitchens shall not be allowed in individual guest rooms unless part of an approved accessory dwelling unit (ADU).

(d) Complaints and Enforcement

(1) Complaints and enforcement are subject to the process identified in LSMC Chapter 17.20.

(2) Penalties levied may include warnings, fees, or the revocation of the applicable business license.

**14.08.010 Definitions of Basic Terms.**

*Boarding House.* A residential use consisting of at least one dwelling unit together with more than two rooms that are rented or are designed or intended to be rented but which rooms, individually or collectively, do not constitute separate dwelling units. A rooming house or boarding house is distinguished from a ~~tourist home~~short-term rental in that the former is designed to be occupied by longer term residents (at least month-to-month tenants) as opposed to overnight or weekly guests.

~~*Tourist Home*~~*Short-Term Rental.* An owner-occupied- single-family structure residence in which individual rooms are rented by the day or week for a period of up to thirty (30) days, subject to the standards identified in LSMC 14.44.064 that may include but are not limited to facilities commonly known as bed and breakfasts, tourist/vacation rentals, Airbnb, VRBO, etc..

**Table 14.40-I: Table of Residential Uses by Zones**

A blank box indicates a use is not allowed in a specific zone. Note: Reference numbers within matrix indicate special conditions apply.																
P – Permitted Use; A – Administrative Conditional Use; C – Conditional Use (See Section <a href="#">14.40.070</a> for explanation of combinations)																
NAICS Code	Use	R4	WR	R6	R8-12	MFR	LB	MU <sup>1</sup>	PBD <sup>2</sup>	BD	CBD	CD	LI	GI	P/SP	
MISCELLANEOUS AND ACCESSORY USES																
N/A	<del>Tourist homes</del> Short-Term Rentals <sup>1</sup>	PA	PA	PA	PA	PA		PA								

**TABLE 14.72-I: TABLE OF PARKING REQUIREMENTS**

Short-Term Rentals	1 space for each room to be rented <del>plus two spaces for</del> in addition to the required spaces for the <del>the primary residential use. not to exceed the total number of bedrooms in the residence.</del> See LSMC 14.44.064.
<del>Tourist homes,</del> Hotels and motels.	1 space for each room to be rented plus additional space (in accordance with other sections of this table) for restaurant or other facilities.

<sup>1</sup> Subject to requirements of LSMC 14.44.064.

# STAFF REPORT



**Council Agenda Date:** 3/16/2022

**Subject:** Recommendation to City Council on Ratification of 2022 Comprehensive Plan Docket

**Contact Person/Department:** David Levitan, Community Development

**Budget Impact:** N/A

**Legal Review:** No

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## **RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL:**

Hold a public hearing on the proposed Comprehensive Plan map and text amendments included in the 2022 Docket and make a recommendation to City Council to ratify the docket.

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## **SUMMARY/BACKGROUND:**

Under the Growth Management Act, the City can amend its Comprehensive Plan and Future Land Use Map once per year, with a few exceptions, through an annual docket process. Amendments can include city-initiated text and map amendments as well as citizen-initiated amendments received by January 31. On February 16, staff introduced commissioners to the potential 2022 Comprehensive Plan docket, including three citizen-initiated proposals within the 20<sup>th</sup> St SE Corridor subarea. Since that time, one of the three citizen-initiated proposals has been rescinded, leaving two remaining citizen-initiated proposals (M-1 and M-2).

During the Commission's February 16 discussion, commissioners requested that individual citizen-initiated docket proposals be evaluated on their own merits, instead of solely as part of a larger analysis of potential map and text amendments within the 20<sup>th</sup> St SE Corridor subarea. Staff also briefed the City Council on the docket at their February 22 meeting. Councilmembers agreed that the individual proposals should be considered but also recommended that staff prepare a docket proposal to analyze additional potential changes within the subarea, as a sort of 10-year check-in on the

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plan. Staff has included that as docket proposal M-3.

This hearing serves as the Commission's opportunity to review the merits of individual docket proposals and take public testimony, consistent with the procedures outlined on pages I-15 through I-20 of the [Comprehensive Plan Introduction](#) (Chapter 1). A staff summary and analysis (Attachment 1, with Exhibits A-C for the map amendments) describes how each proposed amendment is consistent with the annual amendment and ratification criteria.

## DISCUSSION

As noted in Attachment 1, staff is recommending that text amendment proposals T-1 through T-7 and map amendment proposals M-1 and M-3 be included on the 2022 Comprehensive Plan Docket, while map amendment proposal M-2 not be included and instead be analyzed as part of proposal M-3. At the conclusion of the public hearing, the Planning Commission will be asked to make a motion to recommend Council ratification of the 2022 docket, either as proposed by staff or with any desired changes.

The 2021 docket includes the following items:

### *City-Initiated Text Amendments*

T-1 - Chapter 2 - Land Use Element: Update text and maps/figures, city demographics and regional planning efforts, such as the 2044 growth targets, 2021 Buildable Lands Report and Vision 2050.

T-2 - Shoreline Master Program: Minor update to SMP to prohibit multifamily residential development in the Shoreline Residential Environment (Waterfront Residential zone), update nonconforming code section to be consistent with LSMC 14.32, and incorporate analysis and potential amendments identified during development of grant-funded User Guide.

T-3 - Chapter 5 – Parks, Recreation and Open Space Element: Amend project and facility descriptions and lists of proposed capital improvements and other minor updates as needed.

T-4 - Chapter 7 - Public Services and Utilities Element: Incorporate analysis from the Hartford/Machias Industrial Area Infrastructure Analysis and other minor updates.

T-5 - Chapter 9 - Capital Facilities Element: Update the list of park, facility and road projects in Tables 9.1 and 9.2 of the Capital Facilities Element and other components as needed

T-6 – Administrative Updates: Along with the above-defined text amendments, staff will also include standard administrative amendments including the Cover, Title Page, Table of Contents, Executive Summary, Introduction and Appendices (including SEPA Addenda).

T-7 – 20<sup>th</sup> St SE Corridor Subarea Plan: Explore potential amendments to permissible uses and other regulations within the subarea plan as the city explores ways to better meet its employment and residential growth targets and accommodate growth and development consistent with the vision identified in the subarea plan.

#### *Citizen-initiated Map Amendments*

M-1 - Amend land use designation of two parcels at 10510 and 10520 20<sup>th</sup> St from High Density Residential to Commercial with concurrent rezone from R8-12 to Commercial District (Attachment 1, Exhibit A).

M-2 - Amend land use designation of one parcel at 2229 97<sup>th</sup> Dr SE from Commercial to High Density Residential with concurrent rezone from Commercial District to R8-12 (Attachment 1, Exhibit B).

#### *City-Initiated Map Amendments*

M-3 - Explore potential changes to land use designations within the eastern portion of the 20<sup>th</sup> St SE Corridor subarea to reassess appropriate land uses along the corridor and explore ways to better accommodate projected population and employment growth targets (Attachment 1, Exhibit C).

### **NEXT STEPS**

The City Council will hold a separate public hearing (currently scheduled for March 22, 2022) to consider the Planning Commission's recommendation. If docketed, each proposal will be analyzed by staff based on the merits of the application compared to established review criteria, for review and recommendation by the Planning Commission and action by the City Council later in 2022. This current action is to set the 2022 Docket only and not a recommendation of approval or denial of any amendments.

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### **APPLICABLE CITY POLICIES:**

Comprehensive Plan Introduction (Chapter 1), Revision and Amendments to the Comprehensive Plan

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**ATTACHMENTS:**

1. Attachment 1 - 2022 Docket Summary Table With Analysis
2. Attachment 1, Exhibit A
3. Attachment 1, Exhibit B
4. Attachment 1, Exhibit C



## SUMMARY OF 2022 DOCKET PROPOSALS

RATIFICATION MAPS		
#	NAME	REQUEST
M-1	<b>Citizen-Initiated Map Amendment</b>	Amend land use designation of two parcels at 10510 and 10520 20 <sup>th</sup> St from High Density Residential to Commercial with concurrent rezone from R8-12 to Commercial District (see map in Exhibit 1).
M-2	<b>Citizen-Initiated Map Amendment</b>	Amend land use designation of one parcel at 2229 97 <sup>th</sup> Dr SE from Commercial to High Density Residential with concurrent rezone from Commercial District to R8-12 (see map in Exhibit 2).
M-3	<b>City-Initiated Map Amendment</b>	Explore potential changes to land use designations within the eastern portion of the 20 <sup>th</sup> St SE Corridor subarea to reassess appropriate land uses along the corridor and explore ways to better accommodate projected population and employment growth targets. Associated with Text Amendment proposal T-7 (see map in Exhibit 3).
RATIFICATION TEXT		
#	NAME	REQUEST
T-1	<b>Chapter 2 – Land Use</b>	Update text and maps/figures, city demographics and regional planning efforts, such as the 2044 growth targets, 2021 Buildable Lands Report and Vision 2050.
T-2	<b>Shoreline Master Program</b>	Minor update to SMP to prohibit multifamily residential development in the Shoreline Residential Environment (Waterfront Residential zone), update nonconforming code section to be consistent with LSMC 14.32, and incorporate analysis and potential amendments identified during development of grant-funded User Guide.
T-3	<b>Chapter 5 – Parks, Recreation and Open Space</b>	Amend project and facility descriptions and lists of proposed capital improvements and other minor updates as needed.
T-4	<b>Chapter 7 – Public Services and Utilities</b>	Incorporate analysis from the Hartford/Machias Industrial Area Infrastructure Analysis and other minor updates.
T-5	<b>Chapter – 9 Capital Facilities</b>	Update the list of park, facility and road projects in Tables 9.1 and 9.2 of the Capital Facilities Element and other components as needed.

<b>T-6</b>	<b>Administrative Updates</b>	Along with the above-defined text amendments, staff will also include standard administrative amendments including the Cover, Title Page, Table of Contents, Executive Summary, Introduction and Appendices (including SEPA Addenda).
<b>T-7</b>	<b>20<sup>th</sup> St SE Corridor Subarea Plan</b>	Explore potential amendments to permissible uses and other regulations within the subarea plan as the city explores ways to better meet its employment and residential growth targets and accommodate growth and development consistent with the vision identified in the subarea plan.

Factors for Consideration, per Comprehensive Plan [Chapter 1: Introduction](#), Revision and Amendments to the Comprehensive Plan Section G (page I-18):

### Map Amendments

- *How is the proposed land use designation supported by or consistent with the existing policies of the various elements of the Comprehensive Plan? If it isn't, the development should demonstrate how the change is in the best long-term interest of the city.*
  - Staff has completed an analysis of the three map amendment requests based on the ratification criteria in Section H of Revisions and Amendments to the Comprehensive Plan (page I-20), which are included as Exhibits 1-3 of this attachment. Per the analysis in those exhibits, staff believes that proposals M-1 and M-3 are consistent with the policies of the Comprehensive Plan, while proposal M-2 is not and is better suited to be analyzed as part of the larger area identified in docket proposal M-3.
- *How does the proposed land use designation promote a more desirable land use pattern for the community? If so, a detailed description of the qualities of the proposed land use designation that make the land use pattern for the community more desirable should be provided to enable the Planning Commission and City Council to find that the proposed land use designation is in the community's best interest.*
  - As noted in Exhibit 1, proposal M-1 is located along 20<sup>th</sup> St SE, an arterial where additional commercial land uses appear appropriate. Per Exhibit 2, proposal M-2 is requesting a site-specific land use map amendment within an area that, while currently residential, has the potential to redevelop with commercial uses in the future, which was the rationale for the area being changed to a Commercial land use designation as part of the 2019 Comprehensive Plan docket. Staff believes that a site-specific amendment in this area does not create a more desirable land use pattern, and is proposing that potential amendments to the land use designation for the entire 97<sup>th</sup> Dr SE cul-de-sac be included in the area proposed for analysis under docket proposal M-3.
- *What impacts would the proposed change of land use designation have on the current use of other properties in the vicinity, and what measures should be taken to ensure compatibility with the uses of other properties in the vicinity?*
  - Staff believes that the area covered by proposal M-1 is appropriate for commercial uses, while proposal M-2 should not be docketed and instead analyzed as part of proposal M-3. If docketed, property owners within proximity of the areas proposed for land use map amendments would be informed of any potential changes, and would receive notice of the public hearing to consider adoption of any ordinance amending the land use designations.

- *Comments received from affected property owners and residents.*
  - Docket proposals M-1 and M-2 are citizen-initiated map amendment proposals, with individual property owners submitting the requested land use designation amendments. If proposal M-3 is docketed, staff will develop a public outreach program to solicit public input.

#### **Text Amendment Ratification Criteria**

1. *Is the proposed amendment appropriate to the Comprehensive Plan rather than implementation as a development regulation or program?*
  - a. The proposed amendments are to existing text in the Comprehensive Plan, Shoreline Master Program, and 20<sup>th</sup> St SE Corridor Subarea Plan. The City Council, with input from the Waterfront Residential Task Force and Planning Commission, has requested specific amendments to the SMP regarding waterfront residential uses, to provide consistency with existing Comprehensive Plan policies and development regulations. The Council has also requested analysis of infrastructure constraints within the city's industrial areas, which may be incorporated into the Public Services and Utilities Element and Capital Facilities Element. The remainder of the amendments are required to update the list of the capital projects and reflect updated statistics and information as well as recent regional and county planning efforts. The proposed changes are not development regulations but may trigger a review of development regulations to implement.
2. *Is the proposed amendment legal? Does the proposed amendment meet existing state and local laws?*
  - a. Yes, all amendments proposed shall follow an established legal process and criteria.
3. *Is it practical to consider the proposed amendment? Reapplications for reclassification of property reviewed as part of a previous proposal are prohibited unless the applicant establishes there has been a substantial change of circumstances and support a plan or regulation change at this time.*
  - a. The proposed text amendments are limited in scope and have not been previously reviewed.
4. *Does the City have the resources, including staff and budget, necessary to review the proposed amendment?*
  - a. The city has adequate staffing and budget to process the proposed amendments.
5. *Does the proposed amendment correct an inconsistency within or make a clarification to a provision of the Plan?*
  - a. Any changes to statistical data will ensure the most up to date information. Updating other references and plans will create internal consistency within the plan. The proposed amendments will correct inconsistencies as they are discovered.
6. *OR All of the following:*
  - a. *The proposed amendment demonstrates a strong potential to serve the public interest by implementing specifically identified goals and policies of the Comprehensive Plan; and*
    - i. The proposed amendments aim to serve the public interest by keeping the plan up to date, including development potential within city and UGA boundaries.
  - b. *The public interest would best be served by considering the proposal in the current year, rather than delaying consideration to a later subarea plan review or plan amendment process.*

- i. The proposed amendments are necessary during this review period to keep the Comprehensive Plan updated with the most recent and accurate information. A more thorough update to the Comprehensive Plan will be completed as part of the 2024 Periodic Update.



## 2022 Comprehensive Plan Docket Ratification

### M-1 – LSBC Map Amendment - Staff Summary Lake Stevens City Council & Planning Commission

City Council Hearing Date: March 22, 2022  
Planning Commission Hearing Date: March 16, 2022

**SUBJECT:** Citizen-initiated map amendment to the Comprehensive Plan and Zoning Map.

Summary	
<b>Location in Comprehensive Plan:</b> Chapter 2 Land Use Element – Figure 2.3 Land Use Map	
<b>Proposed Change(s):</b> Citizen-initiated request to change the land use designation of two (2) parcels totaling approximately 1.38 acres at 10510 and 10520 20 <sup>th</sup> St SE from High Density Residential to Commercial to allow for the development of a brewery. The applicant also requests a concurrent minor rezone to change the zoning designation of the parcel to Commercial District to allow for residential development.	
<b>Applicant:</b> Lake Stevens Brewing Company	<b>Property Location(s):</b> 10510 and 10520 20 <sup>th</sup> St SE, Lake Stevens, WA
<b>Existing Land Use Designations</b>	<b>Proposed Land Use Designation</b>
High Density Residential	Commercial
<b>Existing Zoning Districts</b>	<b>Proposed Zoning District</b>
R8-12	Commercial District

**ANALYSIS:** Annual amendments shall not include significant policy changes inconsistent with the adopted Comprehensive Plan Element Visions and must meet the identified criteria included in Revisions and Amendments to the Comprehensive Plan Section H.

Ratification Review – Decision Criteria	Yes	No
1. Is the proposed amendment appropriate to the Comprehensive Plan rather than implementation as a development regulation or program? <b>Discussion:</b> The proposed land use map change is not designed to implement a development regulation or program.	X	
2. Is the proposed amendment legal? Does the proposed amendment meet existing state and local laws? <b>Discussion:</b> The proposed land use map change would be reviewed against the current Comprehensive Plan and applicable state laws related to process and environmental review.	X	
3. Is it practical to consider the proposed amendment? Reapplications for reclassification of property reviewed as part of a previous proposal are prohibited, unless the applicant establishes there has been a substantial change of circumstances and support a plan or regulation change at this time.	X	

<p><b>Discussion:</b> The land use designation for the subject properties has not been changed since the 20<sup>th</sup> St SE Corridor subarea plan was adopted in 2012. On February 22, the City Council held a briefing on the 2022 docket proposals and indicated preliminary support for docketing this map amendment request as well as taking a wider look at land use designations and permissible uses within the subarea.</p>		
<p>4. Does the City have the resources, including staff and budget, necessary to review the proposed amendment? <b>Discussion:</b> The Growth Management Act and the city's Comprehensive Plan set a process to review annual amendments to the Comprehensive Plan. By extension, this is a Planning and Community Development function.</p>	X	
<p>5. Does the proposed amendment correct an inconsistency within or make a clarification to a provision of the Plan? <b>OR</b></p>		X
<p>6. All of the following: a. The proposed amendment demonstrates a strong potential to serve the public interest by implementing specifically identified goals of the Comprehensive Plan? <b>AND</b> <b>Discussion:</b> The city has a projected deficit of employment land over the next twenty years. The proposed amendment would help to address this deficit and meet the following Comprehensive Plan goals and policies:  <b>Goal 2.1:</b> Provide sufficient land area to meet the projected needs for housing, employment and public facilities within the City of Lake Stevens. <b>Policy 2.1.1:</b> Accommodate a variety of land uses to support population and employment growth, consistent with the city's responsibilities under the Growth Management Act, Regional Growth Strategy and the Countywide Planning Policies. <b>Policy 2.2.2:</b> Review cumulative changes to residential, commercial, industrial and public land use designations during the annual comprehensive plan cycle to ensure employment and population capacity estimates are being met. <b>Policy 2.1.3:</b> Review land uses in conjunction with updates to the Buildable Lands Report and Growth Monitoring Report to ensure employment and population capacity estimates are being met. The strategy will be used to amend the Plan as necessary to remain consistent with actual development trends.</p>	X	

<p>b. The public interest would best be served by considering the proposal in the current year, rather than delaying consideration to a later subarea plan review or plan amendment process.</p> <p><b>Discussion:</b> The city is proposing a wider analysis of land uses and permissible uses within the 20<sup>th</sup> St SE Corridor in a portion of the subarea that includes this property. However, on February 22 the City Council expressed support for docketing a site-specific map amendment for these individual properties based on its location along 20<sup>th</sup> St SE and ability to help the city meets its projected employment deficit over the next twenty years. As such, the public interest would be served by docketing this individual proposal and providing an analysis of the site-specific map amendment request as part of the 2022 docket.</p>	X	
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Recommendation	Yes	No
Staff recommends City Council and the Planning Commission consider this proposal for inclusion in the 2022 Comprehensive Plan Docket.	X	
The Planning Commission recommends City Council consider this proposal for inclusion in the 2022 Comprehensive Plan Docket (see attached recommendation letter, if applicable).		
The City Council accepts this proposal for inclusion in the 2022 Comprehensive Plan Docket.		



**Planning and Community Development**  
 1812 Main Street, P O Box 257  
 Lake Stevens WA 98258  
 Phone Number (425) 377-3235

**To Be Completed By Staff**

Date of Application: \_\_\_\_\_  
 Staff Initials: \_\_\_\_\_  
 Permit Number: \_\_\_\_\_

**TYPE IV, V AND VI - COUNCIL DECISIONS  
 LAND USE DEVELOPMENT APPLICATION**

CHECK ONE		
<b>TYPE IV – Quasi-judicial</b> <input type="checkbox"/> Essential Public Facility <input type="checkbox"/> Planned Neighborhood Development <input checked="" type="checkbox"/> Rezone – Site Specific Zoning Map Amendment <input type="checkbox"/> Secure Community Transition Facility <input type="checkbox"/> Type IV Other: _____	<b>TYPE V – Quasi-judicial</b> <input type="checkbox"/> Plat Alterations <input type="checkbox"/> Plat Vacations <input type="checkbox"/> Right-of-Way Vacations <input type="checkbox"/> Type V Other: _____	<b>TYPE VI – Legislative</b> <input checked="" type="checkbox"/> Comprehensive Plan Amendment, Map and Text <input type="checkbox"/> Development Agreements <input type="checkbox"/> Land Use Code Amendments <input type="checkbox"/> Rezones – Area Wide Zoning Map Amendments <input type="checkbox"/> Type VI Other: _____

**ARE ANY LOWER LEVEL PERMITS REQUIRED?** Yes ☐ No ☒ Describe: \_\_\_\_\_

Property Information	Site Address: 10510 & 10520 20th St SE Lake Stevens, WA 98258			
	Assessor Parcel No: 00457100000107; 110	Area of property	Square Feet:	Acres: 1.38
	Land Use Designation: Residential		Zoning: R8-12	
	Number of Buildings on Site: 4		Number to be Retained: 2-3	
	Existing Impervious Surface Area: Approx 4100 sq ft		Proposed Impervious Surface Area:	
Applicant	Name/Company: Lake Stevens Brewing Company, LLC			
	Address: 2010 Grade Road		City/State/Zip: Lake Stevens, WA. 98258	
	Phone: 425-789-4521		Applicants relationship to owner:	
	Fax: N/A		Email: brian.mcmanus1@outlook.com	
Primary Contact	Name/Company: LSBC - Brian McManus			
	Address: 2010 Grade Road		City/State/Zip: Lake Stevens, WA 98258	
	Phone: 425-789-4521		Email: brian.mcmanus1@outlook.com	
	Fax: N/A			



<b>Property Owner</b>	Name/Company:LSBC /Tolman Trust				
	Address:10510 20th St SE		City/State/Zip:Lake Stevens, WA.		
	Phone:425-789-4521		Email:brian.mcmanus1@outlook.com		
	Fax:N/A				
<b>Project Description</b>	Grading Quantities TBD		Cut:TBD		Fill:TBD
	Proposed project/land use (attach additional sheets if necessary):				
	See attached pre-proposal Narrative				
<b>Building Information</b>	Gross Floor Area of Existing and Proposed Buildings:				
	Bldg 1:1600	Bldg: 2600	Bldg 3:1400	Bldg 4:	Bldg 5:
	Gross Floor Area by Use of Buildings (please describe use as well as floor area):				
	Use 1:Offices				
	Use 2:Warehouse/Storage				
	Use3:Brewery & Tasting Room				
	Use4:				

**You may not begin any activity** based on this application until a decision, including the resolution of any appeal, has been made. Conditions or restrictions may be placed on your permit if it is approved. After the City has acted on your application, you will receive notice of the outcome. If an appeal is filed, you may not begin any work until the appeal is settled. You may also need approvals from other agencies; please check this before beginning any activity.

This application expires 180 days after the last date that additional information is requested (LSMC 14316A.245)

If you suspect that your site contains a stream or wetland or is adjacent to a lake, you may need a permit from the state or federal government.

I DECLARE UNDER PENALTY OF THE PERJURY LAWS THAT THE INFORMATION I HAVE PROVIDED ON THIS APPLICATION IS TRUE, CORRECT AND COMPLETE.



Signature of Property Owner/Agent

**01/23/2022**

Date of Application

By affixing my signature I certify that I am the legal owner of the property for which this application is issued or an authorized agent of the owner.



January 23, 2022

City of Lake Stevens

Planning & Community Development

1812 Main Street

P.O. Box 257

Lake Stevens, WA 98258

Project Name / File No.: Lake Stevens Brewery Southlake

Applicant: Lake Stevens Brewing Company, LLC

Project Description: Lake Stevens Brewing Company (applicant) would like to rezone the subject property from R8-12 to Commercial Use.

Tax Parcel No: 00457100000107; 110

Site Address: 10510 & 10520 20th St SE, Lake Stevens, WA 98258

Re: Pre-App Narrative

Dear Staff,

The purpose of this narrative is to provide the City of Lake Stevens with information in support of the Applicant's request for changing the current zoning from R8-12 to Commercial on the subject properties located in the 20th St Corridor Subarea.

## ***GENERAL PROPERTY INFORMATION***

1. Date of Application: January 23, 2022
2. Project Name: Lake Stevens Brewing Company Southlake
3. Project Location: 10510 & 10520 20th St SE, Lake Stevens, WA 98258
4. Tax Parcel Number: 00457100000107; 110
5. Total Parcel Size: 1.38 acres (60,112 +/- square feet)
6. Property Owner: Tolman Living Trust
7. Applicant: Lake Stevens Brewing Company, LLC
8. Contact: LSBC, Inc. Brian K. McManus

## ***Project Description and Request***

The applicant requests a zoning change from R8-12 to Commercial for both subject properties and approval of plan to:

**Option 1.)** Expand, renovate, and rehabilitate three existing structures (Rambler, Detached Garage and Shop) for Commercial use including a Brewing Production Facility & Tasting room, Storage/Warehouse, and offices to include frontage improvements per LSMC 14.56.170.

Applicant would like to confirm that the existing shop and driveway meet the requirements of LSMC 14.88.220(n) as lawfully created structures or substantial improvements – in relation to the wetland and its buffer located on the western portion of the project.

**Option 2.)** Renovate and rehabilitate two existing structures (Rambler, Detached Garage), Remove existing shop on western portion of the property, and replace with a Five Thousand Sq. Ft. new structure on a new concrete pad to include frontage improvements per LSMC 14.56.170.

Subject property (Corner Lot) is surrounded by Commercial development on each corner.

- SE Corner is subject property sharing corner with S. Lake Stevens Grange.
- SW Corner is occupied by Crossroads Church and a Commercial Structure.
- NW Corner occupied by Tom Thumb Grocery/gas and multiple businesses.
- NE Corner is a plaza with multiple buildings including the new Police Station.

Southern edge of subject property is dissected by a graveled utility easement and backs up to woods. Property is currently in use as a residence and shop and fronts 20<sup>th</sup> ST SE. Spoke with the residents at 10610 20<sup>th</sup> St SE and they are excited to have the Brewery as neighbors versus multiple Townhouses.



### ***SURROUNDING PROPERTIES***

The properties to the North, South, East, and West are identified in the Comprehensive Plan as shown in the table below.

Area	Land Use	Zoning	Existing Use
Project Site	Proposed Commercial	R8-12	SFR
North	ROW & Commercial	ROW & Commercial District	ROW & Commercial Businesses
South	HD Residential	R8-12	SFR
East	HD Residential	R8-12	SFR
West	ROW	ROW	ROW

Lake Stevens Brewing Company has been in business for five years creating award winning craft beers. We are community focused and philanthropic, rarely turning down a request for donations or help from community organizations. Lake Stevens Chamber of Commerce awarded us Business of the Year in 2018-2019. We have created a fun environment for our patrons and their families to enjoy themselves and unwind. We are at maximum capacity at our current site and want to open a new location with greater brewing capacity to help sustain our growth. The new location will provide tax revenue to the city and create approximately ten new job opportunities for the community.

This is a simple request to have the property rezoned for Commercial use. Thank you for your consideration of our proposal.

Respectfully,

Lake Stevens Brewing Company, LLC.

Brock Duerr

Jason Parzyk

Brian McManus

By: Brian McManus, Managing Partner

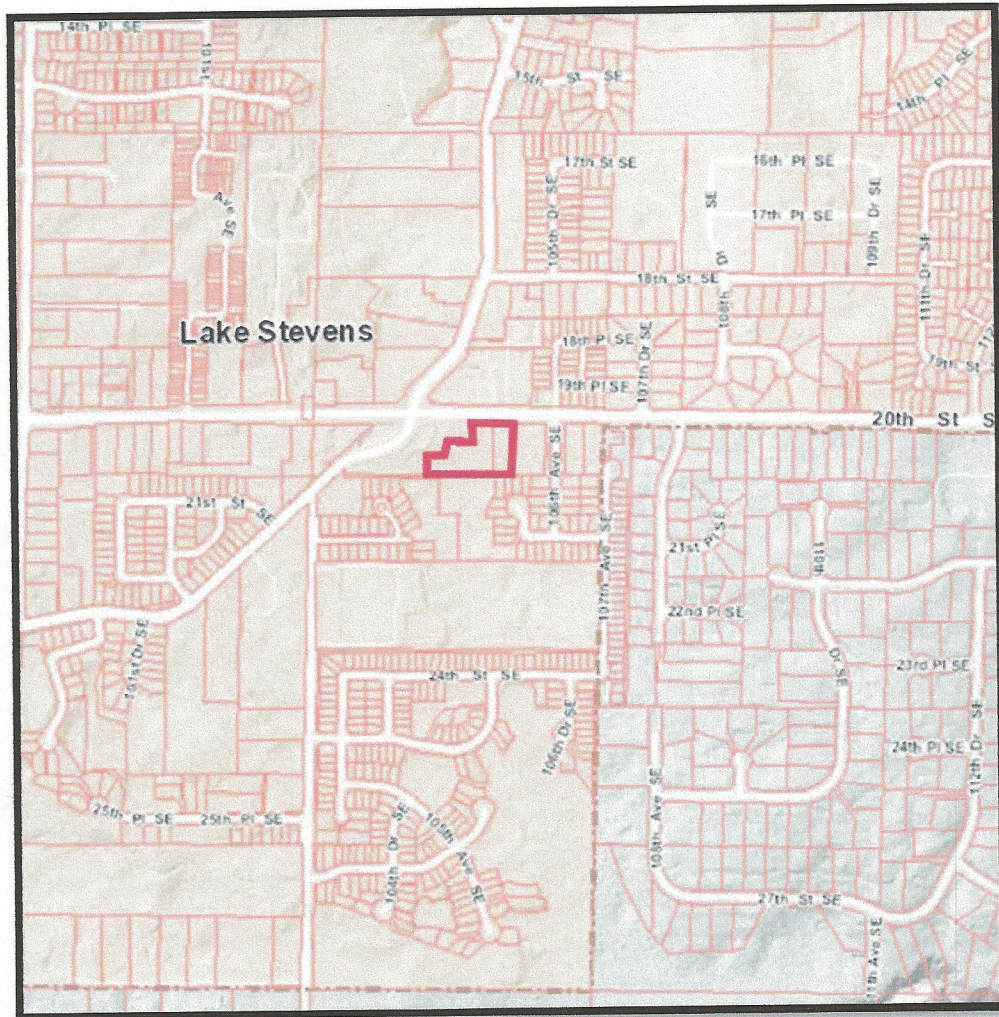


MAPS ATTACHED PAGES 4-6

## PROJECT LOCATION

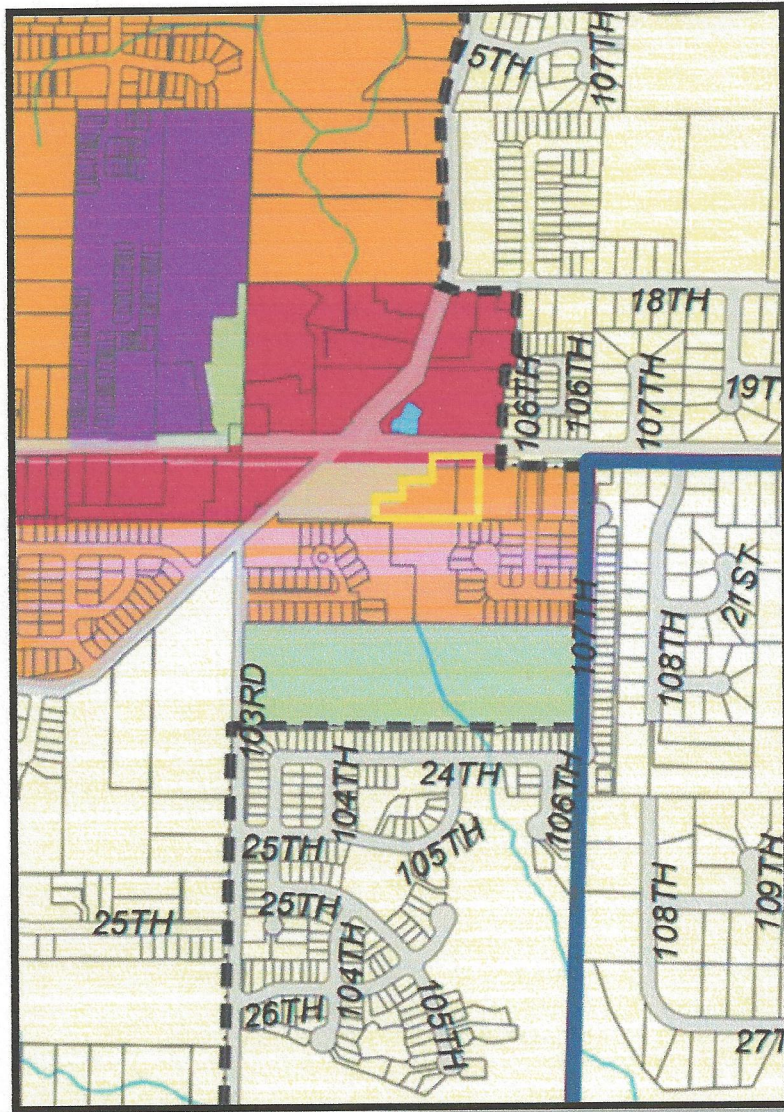
The proposed development is located off Machias Cutoff as shown in the map below.

### VICINITY MAP





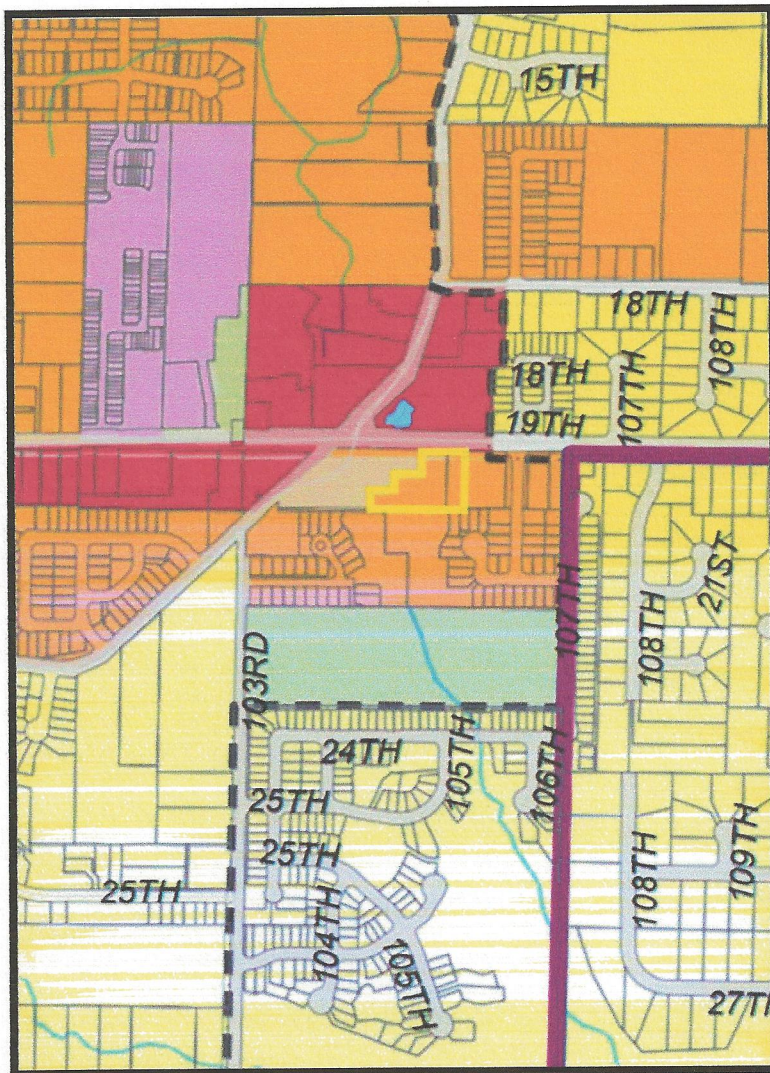
## COMPREHENSIVE LAND USE MAP



The Current Comprehensive Land Use Map designates the subject property as High Density Residential (HDR).



## ZONING MAP



The Current Zoning map designates the property R8-12.



## 2022 Comprehensive Plan Docket Ratification

### M-2 – Layton Map Amendment - Staff Summary Lake Stevens City Council & Planning Commission

City Council Hearing Date: March 22, 2022  
Planning Commission Hearing Date: March 16, 2022

**SUBJECT:** Citizen-initiated map amendment to the Comprehensive Plan and Zoning Map.

Summary	
<b>Location in Comprehensive Plan:</b> Chapter 2 Land Use Element – Figure 2.3 Land Use Map	
<b>Proposed Change(s):</b> Citizen-initiated request to change the land use designation of one (1) parcel totaling approximately 0.22 acres at 2229 97 <sup>th</sup> Dr SE from Commercial to High Density Residential to allow for the development of a new single family residence on a vacant parcel. The applicant also requests a concurrent minor rezone to change the zoning designation of the parcel to R8-12 to allow for residential development.	
<b>Applicant:</b> Kristi Layton	<b>Property Location(s):</b> 2229 97 <sup>th</sup> Dr SE, Lake Stevens, WA
<b>Existing Land Use Designations</b>	<b>Proposed Land Use Designation</b>
Commercial	High Density Residential
<b>Existing Zoning Districts</b>	<b>Proposed Zoning District</b>
Commercial District	R8-12

**ANALYSIS:** Annual amendments shall not include significant policy changes inconsistent with the adopted Comprehensive Plan Element Visions and must meet the identified criteria included in Revisions and Amendments to the Comprehensive Plan Section H.

Ratification Review – Decision Criteria	Yes	No
1. Is the proposed amendment appropriate to the Comprehensive Plan rather than implementation as a development regulation or program? <b>Discussion:</b> The proposed land use map change is not designed to implement a development regulation or program.	X	
2. Is the proposed amendment legal? Does the proposed amendment meet existing state and local laws? <b>Discussion:</b> The proposed land use map change would be reviewed against the current Comprehensive Plan and applicable state laws related to process and environmental review.	X	
3. Is it practical to consider the proposed amendment? Reapplications for reclassification of property reviewed as part of a previous proposal are prohibited, unless the applicant establishes there has been a substantial change of circumstances and support a plan or regulation change at this time.		X

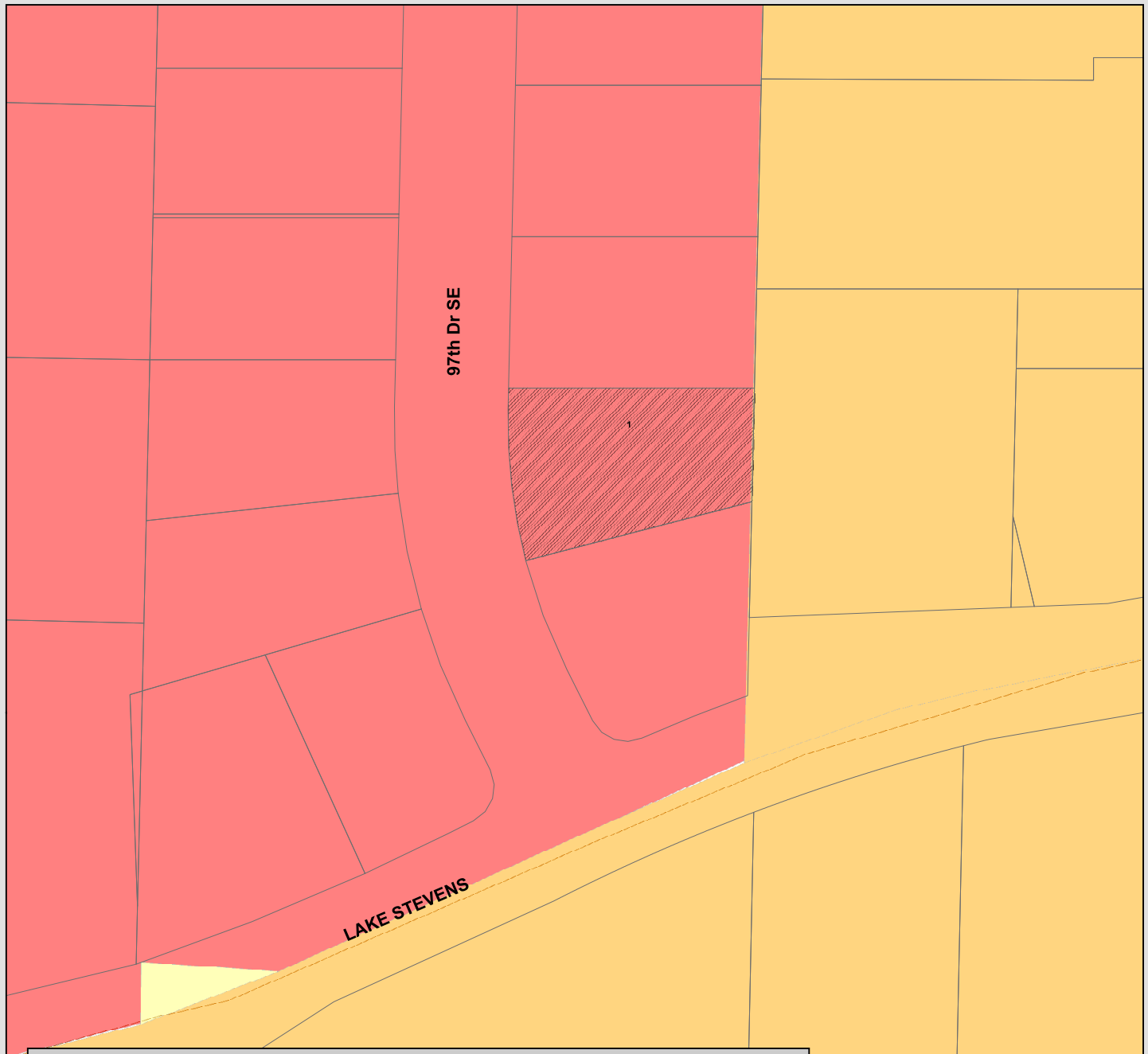


<p><b>Discussion:</b> The land use designation for the subject property was changed from Medium Density Residential to Commercial in 2019 via Ordinance 1073 with the goal of creating additional commercial areas near SR-9 and 20<sup>th</sup> St SE to accommodate projected commercial and employment growth. The applicant has not demonstrated a substantial change of circumstances to warrant reverting back to a residential land use designation, given the city's projected surplus of residential units when comparing the 2021 Buildable Lands Report to the recently adopted 2044 population and employment growth targets.</p> <p>The area does fall within the portion of the 20<sup>th</sup> St SE Corridor subarea that staff is recommending be included in the 2022 docket to evaluate potential changes to the subarea plan to better accommodate projected residential and employment growth, including potential changes to land use and zoning designations within the subarea boundaries. This is consistent with direction provided by the City Council during a February 22 briefing.</p>		
<p>4. Does the City have the resources, including staff and budget, necessary to review the proposed amendment?</p> <p><b>Discussion:</b> The Growth Management Act and the city's Comprehensive Plan set a process to review annual amendments to the Comprehensive Plan. By extension, this is a Planning and Community Development function.</p>	X	
<p>5. Does the proposed amendment correct an inconsistency within or make a clarification to a provision of the Plan? <b>OR</b></p>		X
<p>6. All of the following:</p> <p>a. The proposed amendment demonstrates a strong potential to serve the public interest by implementing specifically identified goals of the Comprehensive Plan? <b>AND</b></p> <p><b>Discussion:</b> A site-specific land use and zoning map amendment would not serve the public interest, and instead should be considered as part of a wider analysis of the subarea.</p>		X
<p>b. The public interest would best be served by considering the proposal in the current year, rather than delaying consideration to a later subarea plan review or plan amendment process.</p> <p><b>Discussion:</b> The city is proposing a wider analysis of land uses and permissible uses within the 20<sup>th</sup> St SE Corridor in a portion of the subarea that includes this property. As such, the public interest would be better served by assessing the suitability of a residential land use designation for this property as part of that process.</p>		X

Recommendation	Yes	No
Staff recommends City Council and the Planning Commission consider this proposal for inclusion in the 2022 Comprehensive Plan Docket.		X
The Planning Commission recommends City Council consider this proposal for inclusion in the 2022 Comprehensive Plan Docket (see attached recommendation letter, if applicable).		
The City Council accepts this proposal for inclusion in the 2022 Comprehensive Plan Docket.		



----- CITY OF -----  
**LAKE STEVENS**  
**DOCKET PROPOSAL M-2**



City Zoning			
R4 (formerly SR)	Multi-Family Residential (MFR)	Neighborhood Business (NB)	Business District (BD)
R6 (formerly UR)	MF Development Agreement (MFDA)	Central Business District (CBD)	Light Industrial (LI)
R8-12 (formerly HUR)	Mixed Use (MU)	Commercial District (CD)	General Industrial (GI)
Waterfront Residential (WR)	Mixed-Use Neighborhood (MUN)	Planned Business District (PBD)	GI Development Agreement (GIDA)
	Local Business (LB)	Public / Semi-Public (P/PS)	

Boundary		Subarea Boundaries		Features	
City of Lake Stevens	Parcels	20th Street SE Corridor	Waterbody		
Unincorporated UGA	Right-of-Way	Lake Stevens Center	Stream		
		Downtown			

All data, information and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness. The burden for determining accuracy, completeness, timeliness, merchantability and fitness for use rests solely on the requester. The city of Lake Stevens makes no warranties, expressed or implied as to the use of the information obtained here. There are no implied warranties of merchantability or fitness for a particular purpose. The requester acknowledges and accepts all limitations, including the fact that the data, information and maps are dynamic and in a constant state of maintenance, correction and update.

Data Sources: Snohomish County (2019), City of Lake Stevens (2019)      Revision Date: November 2019      Updated via: Ordinance No. 1061



Planning and Community Development  
1812 Main Street, P O Box 257  
Lake Stevens WA 98258  
Phone Number (425) 377-3235

**To Be Completed By Staff**

Date of Application: \_\_\_\_\_

Staff Initials: \_\_\_\_\_

Permit Number: \_\_\_\_\_

**TYPE IV, V AND VI - COUNCIL DECISIONS  
LAND USE DEVELOPMENT APPLICATION**

**CHECK ONE**

**TYPE IV – Quasi-judicial**

- ☐ Essential Public Facility
- ☐ Planned Neighborhood Development
- ☐ Rezone – Site Specific Zoning Map Amendment
- ☐ Secure Community Transition Facility
- ☐ Type IV Other: \_\_\_\_\_

**TYPE V – Quasi-judicial**

- ☐ Plat Alterations
- ☐ Plat Vacations
- ☐ Right-of-Way Vacations
- ☐ Type V Other: \_\_\_\_\_

**TYPE VI – Legislative**

- ☒ Comprehensive Plan Amendment, Map and Text
- ☐ Development Agreements
- ☐ Land Use Code Amendments
- ☒ Rezones – Area Wide Zoning Map Amendments
- ☐ Type VI Other: \_\_\_\_\_

ARE ANY LOWER LEVEL PERMITS REQUIRED? Yes ☐ No ☒ Describe: \_\_\_\_\_

<b>Property Information</b>	Site Address: 2229 - 97th Dr SE, Lake Stevens, WA 98258			
	Assessor Parcel No: 00402800000200	Area of property	Square Feet:	Acres: .22
	Land Use Designation:		Zoning: commercial	
	Number of Buildings on Site/: 0		Number to be Retained: 1	
	Existing Impervious Surface Area:		Proposed Impervious Surface Area:	
<b>Applicant</b>	Name/Company: Kristi Layton			
	Address: 19706 - 127th St E		City/State/Zip: Bonney Lake, WA 98391	
	Phone: 253-381-6397		Applicants relationship to owner:	
	Fax:		Email: j3klayton@hotmail.com	
<b>Primary Contact</b>	Name/Company: Kristi Layton			
	Address: 19706 - 127th St E		City/State/Zip: Bonney Lake, WA 98391	
	Phone: 253-381-6397		Email: j3klayton@hotmail.com	
	Fax:			

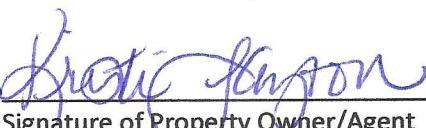
<b>Property Owner</b>	Name/Company: Kristi Layton				
	Address: 19706 127th St E		City/State/Zip: Bonney Lake, WA 98391		
	Phone: 253-381-6397		Email: j3klayton@hotmail.com		
	Fax:				
<b>Project Description</b>	Grading Quantities		Cut:		Fill:
	Proposed project/land use (attach additional sheets if necessary):				
	I would like a potential buyer to be able to build a home on my property. Due to the location in the middle of a neighborhood on a dead end road, it is not feasible that it will be commercially developed. Please consider re-zoning it to residential or, if possible, granting a variance. I'm not familiar with this process, but the end goal				
	is to be able to sell my property as a residential lot. Thank you.				
<b>Building Information</b>	Gross Floor Area of Existing and Proposed Buildings:				
	Bldg 1:	Bldg: 2	Bldg 3:	Bldg 4:	Bldg 5:
	Gross Floor Area by Use of Buildings (please describe use as well as floor area):				
	Use 1:				
	Use 2:				
	Use3:				
	Use4:				

**You may not begin any activity** based on this application until a decision, including the resolution of any appeal, has been made. Conditions or restrictions may be placed on your permit if it is approved. After the City has acted on your application, you will receive notice of the outcome. If an appeal is filed, you may not begin any work until the appeal is settled. You may also need approvals from other agencies; please check this before beginning any activity.

This application expires 180 days after the last date that additional information is requested (LSMC 14316A.245)

If you suspect that your site contains a stream or wetland or is adjacent to a lake, you may need a permit from the state or federal government.

I DECLARE UNDER PENALTY OF THE PERJURY LAWS THAT THE INFORMATION I HAVE PROVIDED ON THIS APPLICATION IS TRUE, CORRECT AND COMPLETE.

  
Signature of Property Owner/Agent

  
Date of Application

By affixing my signature I certify that I am the legal owner of the property for which this application is issued or an authorized agent of the owner.

Re: Parcel 00402800000200 2229 – 97<sup>th</sup> Drive SE

Please consider this e-mail my formal request to be included on the Annual Comprehensive Plan Docket. My brothers and I inherited a vacant lot in Lake Stevens. It is surrounded by homes and located on a dead end street. When a home in the neighborhood sold for \$595,000 in October 2020 we decided it was time to sell. We listed the property in January 2021 and received a full price offer within hours. Unfortunately the deal fell through when we learned that the property has been zoned commercial. I immediately called Russ Wright and was told the matter had to be heard by the City Council at a yearly meeting, which had just happened. So here we are, a year later, eager for this matter to be considered by the City Council. The real estate market has changed dramatically since the Plan was adopted in 2015. Considering the rapidly rising real estate market, and the number of homes on the street, I feel that it is very unlikely that 97<sup>th</sup> Drive SE will be commercially developed anytime soon. We are hopeful that you will allow our parcel to be rezoned so we can sell it as a residential lot since the neighborhood likely will remain the same for several years. Thank you for your time and consideration. We look forward to your response. I am new to this process, so please let me know if you need any additional information or what the next step is.

Thank you,

Kristi Layton (253)381-6397

19706 127<sup>th</sup> Street East

Bonney Lake, WA 98391



## 2022 Comprehensive Plan Docket Ratification

### M-3 – 20<sup>th</sup> St SE Corridor Analysis - Staff Summary Lake Stevens City Council & Planning Commission

City Council Hearing Date: March 22, 2022  
Planning Commission Hearing Date: March 16, 2022

**SUBJECT:** Potential city-initiated map amendments to the Comprehensive Plan and Zoning Map.

Summary	
<b>Location in Comprehensive Plan:</b> Chapter 2 Land Use Element – Figure 2.3 Land Use Map	
<b>Proposed Change(s):</b> City-initiated request to analyze potential changes to land use designations and associated zoning designations within the eastern portion of the 20 <sup>th</sup> St SE Corridor subarea (east of Sr-9). Includes the properties covered by proposal M-1 (recommended by staff for docketing) and M-2 (not recommended by staff for docketing).	
<b>Applicant:</b> City of Lake Stevens	<b>Property Location(s):</b> Portions of 20 <sup>th</sup> St SE Corridor subarea east of SR-9.
<b>Existing Land Use Designations</b>	<b>Proposed Land Use Designation</b>
Various	To be analyzed
<b>Existing Zoning Districts</b>	<b>Proposed Zoning District</b>
Various	To be analyzed

**ANALYSIS:** Annual amendments shall not include significant policy changes inconsistent with the adopted Comprehensive Plan Element Visions and must meet the identified criteria included in Revisions and Amendments to the Comprehensive Plan Section H.

Ratification Review – Decision Criteria	Yes	No
1. Is the proposed amendment appropriate to the Comprehensive Plan rather than implementation as a development regulation or program? <b>Discussion:</b> The city proposes to analyze potential land use and zoning map changes within the 20 <sup>th</sup> St SE Corridor subarea that may help better accommodate projected population and employment growth in the city.	X	
2. Is the proposed amendment legal? Does the proposed amendment meet existing state and local laws? <b>Discussion:</b> The proposed land use map change would be reviewed against the current Comprehensive Plan and applicable state laws related to process and environmental review.	X	
3. Is it practical to consider the proposed amendment? Reapplications for reclassification of property reviewed as part of a previous proposal are prohibited, unless the applicant establishes there has been a substantial change of circumstances and support a plan or regulation change at this time.	X	

<p><b>Discussion:</b> Land use designations within the 20<sup>th</sup> St SE Corridor subarea plan were adopted in 2012 and most recently changed in 2010. On February 22, the City Council held a briefing on the 2022 docket proposals and indicated preliminary support to explore potential amendments to land use designations within the eastern portion of the subarea that may help the city better meet its projected population and employment growth targets. .</p>		
<p>4. Does the City have the resources, including staff and budget, necessary to review the proposed amendment? <b>Discussion:</b> The Growth Management Act and the city's Comprehensive Plan set a process to review annual amendments to the Comprehensive Plan. By extension, this is a Planning and Community Development function.</p>	X	
<p>5. Does the proposed amendment correct an inconsistency within or make a clarification to a provision of the Plan? <b>OR</b></p>		X
<p>6. All of the following: a. The proposed amendment demonstrates a strong potential to serve the public interest by implementing specifically identified goals of the Comprehensive Plan? <b>AND</b> <b>Discussion:</b> The city has a projected deficit of employment land over the next twenty years. Exploring potential map amendments within the subarea may help to address this deficit and meet the following Comprehensive Plan goals and policies:  <b>Goal 2.1:</b> Provide sufficient land area to meet the projected needs for housing, employment and public facilities within the City of Lake Stevens. <b>Policy 2.1.1:</b> Accommodate a variety of land uses to support population and employment growth, consistent with the city's responsibilities under the Growth Management Act, Regional Growth Strategy and the Countywide Planning Policies. <b>Policy 2.2.2:</b> Review cumulative changes to residential, commercial, industrial and public land use designations during the annual comprehensive plan cycle to ensure employment and population capacity estimates are being met. <b>Policy 2.1.3:</b> Review land uses in conjunction with updates to the Buildable Lands Report and Growth Monitoring Report to ensure employment and population capacity estimates are being met. The strategy will be used to amend the Plan as necessary to remain consistent with actual development trends.</p>	X	



<p>b. The public interest would best be served by considering the proposal in the current year, rather than delaying consideration to a later subarea plan review or plan amendment process.</p> <p><b>Discussion:</b> The city is proposing an analysis of land uses and permissible uses within the 20<sup>th</sup> St SE Corridor. The City Council previously expressed their support for such and analysis to occur as part of the 2022 docket, as opposed to waiting for a future plan amendment process.</p>	X	
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Recommendation	Yes	No
Staff recommends City Council and the Planning Commission consider this proposal for inclusion in the 2022 Comprehensive Plan Docket.	X	
The Planning Commission recommends City Council consider this proposal for inclusion in the 2022 Comprehensive Plan Docket (see attached recommendation letter, if applicable).		
The City Council accepts this proposal for inclusion in the 2022 Comprehensive Plan Docket.		