

City of Seattle
Proposal Summary
Townhouse Reforms
November 1, 2021

This document provides a summary of the proposal analyzed in the Townhouse Reforms SEPA analysis. At this time, no legislation has been introduced on this topic, but it is possible that legislation could be introduced for consideration by Council in 2022. The SEPA analysis is intended to provide analysis of potential impacts resulting from the proposal in order to inform future discussions.

The intent of the Townhouse Reforms proposal is to support the development of townhouse and rowhouses. This proposal was developed based on the recommendations of the Affordable Middle Income Housing Advisory Council.

Townhouses offer an opportunity for home ownership that is lower cost than detached homes. As part of the Housing Choices survey in 2019, 70% of people under 35 ranked townhouses as the number one type of housing that they would like to see more of in Seattle out of eight options. At the same time, permit data and interviews with building industry professionals suggest that townhouse development is decreasing and will likely continue to decrease due, in part, to increasing regulatory requirements, which are especially challenging for smaller, non-luxury developments.

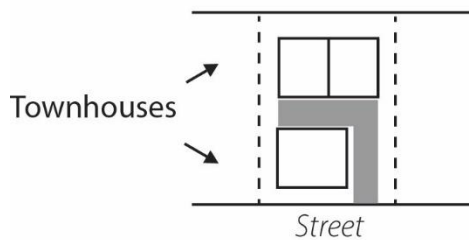
This proposal includes the following changes:

1. Modify the Density Limit in LR1 Zones

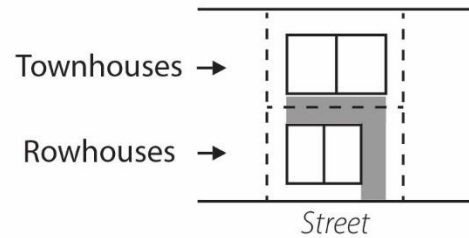
Background: Lowrise 1 zones are the primary zone where townhouse and rowhouse development occurs. Townhouses and rowhouses are very similar styles of housing, with just minor design differences between them. Townhouse development in Lowrise 1 zones is subject to a density limit which limits the number of housing units allowed. Density limits do not, however, currently apply to small apartments, cottage housing, and most rowhouse development.

On interior lots, developers that want to build townhouses or rowhouses have the choice of either developing the entire lot with townhouses (Example 1) or subdividing the property parallel to the street and developing townhouses on the back lot and rowhouses on the front lot (Example 2). Because rowhouses are exempt from density limits, subdividing allows more units to be built. Since the floor area limit is the same in both cases, the resulting rowhouse units are smaller and less expensive.

Example 1: Without Subdivision



Example 2: With Subdivision



While we don't know the exact number of projects that have chosen to subdivide to achieve more units, an informal review of permits suggests that a significant number of projects choosing to subdivide, particularly on lots greater than 6,000 square feet are.

Current regulations result in outcomes that are not ideal for the City, homeowners, or developers. Developers must choose between building fewer, larger townhouses or undergoing a substantially more complicated and time-consuming process. In particular, subdividing a property requires additional documentation and review but also results in two separate building permits (one for the townhouses and one for the rowhouses). The additional permitting process takes up more city staff time, but also adds to the cost of the resulting homes. If a developer doesn't subdivide the property, they end up building larger units that are substantially more expensive. For example, on a 5,000 square foot lot, the current townhouse density limit would allow 3 townhouses (each roughly 1,800 sf and selling for around \$880,000) instead of 4 townhouses (each roughly 1,400 square feet and selling for around \$660,000). Lastly, the regulations are very confusing for community members.

Proposal: The proposal would implement two changes:

1. Lower the density limit for townhouses from 1 unit per 1,300 square feet of lot to 1 unit per 1,150 square feet of lot, similar to what is achieved today when the lot is subdivided. A review of recent permit data found that development on larger interior lots is frequently developed below 1 unit per 1,300, but infrequently developed below 1 unit per 1,150 square feet.
2. Apply this density limit to all rowhouses on interior lots.

Together, these changes would continue to allow development consistent with what is occurring today but would substantially reduce complexity and delay in the permitting process. It would also remove the incentive to subdivide the lot to achieve higher densities. The proposal would not modify the total floor area or lot coverage allowed in these projects.

2. Update Requirements for Bike Parking

Background: In 2018, the City quadrupled the number of long-term bike parking stalls required for residential projects and added a new requirement for public short-term bike parking. The short-term bike parking requirement was designed for apartments where most of the first floor and basement are

common areas. This requirement has been problematic for townhouses and rowhouses because this development type has limited open space and common area. To meet the requirement, many developments must use the front yard of one unit as a common bike storage area, reducing the green space and privacy for the future homeowner.

While the bike parking update substantially increased the amount of bike parking required, it did not update the standards for where bike parking is allowed. Consequently, developers have a difficult time locating bike parking on site, especially for townhouse and rowhouse projects that don't have garages.

Proposal: The proposal would remove the short-term bike parking requirement for townhouses and rowhouses and make it easier to accommodate long-term bike parking through the following changes:

1. allow bike parking in a dwelling unit of a townhouse or rowhouse development
2. allow bike lockers and sheds in certain setbacks and separations
3. clarify that enclosed bicycle parking does not count toward floor area if it is in a freestanding structure used exclusively for bike parking
4. clarify that weather protection and freestanding structures used exclusively for bike parking don't count in measuring building length and width.

3. Implement minor modifications and clarifications

Background: There are multiple areas where the code is unclear or having unintended consequences.

Proposal: The proposal would implement the following additional modifications and clarifications:

1. Exclude from floor area calculations any surface parking in single-family and multifamily zones that is only covered by:
 - projections of up to 4 feet that do not enclose floor area; or
 - projections of up to 3 feet that enclose floor area and are located at least 8 feet above finished grade.
2. Modify an existing provision that allows parking off an alley within 7 feet of a side property line so that parking can occur within 26 feet of the alley property line rather than 25 feet.
3. Change the minimum size of parking spaces in the individual garage of a townhouse from large to medium.
4. Clarify how development standards such as density limits apply to lots with multiple development types.