

## MEMORANDUM

TRANSMITTED VIA EMAIL

To: Bruce Agrella, PDC Advisory Committee (PDCAC)  
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From: Dave DeGrandpre, Land Solutions, LLC

Date: November 17, 2009

Re: Efforts to address Affordable/Workforce/Special Needs housing with the Polson Development Code

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The Polson Growth Policy calls for the development of housing for low-income, elderly and special needs populations. The Polson Development Code Advisory Committee has identified that the housing needs of the average working family should be addressed as well. Many communities have tried to address these needs so there are good models to choose from.

It is important to remember that this project--updating the Polson Development Code--is limited in its scope. The PDC is a zoning and development document that can address:

- Location issues such as where certain types of development including accessory dwelling units, manufactured and mobile homes, community residential facilities and multi-family units can occur;
- Building issues such as lot size, development density, lot coverage, parking requirements and building height; and
- The entitlement process including review fees, impact fees and application processing time frames.

However, the PDC is not an entire affordable housing program that could include the development of a land trust, public-private partnerships, grants, vouchers and other common measures to create and maintain affordable housing in a community. That is a much larger discussion. This project---the PDC update---is only one piece in the overall affordable housing puzzle. The following is a discussion of different options to address housing needs that the PDC can address.

### **Accessory Dwelling Units**

An accessory apartment, defined as a single, functionally separate dwelling unit, is currently considered a customary accessory use in all single-family dwellings in the PDC and is permitted by right in all residential zoning districts. I do not propose any change to this policy.

The only location where detached accessory dwelling units are addressed is in the definition for guest house. A guest house is defined as a single, functionally separate dwelling unit, detached from the primary residence, which is for use exclusively by non-paying guests of the resident family. A guest house is only permitted in the LRZD/RROD when certain conditions are met (e.g., a deed restriction stating the guest house won't be rented, etc.). Accessory detached structures are not permitted elsewhere.

In my 8/27/09 memo I recommended allowing attached and detached accessory dwelling units in all residential zoning districts as permitted uses so long as the accessory unit meets certain performance standards to limit impacts on neighbors. To accomplish this I recommend:

- Changing the definition of accessory use to include detached residences as well as apartments above a garage;
- Eliminating the definition for guest house; and
- Including performance standards such as;
  - Only one accessory dwelling (attached or detached) per lot;
  - An accessory dwelling shall not contain more than two bedrooms;
  - The lot must meet the minimum size or density requirement of the district;
  - The ground floor area of the accessory unit shall exceed 50% of the ground floor area of the principal dwelling;
  - An accessory dwelling shall not exceed two stories or the height of the principal dwelling, whichever is less;
  - The accessory dwelling shall have a roof pitch, siding and window proportions similar to that of the principal dwelling; and
  - The accessory unit shall comply with all other standards for principal residences (i.e., setbacks, lot coverage, height, etc.).

One of the items we have also discussed is renting an accessory unit. One way to limit potential impacts to neighbors is to require that renting may occur in either dwelling so long as the other dwelling is occupied by the landowner as a permanent residence. Although enforcement of this provision may be difficult, the owner could be required to sign and record a covenant providing notice to future owners that the existence of the accessory dwelling is predicated upon the occupancy of either of the dwellings by the property owner; any owner of the property shall notify a prospective buyer of the limitations of this section, and to provide for the removal of the accessory dwelling improvements and restoration of the site to a single-family dwelling in the event that any condition of approval is violated.

Also, on 9/14/09, the committee seemed to feel detached units should not be allowed in all districts, perhaps only the RRZD, although our discussion on 10/4/09 also included the idea of detached units possibly being allowed on larger lots in the LRZD (perhaps greater than 10,000 or 14,000 square feet).

### **Manufactured and Mobile Homes**

Manufactured and mobile homes can provide affordable housing because they can often be produced less expensively than traditional homes. Manufactured homes are defined in the PDC as single-family dwellings so long as they comply with the Uniform Building Code and meet other requirements for area, width, roof pitch, etc. Manufactures homes are allowed in all residential districts except the LRZD.

Mobile homes are defined separately from manufactured homes and other single family dwellings. They are currently allowed only in the MRZD and RZD as special permit uses and must be located in mobile home parks. I don't propose any changes to these policies, although it seems very unlikely any new mobile home parks will be proposed in the RZD due to the value of lake and river frontage.

### **Community Residential Facilities**

Community residential facilities provide housing for special needs segments of the population. As per 76-2-411, MCA, the term community residential facility means:

- A community group home for developmentally, mentally or severely disabled persons that does not provide skilled or intermediate nursing care;
- A youth foster home, kinship foster home, youth shelter, transitional living program or a youth group home;
- A halfway house operated in accordance with regulations of the department of public health and human services for the rehabilitation of alcoholics or drug dependent persons;
- A licensed adult foster family care home; or
- A licensed assisted living facility.

As per 76-2-412, MCA a community residential facility serving eight or fewer persons that provides care on a 24-hour basis must be allowed in all residential zoning districts but may be made a special permit use. Therefore, my recommendation is to make community residential facilities special permit uses in all of the residential districts in order to notify neighboring landowners when they are proposed and to place limitations on the scale of such uses. They would also be subject to the typical building, parking, and other performance standards. These facilities could also be made special permit uses in the forthcoming hospital service zoning district in the vicinity of St. Joseph's.

## **Multiple-Family Dwellings**

Multiple-family dwellings can provide affordable housing because they can use both land and building materials efficiently. Several existing districts allow for multiple-family dwellings.

- The MRZD allows up to four units per structure as a permitted use and up to eight units per structure as a special permit use. Minimum lot sizes vary, but 16 units in two 8-plexes could have an average density of 1,312.5 square feet per unit (assuming lot coverage and parking requirements can be met). Currently there is a significant amount of apparently developable land zoned MRZD to provide for more multi-family units—I will bring a map to our 11/19/09 meeting.
- The XRZD allows townhouses as a permitted use with smaller lots sizes than MRZD for townhouse lots, but with a maximum of three units per building. There are two developable areas currently zoned XRZD.
- The TZD allows up to 16 units per structure as a special permit use. Currently there is very little area zoned TZD and almost no undeveloped area zoned TZD.
- The RZD allows for multi-family dwellings with the same development specifications as the MRZD. There is not much undeveloped land zoned RZD currently and multi-family development there is likely to be high priced.

Because there is a significant amount of undeveloped land zoned MRZD at this time, I do not have recommendations for expanding any of these districts to provide more affordable housing via multi-family dwellings.

## **Housing in the CBZD**

At our 9/14/09 meeting the committee agreed to recommend allowing housing in the CBZD, although first floor housing would be prohibited in the CBZD along Main Street, 1<sup>st</sup> Street West and 1<sup>st</sup> Street East in an effort to keep the downtown primarily commercial.

## **Lot Sizes and Density**

The PDC allows for varying lots sizes. The smallest single-family lot is 5,900 square feet in the XRZD. 7,000 square foot lots are the typical minimum lot size for single family residences. The 7,000 square foot minimum applies to mobile homes as well as typical site-built residences and should be reduced to something more like 5,000 square feet for mobile homes.

In the RRZD the minimum lot size for a non-lakefront property is two acres. In order to promote workforce housing I propose to change the minimum size to an average density, and to reduce the minimum to one acre for properties supported by individual or shared wells and drainfields and ½ acre for properties supported community or public systems.

## **Lot Coverage**

The maximum lot coverage requirements vary depending on the district as well as the terrain. In the districts with affordable housing potential:

LRZD:	35%*
MRZD:	55%*
XRZD:	35% *on lots $\geq$ 10,000 sf, 55% for lots $<$ 10,000 sf, 65% on townhouse lots.
TZD:	55%
RZD:	55%* with 75% where public access to the shoreline is provided

\*= for lots greater than 8% in average slope, the table above takes precedent.

I believe that 55% maximum lot coverage in the MRZD is a barrier to affordable housing and should be increased to 65% by right and 75% for multi-family projects. The runoff plan requirements would continue to apply.

## **Parking Requirements**

Currently at least two off-street parking spaces are required for a residence of any kind in any district. This requirement makes sense for detached single family dwellings but is an inefficient use of land in the urban core area. I suggest reducing the minimum to 1.5 parking spaces per unit for multi-family dwellings and 1 per unit in the CBZD.

## **Building Heights**

Currently the maximum building height in any district is 30 feet. I suggest increasing the maximum height in all residential districts to 35 feet and the maximum height in the CBZD to 40 feet. This will allow for residences to be 2 1/2 stories, much like the older Victorian homes west of downtown. It will also allow taller structures in the downtown area so that one or two stories of housing can be developed.

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The above discussion focuses primarily on affordable housing location and building issues that can be addressed by the PDC. Another component of affordable housing, which is called for in the Polson Growth Policy, is to provide the private sector with incentives such as reducing review fees, impacts fees and application processing time frames. I will provide an analysis and recommendations of incentives prior to our next meeting.