

City of Ruston

Middle Housing Staff Report



To: Ruston Planning Commission
From: Rob White, Community Development Director
Date: June 7, 2023

Introduction

This Middle Housing staff report serves as the conclusion of the Middle Housing grant process, which Ruston's staff, Planning Commission, and City Council have been engaged in for the past several months. The report outlines the accomplishments made thus far and the necessary changes to support middle housing, including recommended changes to policies, regulations, and permitting procedures. Additionally, it describes the steps taken during the Middle Housing Update process, such as the public outreach calendar and completion of the Report on Housing Equity; and suggestions for updates and changes to Ruston's Comprehensive Plan policies and zoning code. The recommendations in this report are intended to be incorporated into the current Comprehensive Plan and Zoning Code update process, which is anticipated to be finished by the end of 2024. Ruston will also consider the recommendations of other reports, including the Report on Housing Equity; Buildable Lands Analysis; and On-Street Parking Inventory and Analysis. Discussions before the Planning Commission concluded with recommendations to modify both the Land Use and Housing Elements of the Comprehensive Plan to remove barriers to, and further support, Middle Housing; updating Comprehensive Land Use Designations and Zoning Maps to show where Middle Housing should be located; and streamlining the permit process for Accessory Dwelling Units and Duplexes and creating architectural standards for both types of housing.

Affordable Housing and Racial Equity

Access to safe and affordable housing is a vital human necessity that provides shelter, safety, and security. However, obtaining such housing remains challenging for many people and communities. This report focuses on housing issues in Ruston, addressing racial equity and affordability.

Racial equity is a major concern in housing due to persistent disparities in access. Discriminatory policies like redlining and exclusionary zoning historically prevented people of color from accessing housing in certain neighborhoods. Consequently, communities of color have experienced higher rates of poverty, substandard living conditions, and homelessness.

To tackle these disparities, it is crucial to implement policies that promote racial equity in housing. This includes increasing access to affordable housing in historically excluded neighborhoods, promoting fair housing practices, and combating housing market discrimination. Moreover, community-led initiatives that prioritize the needs and perspectives of people of color can enhance equity and ensure equitable access to safe and affordable housing.

Affordable housing is another critical issue in the housing landscape. Many individuals and families struggle to find affordable housing, especially as housing costs outpace wages. This can lead to homelessness, overcrowding, and inadequate living conditions, particularly for low-income individuals and families.

Middle Housing Grant Accomplishments

The primary focus of the Middle Housing grant was to inform and educate Ruston’s residents, staff, Planning Commission, and City Council about Middle Housing; and for Ruston to analyze its Comprehensive Plan and Zoning code to identify potential policies or regulations that negatively impacted housing equity and affordability, particularly in terms of racial disparities, displacement, and exclusion. The analysis resulted in recommendations for developing policies and regulations to undo these negative effects and minimize the displacement of low-income residents caused by redevelopment, which are described throughout this report and its attached reference documents.

Ruston's Middle Housing grant led to several achievements, including a comprehensive Public Engagement Plan that included a dedicated webpage for the Middle Housing grant project and mailing public notice postcards to all Ruston residents and interested parties. The plan also included multiple public meetings with presentations by both Ruston’s staff and Washington State Department of Commerce staff – focused on both Middle Housing and Affordable Housing, which included question and answer sessions before the Planning Commission and City Council, as shown in the table below.

Date	PC/City Council	Topic
June 7, 2023	Planning Commission	Middle Housing Staff Report Presentation; Report on Housing Equity Discussion; Next Steps – Middle Housing/Affordable Housing Comprehensive Plan Update Integration, and Public Question and Answer Session.

May 3, 2023	Planning Commission	Summary of Middle Housing and Public Question and Answer Session.
April 18, 2023	City Council	Washington State Department of Commerce Presentation on Middle Housing and Public Question and Answer Session.
March 29, 2023	Planning Commission	Comprehensive Plan Chapter 3 – Community Character, and Middle Housing Discussion, and Public Question and Answer Session.
February 8, 2023	Planning Commission	Washington State Department of Commerce Presentation on Middle Housing; Comprehensive Plan Chapter 2 – Vision, Goals and Framework, and Public Question and Answer Session.
November 2, 2022	Planning Commission	Comprehensive Plan Chapter 1 – Introduction, and Public Question and Answer Session.
October 12, 2022	Planning Commission	Project Introduction – Community Development Update, and Public Question and Answer Session.

The project culminated in a comprehensive report on Housing Equity and this staff report, which together propose policies to address anti-displacement and evaluate Ruston's Comprehensive Plan and Zoning Code for opportunities to support middle housing, (including permitting processes to assess their impact on the development of multi-unit housing). Additionally, a discussion on financial feasibility occurred at the Planning Commission in order to better understand the practical potential of various changes to Ruston's housing typologies in different zones.

Report on Housing Equity

As required by the Washington State Growth Management Act, the Report on Housing Equity (see attached) is intended to analyze the 2015 City of Ruston Comprehensive Plan utilizing demographic data on racially disparate impacts (RDI) made available by the Washington State Department of Commerce in April 2023 to discover any barriers to affordable housing.

The Report on Housing Equity sheds light on Ruston's progress toward achieving equity and affordability by examining local demographic data through various data tables and charts. According to the Racially Disparate Impacts (RDI) data provided by the Washington State Department of Commerce, out of the 494 households surveyed, a significant percentage (79%) of low-income households are comprised of white residents. Ruston's household income distribution shows that 194 households, or 39.2%, are classified as moderate to very low income, while 295 households, or 59.7%, have incomes above the median. Despite Ruston's demographic and economic diversity being similar to Pierce County's, there is still a pressing need for more affordable housing options. To learn more about this issue, including proposed policy and regulation revisions, please refer to the "Findings and Conclusions" and "Recommended Policy and Regulation Revisions" sections of the Report on Housing Equity.

Evaluation of Existing Land Use Policies and Regulations

Ruston has made significant strides in encouraging racial and economic diversity by supporting affordable housing and middle housing through its existing Comprehensive Plan policies. Generally, these policies, as implemented in the zoning code, have created opportunities for developers and homeowners to build mixed-income housing, (such as accessory dwelling units), increased access to affordable housing for low-income families, and encouraged the creation of more diverse and inclusive neighborhoods. However, as the demand for affordable and middle housing continues to grow, Ruston should consider expanding its support for affordable housing by further emphasizing middle housing in both the Housing and Land Use Elements in the Comprehensive Plan. Ruston also needs to make minor changes to at least one instance where a specific policy was categorized as “challenging” – which is discussed in detail in the “Comprehensive Plan Policy Revisions” section of this report below. Overall, Ruston has a strong foundation of policies supporting affordable and middle housing, and with some minor changes, it can further enhance its efforts to create a more inclusive and equitable community.

Findings, Conclusions, and Recommendations

Small cities like Ruston can take several steps to help address the issue of affordable housing. One of the most effective strategies is to develop policies and incentives that encourage the construction of affordable housing units and locally owned businesses, which together support Ruston’s 5-minute walkshed goals. This can include providing financial assistance or tax incentives to developers who build affordable housing units or using inclusionary zoning to require developers to include affordable units in their developments. Small cities can also partner with non-profit organizations and community development corporations to develop affordable housing projects. Additionally, small cities can promote the preservation of existing affordable housing units by offering grants or loans to property owners who commit to keeping their rents affordable. Communities can also facilitate infill and redevelopment by encouraging middle housing and live/work units, and by streamlining permit processes. By taking these steps, small cities can help increase the supply of affordable housing and ensure everyone has access to safe and stable housing.

To implement the aforementioned recommendations, Ruston should give priority to the following actions as it updates its Comprehensive Plan and Zoning Code:

- 1) Encourage Middle Housing.** Promote middle housing in its Comprehensive Plan and Zoning Code;
- 2) Simplify the Permit Process.** Simplify the permit process for building middle housing like accessory dwellings and duplexes;
- 3) Develop Middle Housing Architectural Standards.** Establish clear architectural standards for middle housing to align public and developer expectations, and;
- 4) Consider Reducing Residential Parking Requirements.** Evaluate the possibility of reducing residential parking requirements in areas with sufficient on-street parking.

Further details on each recommendation are provided below.

Encourage Middle Housing

In recent years, there has been growing interest in middle housing as a potential solution to the affordable housing issue. Middle housing refers to a range of housing types that are denser than single-family homes but smaller than large apartment buildings, such as duplexes, triplexes, townhouses, and small apartment buildings. These housing types can be particularly beneficial in small cities, which often struggle to meet their affordable housing goals due to limited space and resources.

Middle housing offers a significant advantage in small cities by expanding the availability of affordable housing units. It achieves this by allowing structures with comparable design, mass, and scale to be built in traditionally single-family areas. By allowing for higher-density development, middle housing can help to accommodate more residents in a given area, which can help to alleviate housing shortages and reduce the cost of housing. Additionally, because middle housing units tend to be smaller and more compact than single-family homes, they are often more affordable to build and maintain, which can help to reduce the cost of rent or homeownership for residents.

Another advantage of middle housing is that it can help to promote economic diversity in small cities. By offering a range of housing options at different price points, middle housing can help to attract a diverse mix of residents, including young professionals, families, and seniors. This can help to create vibrant and dynamic neighborhoods that are accessible to people of all ages and from all walks of life.

Middle housing can also help to promote sustainable development in small cities. By encouraging higher-density development in existing urban areas, middle housing can help to reduce urban sprawl and promote more efficient land use. Also, because middle housing is often designed to be more compact and energy-efficient than single-family homes, it can help reduce energy consumption and promote a more sustainable built environment.

To fully realize the potential of middle housing in small cities, it is essential to create supportive policies and incentives encouraging its development. This can include zoning reforms that allow for more flexible and diverse housing options, financial incentives that support the construction of middle housing units, and public outreach campaigns that educate residents and stakeholders about the benefits of middle housing. In Ruston, the most practical way to do so is to simplify the permit process, (particularly for ADUs and duplexes); develop architectural standards for middle housing building types; and consider actively managing its on-street parking resource so that on-site parking requirements might be reduced.

Middle housing can potentially be a valuable tool for small cities looking to meet their affordable housing goals. By increasing the supply of affordable housing units, promoting economic diversity, and supporting sustainable development, middle housing can help to create more livable and equitable communities for all residents. As such, policymakers and stakeholders need to consider the role of middle housing in their efforts to address the affordable housing issue in small cities.

Simplify the Permit Process

Streamlining the permit process can have a significant impact on the development of affordable housing. This process involves obtaining city approval to construct new housing or renovate existing structures. Obtaining permits is a major challenge in building affordable housing due to the complexity and time-consuming nature of the process. This can result in significant delays and increased costs that are ultimately passed on to tenants in the form of higher rent.

Simplifying the permit process can help developers save time and money, enabling them to build more affordable housing units. This can be achieved by simplifying the application process, reducing the number of required permits, eliminating the need for conditional approvals or public hearings, or providing more guidance and support to developers throughout the approval process.

In addition to facilitating the construction of affordable housing, streamlining the permit process can also encourage more developers to invest in this type of housing. With fewer barriers to entry, developers may be more willing to take on affordable housing projects, which can help address the shortage of affordable housing in many communities.

Updating the zoning code to make the permit process for middle housing simpler, using typologies and graphics to make development more predictable, and updating the definitions section of the code is strongly recommended. Simplifying the process for middle housing can encourage more development and provide more affordable housing options for the community.

It is suggested that Ruston consider amending Ruston Municipal Code 25.07.020 (Land Use Matrix) to change the approval process for both Accessory Dwelling Units and Duplexes from conditional uses to permitted uses, (See the Existing and Potential Ruston Land Use Matrix graphic below). This would eliminate the time and cost associated with the conditional use permit process, which requires a public hearing. Instead, architectural standards should be implemented to ensure that ADUs and Duplexes are designed to be compatible with Ruston's existing single-family neighborhoods in terms of mass, scale, and architectural style.

EXISTING Ruston Land Use Matrix (RMC 25.07.020)	RES Zone
Dwelling, Accessory	C
Dwelling, Single-Family	P
Dwelling, Duplex	C
Dwelling, Triplex	C
Dwelling, Multi-Family	C
C = Conditional Use/Public Hearing Required, P = Permitted Use	

POTENTIAL Ruston Land Use Matrix (RMC 25.07.020)	RES Zone
Dwelling, Accessory	P
Dwelling, Single-Family	P
Dwelling, Duplex	P
Dwelling, Triplex	C
Dwelling, Multi-Family	C
C = Conditional Use/Public Hearing Required, P = Permitted Use	

Develop Architectural Standards for Middle Housing Building Types

Using detailed typologies and graphics can help clarify expectations and make the development process more predictable for both developers and homeowners. By providing clear guidelines and expectations, we can help ensure that middle housing projects are consistent with the character of the surrounding neighborhoods. Updating the definitions section of the code to include detailed descriptions for each typology can also help clarify what types of development are allowed and what requirements must be met, further reducing confusion and uncertainty.

NOT THIS!



THIS!



Consider Reducing On-Site Parking Requirements

In urban areas, on-street parking is often viewed as a necessary inconvenience, causing frustration and traffic congestion. However, it can also play a vital role in providing affordable housing, especially in cities with high housing costs.

The relationship between on-street parking and affordable housing may not be immediately obvious, but the cost of *off-street* parking significantly affects housing prices. Constructing parking spaces is expensive, and these expenses are transferred to tenants or homeowners.

Cities can use on-street parking to decrease the demand for *off-street* parking and reduce housing costs while promoting the preservation and development of small-scale, locally-owned businesses. This is especially important in high-cost building areas where land is scarce. Developers can pass their savings to tenants or buyers by avoiding parking space expenses.

Although on-street parking is not a complete solution to the affordable housing problem, it is one tool to help address the issue. Ruston's On-Street Parking Inventory and Analysis is scheduled to be completed this summer and will offer several years' worth of data. After reviewing the analysis, the Planning Commission should consider reducing *off-street* parking requirements for residential development while actively managing its existing on-street parking.

Comprehensive Plan Policy Revisions

As indicated in the "Evaluation of Existing Land Use Policies and Regulations" section above, Ruston's Comprehensive Plan Framework Element includes a policy (FW-22, see below) that has been considered "challenging" due to its emphasis on single-family housing as the primary housing type in the area. To address this, Ruston may want to revise the policy to focus more on architectural mass, scale, and style rather than on specific building uses. This could allow for a greater variety of Middle Housing building types that would still fit in well with traditional single-family neighborhoods. Ruston may also want to consider including more supportive language throughout the Land Use and Housing Element policies – although the existing document already provides considerable support to its affordable housing goals.

FW-22 Retain single-family residences as the primary housing type in Ruston.	Challenging	Consider revising this policy to describe the desire to preserve Ruston’s historic residential style of architecture rather than a specific single-family residential unit type. Many middle housing typologies blend well with traditional neighborhood-scale architectural styles.
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What’s Next?

After the successful completion of the Middle Housing grant, the Planning Commission will incorporate the recommendations from this report into Ruston's ongoing Comprehensive Plan Update, which is expected to continue for the next several months, as shown in the graphic below.



As the Planning Commission reviews the Land Use and Housing Elements of the Comprehensive Plan, there will be further discussions on Middle Housing, Racial Equity, and Affordable Housing. Ruston aims to address the existing challenges posed by the Framework Element policy mentioned earlier. Once the

Comprehensive Plan Update is finished and approved by the City Council, the city plans to revise Ruston's Zoning Code which will focus on streamlining the permit process and providing clear design requirements for duplexes and accessory dwellings, treating them as permitted uses rather than conditional ones.

Overall, these anti-displacement strategies and updates to the Comprehensive Plan and Zoning Code can help make the development process more efficient and predictable, ultimately benefiting our community by providing more affordable and equitable housing options while encouraging responsible development.

Attachments:

Public Engagement Plan

PDF of Public Notice Postcard

Report on Housing Equity

PDF Print of Middle Housing Webpage

PDF of PowerPoint presentations