

## Legislation Details (With Text)

|                       |   |                      |  |
|-----------------------|---|----------------------|--|
| <b>File #:</b>        | 2022-5154   | <b>Name:</b>         |  |
| <b>Type:</b>          | Discussion Item   | <b>Status:</b>       | Agenda Ready                                 |
| <b>File created:</b>  | 9/7/2022  | <b>In control:</b>   | Community and Economic Development Committee |
| <b>On agenda:</b>     | 9/19/2022   | <b>Final action:</b> |  |
| <b>Title:</b>         | Discussion regarding how the City can influence attainable housing. |                      |  |
| <b>Sponsors:</b>      | Development Services  |                      |  |
| <b>Indexes:</b>       |   |                      |  |
| <b>Code sections:</b> |   |                      |  |
| <b>Attachments:</b>   | 1. Homebuyer Cost Reduction Matrix                                  |                      |  |

| Date | Ver. | Action By | Action | Result |
|------|------|-----------|--------|--------|
|------|------|-----------|--------|--------|

Discussion regarding how the City can influence attainable housing.

### Background:

Over the past few months CEDC, staff and the development community have been involved in active dialogue about the subject of attainable housing. At the July meeting, a conversation between the development community and the CEDC identified several possible "cost reduction" measures. These measures, broadly speaking, include reducing fees, reducing time to develop, creating certainty in the process, and revising zoning standards. A matrix was developed to capture the various items, and some basic criteria was developed to help categorize the various items:

#### 1. City Influence

- Actions that the City can take to address the issue in a positive manner
- Actions that are beyond the City's control

#### 2. Homebuyer Benefit

- Actions that the City can take which will reduce the cost of single-family homes
- Actions that the City can take which primarily benefit the developer rather the homebuyer

The initial matrix is attached to the packet.

Our goal for the September CEDC meeting is to discuss each of these measures to determine areas for staff to focus on. Once direction is provided, staff will develop an analysis of any proposed changes, including identifying the impacts of the change, initial policy revisions, and proposed ordinance language.

For additional policy background, there are long- term goals that were the result of public engagement. The Ignite Strategic Plan has a chapter, Strong Neighborhoods with Housing Choices. Objectives of this chapter include encouraging affordable housing and considering policies to diversify housing choices. The Ignite Comprehensive Plan has objectives to increase affordable housing stock and change the overall housing mix to 65% Residential Category 1, 20% Residential Category 2, and 15% Residential Category 3. Categories 2 & 3 are housing choices that provide more dwelling units in less space, a concept that is present in some of the following discussion.

### **Decreasing Time to Process Development Applications**

The changes needed to decrease processing time are to shift more approvals into administrative processes. Less private development projects would require public hearings. This approach would also create more certainty for projects. In other words, if a development met UDO criteria staff could approve it and permitting could begin faster. Rapid development with less public input can create a feeling of disenfranchisement from the community. Staff's recommendation, if this is the CEDC's direction would be to take a measured approach and not move too many project types into the administrative realm at once.

### **Decrease Development Costs (reduction in fees)**

The purpose of our fees is to recoup the cost of staff time spent reviewing plan documents and performing inspections. The two most relevant fees to look at are site development fees and building permit fees. Both of these are based upon project cost. Decreasing City fees associated with development could be pursued if the project specifically furthers a long-term goal of the City. For instance, the Ignite Comprehensive Plan calls for more medium density housing in strategic locations. If a project fulfills this goal then waiving some fees associated with the development may be appropriate. One item brought up at a previous CEDC meeting was the excise tax. Since this tax was approved by voters, staff would need to investigate whether it could be waived.

### **Revised Zoning Regulations**

Staff has spent some time with the CEDC discussing two zoning concepts to further attainable housing goals, narrow lots and accessory dwelling units. Staff has listed the associated packets to these previous discussion under associations. In short, both of these measures are used to provide more housing within the same footprint as traditional Lee's Summit development. Staff can provide summaries at the September CEDC meeting. Another concept worth exploring is Missing Middle Housing. The Ignite Comprehensive Plan mentions Missing Middle Housing as a way to provide more dwelling units and help improve the fiscal future of the City. In short, this concept is to prioritize regulating the volume of housing and provide more dwelling units. A good example is to take a building the same size as a single-family residence and allow it to be a duplex. This approach requires thoughtful application and will require investment of more staff time than the narrow lots and accessory dwelling units. Staff recommends that all three approaches in combination with an infill policy be pursued. An infill policy is a mechanism to make development projects within already developed areas like the neighborhoods around downtown easier, in order to encourage more activity to support nearby businesses and increase walkability.

Joshua Johnson, AICP - Assistant Director of Plan Services, Development Services

Recommendation: All of these approaches are worth discussing. Staff will only have time to research, write policy, and craft ordinances for a limited number of items. Our hope for the September CEDC meeting is to receive direction on targeted measures in order to enact quality changes. Both the Strategic Plan and Comprehensive Plan prioritize quality neighborhoods and housing choice. Some of these proposed interventions would support these goals.