



Town of Yarrow Point

Middle Housing Gap Analysis

HB1110 and HB1337

Introduction

During the 2023 state legislative session a housing bill was passed and signed into law which applies to the Town of Yarrow Point and requires that the Town implement a range of changes to its development regulations. This document outlines the state requirements, and calls out places in our regulations, policies, and various documents where we will need to implement changes to be compliant with the new state level legislation.

[HB 1110](#) - For Yarrow Point: allow middle housing in single-family zones; allow only administrative design review of objective standards; required to allow two middle housing units on each lot; provide process and criteria for extensions of implementation; and the bill directs Commerce to provide technical assistance including rulemaking and certification authority. It also amends RCW 43.21C to exempt certain actions from environmental review.

[HB 1337](#) - Requires that counties and cities allow two accessory dwelling units (ADU) on every lot in predominantly single-family zones within urban growth areas. For Yarrow Point we only need to allow 2 units per lot, including the primary. It also limits parking requirements based on distance from transit and lot size and removes barriers to separate sale and ownership of ADUs.

High level Implications

The new legislation requires that the jurisdiction allow at least two housing units per lot in a range of configurations on all areas previously zoned for single family. Additionally, accessory dwelling units may be sold separately from the main house, there is a reduction in required onsite parking, and an increase in accessory dwelling unit square footage. When applicable any design criteria must be objective, applied uniformly across single family and middle housing types, and is subject only to administrative review.

If the Town does not adopt its own development regulations the State's model ordinance shall be in effect. These ordinances allow for more than the minimum requirements under the legislation.

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Gap Analysis:

State Deadline

The Town will need to adopt updated development regulations by June 30th, 2025 or the model ordinances will apply.

HB1110 Requirements

Jurisdiction Category

Tier 3: Cities with population under 25,000 that are contiguous with a UGA (Urban Growth Area) that includes the largest city in a county with a population over 275,000

The Town of Yarrow Point falls under the “tier 3” jurisdictional category and is required to allow for at least two units on all lots zoned primarily for residential uses. HB1110 Sec 3(1)c. The Town can adopt zoning that may allow more units.

Community Outreach and Engagement

Under the provisions of the Middle Housing Grant, the Town is required to conduct public engagement with the intent of informing residents of the new legislation, and getting their feedback on desired outcomes beyond the minimum requirements.

Housing Typologies

HB1110 requires that the Town allow for at least 6 out of 9 middle housing typologies, but in 2024 HB2321 clarified that Tier 3 Jurisdictions such as Yarrow Point are not required to allow types beyond the density requirements. HB1110 Sec. 3(5) (2 units per lot). The following typologies are required to be allowed in Yarrow Point:

- "Cottage housing" means residential units on a lot with a common open space that either: (a) Is owned in common; or (b) has units owned as condominium units with property owned in common and a minimum of 20 percent of the lot size as open space.
- "Courtyard apartments" means attached dwelling units arranged on two or three sides of a yard or court.
- "Duplex" means a residential building with two attached dwelling units
- "Stacked flat" means dwelling units in a residential building of no more than three stories on a residential zoned lot in which each floor may be separately rented or

owned.

Lot Subdivision

A city must also allow zero lot line short subdivision where the number of lots created is equal to the unit density required. HB1110 Sec. 3(5)

Permitting and Review

- The Town shall apply to middle housing the same development permit and environmental review processes that apply to detached single-family residences, unless otherwise required by state law including, but not limited to, shoreline regulations under chapter 90.58 RCW, building codes under chapter 19.27 RCW, energy codes under chapter 19.27A RCW, or electrical codes under chapter 19.28 RCW HB1110 Sec. 3(6)(c)
- The Town shall not require through development regulations any standards for middle housing that are more restrictive than those required for detached single-family residences, but may apply any objective development regulations that are required for detached single-family residences, including, but not limited to, set-back, lot coverage, stormwater, clearing, and tree canopy and retention requirements to ensure compliance with existing ordinances intended to protect critical areas and public health and safety. HB1110 Sec. 3(6)(b)

Parking

- A maximum of one off-street parking space per unit shall be required on lots smaller than 6,000 square feet, before any zero lot line subdivisions or lot splits. HB1110 Sec. 3(6)(e)
- A maximum of two off-street parking spaces per unit shall be required on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits. HB1110 Sec. 3(6)(f)

Critical Areas

Middle Housing requirements do not apply to critical areas, or their buffers, and wetlands that serve potable water sources. HB1110 Sec. 3(8)

The state has not clarified how it will interpret critical areas and their buffers, where jurisdictions do not have explicit definitions, or lack an adopted critical areas ordinance prior to the passing of HB1110.

HB1337 Requirements

Unit Requirements

Allow for two ADUs on each lot in a zone that allows single family residential development.

HB1337 Sec. 4(1)(c)

The Town will need to decide on a legal interpretation of the interaction between HB1337 and HB1110 since the latter gives different guidance regarding unit lot density.

“A city may allow accessory dwelling units to achieve the unit density required in subsection (l) of this section. Cities are not required to allow accessory dwelling units or middle housing types beyond the density requirements in subsection (l) of this section.”

HB1110 Sec. 3(5)

Staff interpret the interaction of this legislation to mean that jurisdiction must allow two units per lot under HB1110 and that this may include an accessory dwelling unit, which in effect eliminates the “two ADUs” on each lot provision of HB1337. This will require direction from council as to the final direction the Town will take.

Ownership and Occupancy

- Owner of the lot is not required to reside on the property. HB1337 Sec. 4(1)(b)
- Condominiumization, and sale, of units originally built as ADUs may not be restricted. HB1337 Sec. 4(1)(k)

Building and Site Characteristics

- ADUs may not be restricted to less than 1000 ft of gross floor area. HB1337 Sec. 4(1)(f)
- ADUs may not be restricted to less than 24’ in height, unless the height limits for the principal structure are less than 24’ in which case the requirements must match. HB1337 Sec. 4(1)(g)
- Setbacks, yard coverage limits, tree retention mandates, entry door locations, aesthetic requirements, or design review requirements may not be more restrictive than those for the principal unit. HB1337 Sec. 4(1)(h)
- Street Improvements are not required for permitting. HB1337 Sec. 4(1)(k)(l)
- ADUs may be attached or detached.

Critical Areas

- ADU requirements do not apply to critical areas, or their buffers, and wetlands that serve potable water sources. HB1337 Sec. 4(4)
 - The state has not clarified how it will interpret critical areas and their buffers, where jurisdictions do not have explicit definitions, or lack an adopted critical areas ordinance prior to the passing of HB1337.

Parking

The Town may not require more than one off-street parking space per unit as a condition of permitting development of accessory dwelling units on lots smaller than 6,000 square feet before any zero lot line subdivisions or lot splits. HB1337 Sec. 4(1)(k)(2)(ii)

The Town may not require more than two off-street parking spaces per unit as a condition of permitting development of accessory dwelling units on lots greater than 6,000 square feet before any zero lot line subdivisions or lot splits. HB1337 Sec. 4(1)(k)(2)(iii)

Required Changes and Updates

As a result of HB1110 and HB1337 the minimum required changes the Town will need to implement are included below. If the Town does not implement its own development regulations the model ordinance will apply. The model ordinance has been reviewed by town staff and allows for more than the minimum two unit density as well as allowing less restrictive provisions than the minimums of HB1110 throughout.

Code Updates (Includes Municipal, Stormwater, and Shoreline)

- Primary Uses will need to be updated to include the new housing typologies
- Permitting requirements will need to be updated and detailed for the new typologies
- Definitions will need to be updated throughout the code to reflect the new housing typologies, permits, and zoning designations.
- Parking requirements will need to be updated so as to reflect the new requirements.
- Housing and ADU owner occupancy requirements will need to be updated
- ADU allowable area will need to be updated
- Occupancy levels for an ADU will need to be updated
- Shoreline Master Program will need to be updated to reflect new typologies
- Short Subdivision requirements will need to be adopted
- Short Plat requirements will need to be updated
- Zero Lot Line Short Subdivision requirements need to be adopted
- Code elements adopted by reference will need to be updated to reflect the new housing typologies and associated requirements.
- Stormwater and Utility implications will need to be quantified and requirements codified as needed.
- Update Stormwater Standards to reflect new unit densities and typologies
- Update Addressing requirements
- Update Mailbox requirements
- Create Internal setback requirements (currently not adopted)
- Adopt necessary changes to fire code
- Roadway access and standards
- Emergency Turnaround requirements
- Review and Update Private Lane capacities

Zoning and Land Use

The Town will need to change the zoning designations for all areas currently zoned single family residential.

A new zoning map will need to be created and adopted by the Town

Policy Requirements

- The comprehensive plan must include goals and policies which are inline with the implementation of middle housing and the new ADU requirements.
- The land use and housing elements of the comprehensive plan must reflect the new requirements of HB1110 and HB1337
- Add policies that reflect unit lot density instead of previously used units per acre
- Update projected growth to reflect new land use and zoning.

Objective review Criteria

Location of ADU entrances can no longer be restricted as it is today

Design criteria may be created, but may not be more restrictive to ADUs or Middle Housing than to Single Family Homes.

Administrative Updates

Update to Permit Forms

New Permit Processing and Tracking Documents

Updates to Fee Schedule

Update Noticing practices

Updates to Website

FAQ for Applications

Design Review Criteria (Optional)

Conclusion

The implementation of HB1110 and HB1337 requirements will necessitate a major set of updates to the Town's codes and practices. The Town Council will also need to decide if the minimum requirements of the new legislation is the extent of the changes, or if additional elements will be considered, such as creating objective design criteria for the Town. A public engagement process as required by the conditions of the grant will help to inform the council's decision making process.