

**GRANDVIEW CITY COUNCIL
STUDY SESSION MINUTES
JULY 13, 2010**

1. CALL TO ORDER

Mayor Norm Childress called the study session to order at 6:00 p.m. in the Council Chambers at City Hall.

Present were: Mayor Childress and Councilmembers Mike Bren, Bill Moore, Jesse Palacios, Javier Rodriguez and Joan Souders. Councilmembers Pam Horner and Diana Jennings were absent.

Staff present were: Interim City Administrator Cus Arteaga, City Attorney Jack Maxwell, Code Enforcement Officer Cory Taylor and Deputy City Clerk Elizabeth Alba.

Also present was Shawn Conrad, Senior Planner with the Yakima Valley Conference of Governments.

2. GMC TITLE 17 ZONING CODE UPDATE REVISIONS – MINIMUM LOT SIZE FOR R-1 DISTRICT

Senior Planner Conrad presented the following staff report regarding consideration of Title 17 Zoning Code update revisions:

Background

On May 17, 2010, City Council considered updates to the Title 17 Zoning Code. At that time, Council discussed potential implications of an increased minimum lot size for the R-1 (Low Density Residential District) zone. Staff discussed concerns regarding possible impacts of a large minimum lot size increase on housing affordability and overcrowding. Concerns were also raised about the possibility of increasing minimum lot sizes above what the real estate market could bear so that residential development in Grandview was inhibited. The following analysis was the result of research into regional minimum lot sizes to establish how proposed minimum lot sizes would compare in an effort to avoid inhibiting residential development and affecting other economic impacts due to lot size.

Minimum Lot Size Comparison

The table below illustrated the minimum lot sizes in R-1 or comparable zoning districts for selected cities in Yakima County and adjoining Benton County, in addition to each city's population and median family income. The minimum lot sizes in the Yakima County cities were significantly lower than in the Benton County cities. For the Yakima County cities, the average minimum lot size was 6,877 sq. ft¹. The largest minimum lot size was 8,000 sq. ft. for Selah, while the smallest was 5,000 sq. ft. for Wapato. By contrast, the average lot size in the Benton County cities was 10,940 sq. ft., with the largest lot size 22,000 sq. ft. for West Richland and the smallest 7,200 sq. ft. for Pasco. Pasco's zoning code was used as a template for Grandview's zoning code update.

¹ For average, interior lot size of 6,500 sq. ft. used for Sunnyside and existing lot size of 7,000 sq. ft. used for Grandview.

Another trend was that higher minimum lot sizes appeared to be associated with higher median family incomes. For example, Wapato has a minimum lot size of 5,000 sq. ft. and a median family income of \$26,378, while Selah has a minimum lot size of 8,000 sq. ft. (the largest of the Yakima County cities), and a median family income of \$49,477. Grandview was roughly in the middle of these two, with a current minimum lot size of 7,000 sq. ft. and a median family income of \$36,165. The Yakima County cities, with the smaller minimum lot sizes, have an average median family income of \$37,357, while the Benton County cities have an average median income of \$56,543. These numbers suggested that the minimum lot size may be associated with the ability of area residents to pay for larger lots based on their income. The implications of this were that increasing the minimum lot size too high for the area's market could have economic effects. These potentially include reduced affordability, increased overcrowding due to reduced affordability, and a damper on residential development in the city.

All of these issues were of particular concern because Grandview's vacancy rate as of the 2000 Census for for-sale homes was a very low 2.3%. In addition, the most recent (2009) United States Post Office vacancy rate estimates put Grandview's overall vacancy (rental and for-sale homes) rate at 3.3%. Housing studies indicated that a vacancy rate of 4.2% to 5% was desirable to provide both free movement in the market and adequate housing maintenance practices. A very low vacancy rate meant that competition in the marketplace would result in higher home prices. In addition, overcrowding in Grandview increased from 8.3% in 1980 to 22% as of the 2000 Census. Overcrowding generally resulted from economic conditions and a lack of affordable housing. With Grandview's very low vacancy rate for for-sale homes, increasing the minimum lot size in the R-1 district could have the effect of exacerbating overcrowding rather than relieving it. The arrival of the Census 2010 data in 2011 would provide updated data and clarification regarding Grandview's current vacancy rates and level of overcrowding.

Minimum Lot Sizes Regional Comparison, Select Cities

City	Population (2010 OFM Preliminary)	Zone	Minimum lot size (sq. ft.)	Median Family Income (2000 Census)
<i>Yakima County</i>				
Grandview	9,290	R1	7,000 (existing) 7,200 (proposed)	36,165
Moxee	2,695	R1	7,000	40,500
Naches	770	R1	7,200	47,679
Selah	7,180	R1	8,000 (where municipal water/sewage and slope <10%)	49,477
Sunnyside	15,410	R1	6,500 (interior lot) 7,500 (corner lot)	28,304
Toppenish	9,080	R1	7,200	28,228
Wapato	4,605	R1	5,000	26,378
Yakima	85,040	R1	7,000	34,798

Zillah	2,790	R1	7,000	44,688
<i>Average Yakima County</i>			<i>6,877</i>	<i>37,357</i>
<i>Benton County</i>				
Kennewick	68,570	RL	7,500	57,715
Pasco ²	56,300	R1	7,200	45,759
Prosser	5,140	RL	10,000	45,162
Richland	48,580	R1-10	8,000	61,482
West Richland	12,130	RL-22	22,000	61,813
<i>Average Benton County</i>			<i>10,940</i>	<i>56,543</i>

Currently, the minimum lot size in the Grandview R-1 district is 7,000 sq. ft. The existing proposed revision was to increase this minimum lot size to 7,200 sq. ft., bringing the minimum lot size in line with Pasco's. Given the concerns about housing affordability, overcrowding, and the real estate market, staff recommended taking a cautious approach by capping any further proposed increase at a maximum of 7,500 sq. ft. Implementing this modest increase would allow staff to observe the effect of the increase and determine whether minimum lot sizes could be further increased in the future without major negative effects.

Review Process

After completing its review of the Title 17 Zoning Code amendments, Council would conduct a formal public hearing on the proposed zoning code amendments. The official zoning map of the City would also need to be amended to reflect zoning district reclassifications; this may be done concurrently with the Title 17 zoning code text amendments or may be tabled to a later date. Environmental SEPA review and 60-day state review by the Washington State Department of Commerce were required and have been completed.

Findings & Conclusions

1. The Title 17 Zoning Code amendments adequately incorporate changes made to the adopted 2006 City of Grandview Comprehensive Plan.
2. The City of Grandview has sufficient water, sewer and street capacity for the proposed Title 17 Zoning Code amendments.
3. The City of Grandview would initiate official zoning map changes to reflect zoning district reclassifications and administrative rezones.
4. Environmental SEPA review as required by RCW 43.21C has been conducted prior to official adoption of any Title 17 Zoning Code amendments.
5. Mandatory 60-day state review by the Washington State Department of Commerce has been conducted prior to official adoption of Title 17 Zoning Code amendments.
6. The public use and interest would be served by adopting the proposed Title 17 Zoning Code amendments.

² While Pasco is in Franklin County, it was included with the Benton County cities due to its proximity to that county. The Grandview zoning code update was based on Pasco's zoning code.

Recommendation

The Yakima Valley Conference of Governments, acting as staff for the City of Grandview, recommended that the City Council adopt the findings of fact and recommended capping any proposed increase in minimum lot size for the R-1 district at 7,500 sq. ft., and further recommended the proposed Title 17 Zoning Code update for adoption by the City Council subsequent to a formal public hearing.

Following discussion, Council agreed a meeting with the Planning Commission would be appropriate before making changes to the proposed Title 17 Zoning Code update. Staff was instructed to set up a meeting in the near future.

3. ADJOURNMENT

The study session adjourned at 6:56 p.m.

Mayor Norm Childress

Elizabeth Alba, Deputy City Clerk