



# City of Seattle

## Seattle Planning Commission

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June 21, 2013

Councilmember Richard Conlin  
Seattle City Council Planning, Land Use and Sustainability Committee  
PO Box 34025  
Seattle, WA 98124-4025

### **RE: Recommendations on micro-apartment development**

Dear Councilmember Conlin,

The Seattle Planning Commission has been asked to provide input on code amendments related to micro-apartments. We have been asked to consider potential changes that will ensure this development type reflects the letter and the spirit of our land use laws, while balancing the need to provide a housing type that is attractive to many people. In addition to a robust and expert dialogue among Commissioners, our review included: Briefings from the Office of Housing and DPD, including DPD's Principal Engineer and Building Official for life safety and constructability issues; An on-site tour of three micro-housing developments on Capitol Hill and First Hill, where we were able to see and inspect many units and common areas as well as meet and speak with residents, developers, and property representatives; Review and /or attendance at a number of forums and debates where concerns about these units were vetted.

We have not yet had the opportunity to review DPD's proposal on micro-apartments. When it is released later today, we will take a close look and comment on their specific recommendations.

**It's our conclusion that micro-apartments fill a unique niche in the Seattle housing market. We believe this type of housing should be embraced and encouraged in appropriately zoned parts of the city. We find that these units are in high demand and provide housing for a range of people who are willing to trade off tight personal living space for other personal considerations such as proximity to work or school, life situations, tenure, etc. We believe some minor changes to the rules and regulations that govern micro-apartments are in order to ensure they add long-term value to Seattle's housing stock and community.**

## Comments and recommendations on key issues related to micro-apartments

### ◆ Positive impacts and benefits of micro-apartments should be considered

**SPC comments and findings:** Micro-apartments provide modest, appealing housing that the market will produce in response to high demand from people who value privacy but don't need, want or cannot afford much personal space. It is providing a market rate housing product at the lower end of the rent spectrum in areas where public subsidies are typically required to achieve similar levels.

Micro-apartments seem to be particularly attractive to students, service industry employees, hospital and childcare workers, and others who might not otherwise be able to live close to work or school. It also works well as a close-in, commute saving option for professionals who have another home outside Seattle, but who stay in Seattle during the work week. It can also provide a short term housing option for people who are in Seattle to take a short course to get a certification, new residents not yet ready to commit to a long term lease, or people in personal transition (job loss, change in family status, reentry into society, etc). This housing type meets a particular need in the marketplace that may otherwise go unmet.

Furthermore micro-apartments provide more opportunities for people to live affordably in urban centers, urban villages, and transit-rich communities, which help Seattle achieve policy goals related to responsible growth and climate action.

**SPC recommendations:** Balance code changes to ensure that this desirable housing type is viable from the perspective of those who build housing *and* those who need it. Micro-apartments are a meaningful solution toward ensuring that a broad and diverse population has access to housing they can afford in Seattle. We support changes that make Micro-apartments better for residents and the communities, but we caution our decision-makers against regulations that would make this housing type unfeasible or undesirable.

### ◆ Create a definition of micro-apartments as a development type

**SPC comments and findings:** Currently, city rules and regulations treat micro-apartments similar to a boarding house or other communal living arrangement. Like any residential structure, micro-apartments are allowed to have up to eight unrelated individuals living within a single dwelling unit. A kitchen, which is specifically defined in the code, is the key to defining a dwelling unit. Currently, the prevalent development trend is to divide the dwelling unit into eight individual "sleeping rooms," each with a private bathroom

(shower and toilet), microwave, and mini-refrigerator. These amenities presumably make the sleeping rooms more marketable, but they are not required by code. The sleeping rooms share a single kitchen.

***SPC recommendations:*** Define “micro-apartment” as a specific development type, looking to the land use and building codes for guidance. A clear and consistent definition will be particularly useful in determining the threshold to undergo design review and SEPA review. It will also be helpful in specifying development standards for micro-apartments, such as standards for common space and the use of the Multi-Family Tax Exemption (MFTE) or other programs.

#### ◆ **Base design review & SEPA thresholds on the scale of the development**

***SPC comments and findings:*** There are currently three design review processes, each intending to address the scale of distinct project types, to manage the impact of development and better integrate certain projects into respective neighborhoods. Primarily, due to the way dwelling units are counted consistent with the land use code (based on the number of kitchens), most micro-apartment projects do not meet the threshold for design review and are not subject to SEPA. Current thresholds for requiring design review range from number of dwellings to actual square footage.

We also recognize that these two processes can significantly lengthen the permitting process for any development, which in turn may impact the cost and supply of housing<sup>1</sup>. However, if micro-apartment developments (that exceed the scale of developments otherwise subject to design review and SEPA review) continue to be exempt, then the city is potentially making an unintended policy choice to prioritize the micro-apartment housing type over others by endorsing its speedier, less costly, and less risky path to entitlement. While we wholeheartedly support micro-apartments, we caution the City not to create a policy direction that could result in an unintended preference in the market for micro-apartments over other multifamily housing types. This issue is predominantly about crafting policy that balances the City’s priorities.

***SPC recommendation:*** Consider requiring a form of design review for micro-apartments, while being sensitive to the importance of this development type to the market place. A threshold for a streamlined, administrative, and design review board processes could be based on a specified, graduated square footage of the overall

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<sup>1</sup> In terms of cost and affordability of micro-apartments we know that a typical apartment building in comparison can cover carrying costs through design, ongoing debt service, etc. at about \$3 per square foot (including utilities) and still provide meaningful common spaces and building amenities. So, it stands to reason that there should be some flexibility for micro developers to do the same at about \$5.00 per square foot (including utilities) while still providing some level of affordability.

development, rather than on number of dwelling units. Allow departures or adjustments to address some scale limitations on micro-apartments that may help them fit better within the neighborhood context. Consider revising SEPA thresholds to be based on the scale of the project and not on the number of units.

◆ **The current minimum parking requirements for multifamily development are appropriate for micro-apartments**

**SPC comments and findings:** In general micro-apartment projects house more people per square foot than other similar building types. They also tend not to include onsite parking for automobiles. The City does not require a minimum number of parking spaces be built in multifamily residential developments within areas that are well served by transit, instead letting the market determine the on-site parking supply.

Despite objections raised by micro-apartment critics, we find that there is no evidence that parking impacts are greater with micro-apartment projects than with comparably sized multifamily projects. To the contrary, antidotal evidence supports the notion that a small percentage of micro-apartment tenants own cars, especially in areas well served by transit with good internal pedestrian and bicycle access.

**SPC recommendation:** In hub urban villages, urban centers, and areas well served by transit, continue to allow micro-apartments to be built without parking. Outside of those areas, continue to require parking consistent with the land use code (*see Land Use Code Table B for 23.54.015: PARKING FOR RESIDENTIAL USES*).

◆ **Increase both private secure and publically accessible bicycle parking**

**SPC comments and findings:** We find that residents of micro-apartments have a high demand for bicycle parking. Many residents do not own a car, and most micro-apartment projects are located in areas with access to frequent and reliable transit and in close proximity to a high concentration of neighborhood businesses and services, where walking and biking are often the preferred options for internal neighborhood access.

**SPC recommendations:** Create appropriate bicycle parking standards for this development type. Residents should have enclosed, secure bicycle parking as well as publicly accessible bike parking in the right-of-way for themselves and their visitors. Consider relating the number of required bike parking spaces to the number of sleeping rooms (i.e. no less than one space per two to three rooms), rather than to the number of dwelling units.

◆ **Use MFTE program only if used to gain deep affordability for micro-apartments**

**SPC comments and findings:** Because this housing type can be built without elevators, parking and with only one exit and staircase for up to five floors, these units can be built at a much lower cost to developers. In turn these units are quite affordable on a per-bedroom basis (but relatively more expensive on per-square-foot basis).

**SPC comments and findings:** If the project is employing MFTE, we recommend that a significantly deeper affordability level be required. In our [April 25<sup>th</sup> letter on MFTE](#), we recommended requiring deeper affordability for the smallest units as part of an overall recalibration of the affordability tiers in the MFTE program (to get more affordability on the small-unit-size side of the spectrum, while providing more effective incentives for construction of family-size units). In that letter, we made the following recommendation: *“Strengthen affordability for studios and micro units that receive the tax exemption. The current market for new construction is producing a large supply of studios. The current 65% AMI maximum rent level for studios should be reduced for all regular studio units. Additionally, a new tier intended to promote much deeper affordability levels should be introduced for micro units. For studios and micro units, the City should also consider increasing the percentage of units required to be set aside for income restricted affordable units.”*

◆ **Allow development of micro-apartments in zones where multifamily housing is allowed**

**SPC comments and findings:** *SPC comments and findings:* This housing type appears to have a strong market driver in places with a combination of: 1) a high demand for housing but a limited supply of rents affordable to a wide range of incomes; 2) accessible frequent and reliable transit; 3) a compact, walkable, complete community rich in retail businesses, services and civic spaces and places; and 4) relief from parking standards. The very small size of sleeping rooms in micro-apartments seems to be offset by the fact that they are in areas rich with neighborhood businesses and services (so-called “third places”) that can improve quality of life. The regulatory and investment table is set in a way as to ensure that transit rich communities are in fact communities richest in “third places” where this lifestyle can be lived with more ease and humanity.

**SPC Recommendations:** Micro-apartment units should continue to be allowed outright in places that allow multifamily housing. These areas are predominately in urban centers, urban villages, and in other transit rich areas of the City.

◆ **Size of units - minimum square footage of units/sleeping rooms**

***SPC comments and findings:*** Commissioners have toured and seen units with sleeping rooms smaller than 100 square feet and as large as 244 square feet. Most had very good light and air with prominent and generous windows. They also had nice amenities such as private bathrooms within the unit as well as basic furnishings such as a refrigerator, microwave, a bed, closets, cabinets and shelving. While the spaces were compact they were nicely designed for maximum space efficiency.

***SPC Recommendations:*** We do not support limits on minimum square footage. However, we do support development standards, such as requirements for operable windows that exceed the building code requirements for light and ventilation. These are the kinds of features that will help to ensure that these spaces are comfortable and livable even though they are quite small.

◆ **Adopt additional development standards and requirements for common spaces**

***SPC comments and findings:*** We recognize that micro-apartment developments are predominately being built in areas with a high quality and accessible network of neighborhood businesses and services - “third places” - that can substitute for common areas to some degree. Indeed, the properties we toured had very little in the way of indoor amenity areas for residents. The common areas tended to be laundry facilities and small kitchens. There was no evidence of meaningful indoor common areas where residents could congregate, socialize, or entertain visitors. In a few projects we visited, there was a common courtyard with a picnic table, or a roof deck where residents might gather when the weather was nice.

***SPC recommendations:***

This is perhaps the biggest area where improvements are needed and a clear set of standards should be outlined. We recommend development standards that will result in “meaningful” interior and exterior common space. While these standards may add some additional costs to construction, we believe it is feasible for developers and important for improving the quality of life for residents.

Similar to the multifamily housing residential amenity area requirements, there should be a minimum square footage for micro-apartments based on the number of sleeping rooms in each dwelling unit. Not only does the common space for food preparation need to be adequate as well as meet universal design standards, but common space should also include adequate and accessible dining areas. Residents should not be expected to eat meals in their sleeping units. The common kitchens shared among sleeping rooms are required to

define a dwelling unit and thus should not be considered indoor residential amenity area. We recommend that common space have some minimum standards, including a clear requirement about how space can be broken up for different uses (food prep, dining, laundry and other possible uses).

◆ **Fire/Life/Safety**

**SPC comments and findings:** It is our understanding that micro-apartment developments are required to meet a high standard for fire, life, and safety, including stringent standards for early warning, suppression, containment, and structural integrity – in some cases, even more stringent than other multifamily building types. While we understand that micro-apartments also meet egress standards that include fire rated walks and paths within and between the dwelling units, we are generally concerned about tall egress paths from upper-story sleeping rooms within a single dwelling unit, specifically where only one path is provided, exiting through a common space, like the kitchen..

**SPC recommendations:** We recommend that DPD investigate potential egress life/safety issues and evaluate potential solutions to address concerns regarding the single stairwell exit. This is a particular concern for micro-apartments in midrise zones where buildings may be taller than 3-4 stories.

Thank you for the opportunity to provide you with our recommendations on micro-apartments. We are available to answer any questions and would be happy discuss these recommendations as your review at Council proceeds. As stated previously we have not yet had the opportunity to review DPD's forthcoming proposal (to be released today) but will take a closer look and comment on their specific recommendations. You can contact me or call our Director, Barbara Wilson, at (206) 684-0431.

Sincerely,



David Cutler, Chair  
Seattle Planning Commission

cc: Mayor Michael McGinn  
Seattle City Councilmembers

Darryl Smith, Ethan Raup, Alison Van Gorp; Mayor's Office  
Diane Sugimura, Marshall Foster, John Skelton, Mike Podowski, Geoff Wentlandt; DPD  
Rick Hooper, Miriam Roskin; Office of Housing  
Sara Belz, Council Central Staff

**SEATTLE PLANNING COMMISSION RECORD OF DISCLOSURES & RECUSALS:**

- Commissioner Catherine Benotto disclosed that her employer, Weber Thompson, advises housing developers and designs multifamily projects throughout Seattle that could be impacted.
- Commissioner Josh Brower disclosed that his firm, Veris Law Group PLLC, represents single-family and multifamily housing developers throughout the city of Seattle that could be impacted.
- Commissioner David Cutler disclosed that his firm, GGLO, works on a wide range of residential architectural projects for clients throughout the city of Seattle that could be impacted.
- Commissioner Colie Hough Beck disclosed that the firm for which she works, HBB Landscape Architecture, works on multifamily projects in Seattle.
- Commissioner Bradley Khouri disclosed that his firm, b9 architects, works on housing projects throughout Seattle that could be impacted.
- Commissioner Grace Kim disclosed that her firm, Schemata Workshop works on multifamily housing projects throughout the City.
- Commissioner Amalia Leighton disclosed that her employer, SvR Design, provides engineering and landscape architecture services to public and private clients that could be impacted.
- Commissioner Kevin McDonald disclosed that he lives in Capitol Hill, which is one of the neighborhoods in which much of the new micro-housing development has occurred.
- Commissioner Tim Parham disclosed that he works for the Puget Sound Regional Council and is facilitating the development of the Growing Transit Communities' Fair Housing and Equity Assessment.
- Commissioner Marj Press disclosed that she is a small business owner on Capitol Hill where many of these projects are located and currently being developed.
- Commissioner Matt Roewe disclosed that he works for VIA architecture who does work with multifamily developers.
- Commissioner Morgan Shook disclosed that he is representing the Planning Commission on the Mayor's Affordable Housing Incentives Committee and the consulting firm where is employed, BERK, commonly assists cities with land use and housing policies.