



CITY OF SEDRO-WOOLLEY
PLANNING DEPARTMENT
325 Metcalf Street
Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

TRANSMITTAL & REPORT MEMORANDUM

DATE: February 21, 2023

TO: Sedro-Woolley Planning Commission

REGARDING: Amendments to Chapter 17.04 SWMC to Add a Definition for Work/Live Unit and Amendments to Chapters 17.20 and 17.28 SWMC to Specify Parking Requirements for Work/Live Units

FROM: _____
Nicole McGowan, Assistant Planner

The following amendments are proposed by the Planning Department and submitted to the Planning Commission for consideration. This report serves as the staff report for the proposed amendments and was submitted in accordance with Chapter 2.90 SWMC.

FINDINGS OF FACT

PROPOSAL

SWMC 17.04.030 does not include a definition for live/work, which are a permitted use in both the Mixed Commercial (MC) and Industrial (I) zones. Additionally, the parking requirements described in SWMC 17.20.060 are unclear on how they would apply to such units located in the MC zone. There are no parking requirements in Chapter 17.28 SWMC for such units located in the Industrial zone either. Staff has proposed amending Chapters 17.04, 17.20 and 17.28 SWMC to provide clear, enforceable regulations for the construction and occupancy of these units and associated parking infrastructure and to emphasize that these units are primarily intended for commercial use with secondary residential accommodation. The proposed amendments can be found in **Attachment 1**.

BACKGROUND

When Ordinance No. 1484-04 was passed October 13, 2004, which added live/work units to the list of permitted uses under SWMC 17.20.010 and 17.28.010, no supplemental definition was created for live/work units under SWMC 17.04.030. Similarly, no specific parking requirements were provided for live/work units. These missing pieces of

information appear to have been an oversight. As a result, regulation of the construction of these units and associated parking infrastructure is difficult and left open to interpretation.

The Planning Commission (PC) reviewed and discussed the proposed amendments at its August 16, 2022 meeting and recommended one edit – to specify that the commercial portion of the unit shall not be occupied by residential use. Planning staff revised the proposed amendments accordingly in preparation for a public hearing on September 20, 2022. However, due to an administrative error, the PC removed this topic of discussion from the meeting agenda.

In preparation for the next meeting, staff was tasked with doing more research on possible additional regulations to ensure these units are constructed and occupied according to the city’s code regulations and vision for their function. Staff looked at examples of existing regulations from Bellingham, Seattle and Tacoma and created a second draft of amendments incorporating a number of additional conditions that were crafted based on the research findings. This draft was then presented to the PC at the January 17, 2023 meeting.

The PC reviewed and discussed the second draft of amendments at the January 17 meeting. Public comment was made by the RJ Group – a local developer with interest in building live/work units in the city. The RJ Group also submitted written comments on January 18, 2023 (see **Attachment 2**) The RJ Group discussed concern about specific conditions within the amendments. After public hearing portion of the meeting concluded, the PC considered the RJ Group comments. The PC made some additional requests for edits to refine the conditions for live/work units to ensure occupancy of the commercial space and construction are carefully regulated while balancing concerns about restrictions. Those requested edits have been incorporated into the amendments in **Attachment 1**. Staff has proposed some additional changes that further specify construction and occupancy standards and work to identify the intent of these units.

There is concern that developers and future occupants are intending to occupy the units primarily for residential purposes with the work space function only being a secondary use. for residential opportunity with accessory commercial use. However, these units are intended to provide a working commercial space for the occupant while allowing for secondary living space within the same building. Live/work units are allowed in commercial zones, therefore, the commercial use shall be first and foremost. Thus, staff has changed the name to “work/live” instead of “live/work” to clearly indicate that the work function of the unit is prioritized over the live portion. The amendments have been revised to include the clear intent within the definition to emphasize the point that these units are primarily for commercial use. Staff has prepared a third draft of amendments for presentation during the public hearing at today’s meeting.

ANALYSIS

There are strong economic, demographic and household trends pushing cities to accommodate work/live units. Advances in information technology and telecommunication

have greatly increased the feasibility of working from home, making them an ideal way to provide space especially for local small businesses. Work/live units are desirable for many because of their smaller carbon footprint, reduced transportation costs and greater work flexibility and autonomy. While there are many pros to work/live units, they must also be carefully regulated to prevent hazardous and/or incompatible uses and prevent work/live units from reverting to purely residential use. The proposed amendments are intended to provide clear, enforceable construction, occupancy and associated parking infrastructure regulations to ensure work/live units are constructed and occupied as the city envisioned for the accommodation of work/live units in the Mixed Commercial and Industrial zones and comply with all applicable building and zoning code while still providing the desired functions. Staff performed research, looking at examples of work/live regulations from Bellingham, Seattle and Tacoma, and considered public comment from a local developer on the previously proposed amendments in an effort to refine the applicable conditions to ensure work/live units are carefully regulated as the city intends without being overly restrictive. A number of additional edits have been made to the previously proposed amendments; the latest draft of code amendments are included in **Attachment 1**.

The proposed amendments are also supported by and implement the following goals and policies from the Land Use Element, Economic Development Element and Housing Element of the Sedro-Woolley Comprehensive Plan:

Land Use Element:

Goal LU1 – To safely accommodate population growth without causing urban sprawl.

Work/live units will provide amenities for both work and living space for residents within the incorporated city limits.

Policy LU1.4 – Pursue industrial park development within all industrial designated areas.

Work/live units are permitted in industrial zones as a transition between residential and industrial properties. If an industrial park is adjacent to residential zoned property, the industrial park may develop the adjacent edge to include work/live units with specific use restrictions to ensure uses within the work/live unit are compatible.

Policy LU5.2 – Resist growth pressures which could have a negative impact on community values.

Work/live units provide both residential and commercial space to be reserved for and regularly used by the resident. The proposed amendments work to create enforceable regulations that ensure the uses of both spaces are consistent with city regulations and provisions for the underlying zones in which they are permitted.

Policy LU5.3 – Seek and support developments that further the community character of Sedro-Woolley.

Work/live units provide a great space for local small businesses to flourish. With the commercial portion open to the public and facing the public right-of-way, pedestrians will be encouraged to stop in. Work/live units also reduce dependence on automobiles,

removing the need to commute to work, helping to identify Sedro-Woolley as a “green city” working to reduce automobile dependency.

Policy LU5.7 – Recognize the rights of property owners to freely use and develop private property consistent with city regulations.

These proposed amendments work to create clear and enforceable construction, occupancy and associated parking infrastructure regulations for work/live units.

Goal LU17 – To control the impacts of development activities on the quality of surface and ground water.

All permit applications for work/live units will be subject to review with the Planning and Building Departments to ensure the proposed development will have established water runoff controls to minimize or eliminate the discharge of any pollutants to surface or ground water.

Policy LU17.8 – Under no circumstances should hazardous wastes be allowed to contaminate the groundwater, surface water or sewer systems of the city of Sedro-Woolley. Dispose of hazardous wastes only in landfills designated for that purpose.

Hazardous uses are specifically excluded from the list of permitted uses for the commercial portion of work/live units, regardless of whether the unit is located in the industrial zone. Under no circumstance will hazardous waste be allowed to enter groundwater, surface water or city sewer systems.

Economic Development Element:

Goal E1 – To develop a sound fiscal base.

The use of the commercial portion of work/live units by business owners will help to establish a sound fiscal base for the City of Sedro-Woolley.

Policy E1.1 – Create employment opportunities within the Sedro-Woolley economy, particularly for residents who now commute to other distant employment areas.

The commercial portion of work/live units will provide various types of employment opportunities for residents of Sedro-Woolley.

Goal E2 – To increase economic opportunities.

The use of the commercial portion of work/live units by business owners will help to increase economic opportunities for the City of Sedro-Woolley. The regulations are intended to assure that the commercial portion of the work/live building is used for commercial, not residential uses. This ensures that the underlying zone – either Mixed Commercial or Industrial – are being used for the intended commercial and industrial uses, not just residential use.

Policy E2.1 – Encourage local business development opportunities and utilization by the private and public sector, particularly for small start-up businesses owned by or employing Sedro-Woolley residents. Promote local use of special small business financing and management assistance programs.

The smaller work/live spaces are excellent locations for small businesses and start-up businesses.

Policy E2.6 – Create local employment, shopping and other urban service activities that reduce Sedro-Woolley’s dependence upon other urban areas.

Work/live units will help reduce Sedro-Woolley’s dependence on other urban areas by providing shopping, service and employment opportunities for residents of Sedro-Woolley.

Policy E3.16 – Encourage signage explaining what companies/products are located/produced in the City’s industrial areas to promote the viability of the City’s industrial sector. Many interesting and important goods are produced in these areas and improving the awareness of their presence can help attract prospective industrial tenants.

Work/live regulations will include a requirement for the commercial portion of the unit to have an exterior sign with the name of the associated business. The sign must be clearly associated with the unit and visible to pedestrians from the public right-of-way. Signage will help to ensure the public is aware of the presence of the business.

Housing Element:

Goal H1 – To provide sound, adequate housing for all current and future Sedro-Woolley residents.

Work/live units will provide adequate housing for one family, provided that there is a business on site and the operator or an employee of the associated business resides there.

Policy H1.6 – Encourage sustainable housing practices to provide energy efficiency and environmentally responsive design.

Work/live units are designed to include accommodations for both residential and commercial uses within the same building, reducing the resident’s dependence on transportation by eliminating the need for them to commute to work. For this reason, these units are environmentally responsive as well as inherently sustainable and energy efficient in design.

Goal H2 – To provide affordable housing for all current and future Sedro-Woolley residents.

Work/live units are designed with the intent to increase the density of development and provide affordable housing because the owner can live and work in the same structure, instead of having to pay for two separate buildings for living and working.

Goal H5 – To create and approve processes that allow for bold innovation and diversity.

Work/live units allow a diverse range of business opportunities for their occupants.

Policy H5.2 – Allow permits for home businesses that have little impact on surrounding developments.

Work/live units provide accommodation for in-home businesses and are carefully regulated to be compatible with the residential portion of the unit as well as neighboring developments.

PROPOSAL REVIEW PROCESS

1. Proposed amendments to Title 17 – Zoning were introduced to the Planning Commission and were reviewed and discussed at the August 16, 2022 Planning Commission meeting.
2. A SEPA DNS was issued January 13, 2023.
3. Second draft of proposed amendments was reviewed and discussed at the January 17, 2023 Planning Commission meeting.
4. Public Notice of the February 21, 2023 Planning Commission Hearing was published in the Skagit Valley Herald on February 9, 2023.
5. The State Department of Commerce (COMM) was notified of the proposed amendments on January 10, 2023; the 60-day review period will end March 11, 2023. COMM Submittal ID #2023-S-4705.

RECOMMENDATION:

Staff recommends that the Planning Commission:

- Review the proposed amendments to Chapters 17.04, 17.20 and 17.28 SWMC;
- Hold a public hearing and discuss the amendments;
- Make a motion to recommend that the City Council approve the proposed amendments to Chapters 17.04, 17.20 and 17.28 SWMC.

ATTACHMENTS:

1. Proposed Amendments to Chapter 17.04, 17.20 and 17.28 SWMC
2. January 18, 2023 written comments from the RJ Group
3. Notice of February 21, 2023 Public Hearing

Attachment 1

Proposed Amendments to Chapter 17.04, 17.20 and 17.28 SWMC

Chapter 17.04 ADMINISTRATIVE PROVISIONS

17.04.030 Definitions.

...

“Wholesaling” means the warehousing of materials or goods for sale abroad and generally is related to shipping of materials and goods and not retail sales.

“Work/Live Unit” means a unit in which a residential use is located above or behind a commercial use within the same building and is reserved for and regularly used by the occupant. The primary intent of a work/live unit is to provide a working commercial space for the occupant with secondary living space. These units are subject to the following conditions:

1. The commercial area function shall be limited to the first or main floor only of the work/live unit;
2. The commercial portion of the unit shall not exceed 50% of the area of the entire work/live unit;
3. All residential features must be designed and arranged to be separated from the commercial portion of the unit by a physical divider such as a wall or partition;
4. Access shall be provided to the residential portion of the work/live unit through the commercial portion;
5. The residential portion of the unit must be inhabited by the operator or an employee of the associated business;
6. The commercial and residential spaces cannot be leased separately from each other;
7. The minimum size of the commercial portion of the unit shall not be less than 300 square feet;
8. The maximum size of the commercial portion of the unit shall not exceed 1,500 square feet;

9. The use of the commercial portion of the unit is limited to the permitted uses of the underlying zone in which the unit is located. Hazardous uses, storage (except accessory storage up to 10% of the space dedicated to a permitted commercial use) and marijuana growing, processing and/or retail are specifically prohibited uses in the commercial portion of the unit;
10. A garage associated with a work/live unit shall be considered part of the residential portion of the unit. The garage shall not be used for storage accessory to the commercial use of the work/live unit;
11. The main entrance to the business shall have commercial windows and doors, shall be easily identifiable as a business space from the exterior and shall be visible and accessible from a public right-of-way or private commercial/industrial parking lot that is open to commercial travelers;
12. The commercial portion of the unit shall be open to the public during business hours;
13. The commercial portion of the unit shall not be occupied by residential use;
14. The commercial portion of the unit must not contain any of the primary features of the residential portion of the work/live unit. Sleeping facilities are strictly prohibited. Kitchens, laundry facilities or bathrooms containing a shower or bathtub associated with the commercial use are allowed, however, the use of such facilities shall be limited to staff and/or clientele;
15. For work/live units located in the Industrial Zone, the use restriction "limited retail and service uses up to 5% of the total site" does not apply (SWMC Section 17.28.010 (A)(6));
16. Work/live units shall include an exterior sign with the name of the associated business. The sign shall be clearly associated with the unit and visible to pedestrians from the public right-of-way;
17. Both residential and commercial rates will apply for permitting and monthly city utility billing purposes;
18. Work/live units shall have two water meters installed – one for the residential portion of the unit and one for the commercial portion;
19. The owner of a work/live unit shall sign and submit a work/live agreement to the Planning Department attesting that they will comply with all applicable work/live requirements and regulations and that the commercial portion will not be used for

any residential, storage or other non-compliant uses. The agreement shall first be approved by the Director, then recorded with the Skagit County Auditor's office. The owner shall submit proof that the agreement has been recorded with the Skagit County Auditor's office prior to issuance of the building permit;

20. Upon sale of the property, the new owner shall be required to sign and submit a new work/live agreement to the Planning Department. Once approved by the Director, the new agreement shall be recorded with the Skagit County Auditor's office. Proof that the agreement has been recorded with the Skagit County Auditor's office shall be submitted to the Planning Department;

21. To change or expand the amount of interior commercial or residential space, the owner must obtain all necessary permits/approvals from the City and meet all requirements prior to changing or expanding; and

22. The number of work/live units allowed within a development is limited to a maximum of 40% of the sum of the building floor area of all buildings within that development.

Chapter 17.20

MIXED COMMERCIAL (MC) ZONE

17.20.010 Use restrictions.

Use restrictions in the mixed commercial (MC) zone shall be as follows:

A. Permitted Uses.

1. Retail, general services, recreational and cultural uses, light manufacturing, low-intensity agriculture;
2. Residential units contained above the first story of a commercial building ([live/work/live](#) units are specifically included), limited to eight such units per building;
3. *Repealed by Ord. [1709-11](#);*
4. Public utilities, other than wireless communications facilities;
5. Health facilities and services.

B. Conditional Uses.

1. Quasi-public uses.
2. Wireless communications facilities.
3. Public uses.
4. All other uses not otherwise prohibited.

C. Prohibited Uses. All uses not allowed as permitted or conditional uses are prohibited. Adult entertainment is a prohibited use in this zone. (Ord. [1840-16](#) § 1, 2016; Ord. [1709-11](#) § 1, 2011; Ord. [1522-05](#) § 1, 2005; Ord. [1484-04](#) § 7 (part), 2004; Ord. [1312-98](#) § 1 (part), 1998; Ord. [1309-98](#) § 6, 1998; Ord. [1013](#) § 2.04.01, 1985)

...

17.20.060 Parking for residential uses in the MC zone.

The parking requirements for residential uses in the MC zone shall be as follows:

Studio	1 space
1 bedroom	2 spaces
2 bedrooms	2 spaces
3 bedrooms	3 spaces
4 or more bedrooms	4 spaces
Visitor/overflow spaces	1 additional space per 8 units

Work/live units shall provide parking per the table above for the residential use based on the number of bedrooms in the unit. Work/live units shall also provide commercial parking spaces per the development standards in SWMC 17.36.030.

Parking spaces counted for residential use shall not also be counted towards non-residential parking requirements of SWMC Ch. 17.36 for this zone. (Ord. 1484-04 § 7 (part), 2004)

Chapter 17.28

INDUSTRIAL (I) ZONE

Sections:

17.28.005 Intent.

17.28.010 Use restrictions.

17.28.020 Bulk restrictions.

17.28.030 Minimum lot size requirements.

17.28.040 Screening requirements.

17.28.050 General regulations on uses and property.

17.28.060 Design review.

17.28.XXX Parking for work/live units in the Industrial Zone

17.28.005 Intent.

The intent of the industrial zone is to provide appropriately located areas for manufacturing, warehousing, distribution, and office uses to enhance the city's economic base in a manner that minimizes impacts to surrounding nonindustrial zones. The standards recognize the market preferences and construction techniques characteristic of this type of use. Commercial, retail, and residential uses are permitted at a limited scale so as to preserve the majority of land in this category for industrial and business uses. (Ord. 1664-10 § 2 (Exh. E) (part), 2010; Ord. 1484-04 § 8 (part), 2004)

17.28.010 Use restrictions.

Use restrictions in the industrial (I) zone shall be as follows:

A. Permitted Uses.

1. Office parks, medical services, wholesaling, and light manufacturing and processing;
2. Industrial equipment, supplies, services, including storage;
3. Agricultural processing;
4. Parking lots serving any use;
5. Trade schools, warehouses, storage, utilities other than wireless communications facilities, government services;
6. Limited retail and service uses up to five percent of the total site;
7. ~~Live-work~~[Work/Live](#) units as a transition between industrial and residential;

8. On-site day care serving a specified permitted use;
9. On-site recreational facilities serving a specified permitted use;
10. Adult entertainment establishments, as herein defined; provided, that no adult entertainment establishment shall be located nearer than seven hundred fifty feet from any other adult entertainment establishment; and provided further, that no adult entertainment establishment shall be located nearer than seven hundred fifty feet from any residential zone, seven hundred fifty feet from any school, public or private, seven hundred fifty feet from any church, and seven hundred fifty feet from any park. Distances as provided in this subsection shall be measured by following a straight line, without regard to intervening buildings, from the nearest point of the property parcel upon which the proposed use is to be located to the nearest point of the parcel property of the land use from which the proposed use is to be separated.

B. Conditional Industrial Uses.

1. Vehicle wrecking yards, vehicle impound lots;
2. Power generation facilities;
3. Airports, heliports;
4. Prisons;
5. Incinerators;
6. Animal slaughtering and meat packing, food processing;
7. Wireless communication facilities;
8. On-site hazardous waste treatment and storage facilities as accessory to a permitted or conditional use are allowed as a conditional use; provided, such facilities comply with the state hazardous waste citing standards and Sedro-Woolley and State Environmental Policy Act requirements;
9. Garbage and/or recycling transfer stations or sorting facilities;
10. Composting facilities;
11. All uses not permitted above or otherwise prohibited.

C. Prohibited Uses. Residential uses other than those that are ancillary to an industrial use listed above. (Ord. 1664-10 § 2 (Exh. E) (part), 2010: Ord. 1484-04 § 8 (part), 2004: Ord. 1312-

98 § 1 (part), 1998: Ord. 1309-98 § 5, 1998; Ord. 1063 § 5 (Exh. D § 2.06.01.05), 1988; Ord. 1013 § 2.06.01, 1985)

17.28.020 Bulk restrictions.

A. Minimum Setbacks to Adjacent Zones.

1. Setbacks to Residential (R-5, R-7 and R-15) Zones. Front setbacks shall be a minimum of twenty feet. Side setbacks shall be a minimum of thirty feet. Rear setbacks shall be a minimum of thirty feet.

2. Setbacks to All Other Zones. Front setbacks on an arterial street shall be a minimum of twenty feet. Side setbacks shall be a minimum of twenty feet. Rear setbacks shall be a minimum of twenty feet.

3. Setbacks to the Industrial Zone. Buildings shall maintain a minimum ten-foot setback to all lot lines when adjacent to other properties zoned industrial.

B. Maximum building height: thirty-five feet. A variance to the maximum building height may be granted as set forth in Chapter 17.60.

Exception: sixty feet, if minimum side and rear setbacks required in subsection A of this section are doubled. (Ord. 1677-10 § 1 (part), 2010; Ord. 1664-10 § 2 (Exh. E) (part), 2010; Ord. 1522-05 § 3, 2005; Ord. 1484-04 § 8 (part), 2004; Ord. 1387-00 § 1, 2000; Ord. 1312-98 § 1 (part), 1998; Ord. 1013 § 2.06.02, 1985)

17.28.030 Minimum lot size requirements.

There is no categorical minimum lot size for industrial uses in this zone. However, the lot size may be made a condition of approval in design review and conditional uses if relevant in those proceedings. (Ord. 1664-10 § 2 (Exh. E) (part), 2010; Ord. 1484-04 § 8 (part), 2004; Ord. 1312-98 § 1 (part), 1998; Ord. 1013 § 2.06.03, 1985)

17.28.040 Screening requirements.

A six-foot-tall totally sight-obscuring fence, wall or other screen of equal effectiveness shall be maintained around all industrial storage and activity areas where adjacent to or across a public right-of-way from any other zone. The planning director may waive the screening requirement in a case where a permanent feature (such as an elevated railroad grade) that meets the screening requirements exists between the project and adjacent property. The screening requirements in Section 17.50.120 shall also apply. In the case of conflict between screening requirements, the higher standards shall apply. (Ord. 1664-10 § 2 (Exh. E) (part), 2010; Ord. 1484-04 § 8 (part), 2004; Ord. 1312-98 § 1 (part), 1998; Ord. 1013 § 2.06.04, 1985)

17.28.050 General regulations on uses and property.

The following provisions shall apply to all new and expanded uses within this zone when located adjacent to a residential zoned district:

- A. There shall be no unusual fire, explosion, or safety hazards;
- B. Sound levels are not to exceed levels established by noise control regulations of the Department of Labor and Industries. Maximum permissible environmental noise levels are not to exceed the levels of the environmental designations for noise abatement (EDNA) as established by the state of Washington, Department of Ecology (WAC 173-60-040);
- C. Pollution standards set by regional, state, or federal pollution control commissions or boards shall apply to all uses;
- D. There shall be no production of heat, glare, or vibration perceptible from any property line of the premises upon which such heat, glare, or vibration is being generated;
- E. If less intense uses are proposed, they shall be located adjacent to the residential zoning to lessen the impacts of the industrial activity. Uses such as [live/workwork/live](#) units, parking areas, office buildings, stormwater facilities and open spaces should be used as a transition between industrial and residential zoning. (Ord. 1664-10 § 2 (Exh. E) (part), 2010: Ord. 1484-04 § 8 (part), 2004: Ord. 1387-00 § 2, 2000)

17.28.060 Design review.

All developments in this zone which are subject to environmental review shall comply with the design review standards of Chapter 15.44 for conformance with this and other provisions of the city code. (Ord. 1664-10 § 2 (Exh. E) (part), 2010: Ord. 1484-04 § 8 (part), 2004)

17.28.070 Parking for Work/Live Units in the Industrial Zone.

The parking requirements for work/live units in the Industrial Zone shall be as follows:

Studio	1 space
1 bedroom	2 spaces
2 bedrooms	2 spaces
3 bedrooms	3 spaces
4 or more bedrooms	4 spaces
Visitor/overflow spaces	1 additional space per 8 units

Work/live units shall provide parking per the table above for the residential use based on the number of bedrooms in the unit. Work/live units shall also provide commercial parking spaces per the development standards in SWMC 17.36.030.

Parking spaces counted for the residential portion of the work/live unit shall not be counted towards the parking requirements of SWMC Ch. 17.36 for the commercial portion.

222 Grand Ave. Ste F
Bellingham, WA 98225
(360) 738-9033

Memorandum

Date: January 18, 2023

To: Sedro-Woolley Planning Department
Sedro-Woolley Planning Commission

Regarding: RJ Group Comments for Proposed Live/Work Amendments
to Chapter 17.04, 17.20 and 17.28 SWMC

From: The RJ Group

The RJ Group was pleased to be invited by the Sedro-Woolley Planning Department to provide input on proposed live/work amendments at the January 17th 2023 Planning Commissioner's meeting. Scarlet Ponder attended as a representative of the RJ Group, and presented the following comments:

Chapter 17.04.030

8. The minimum size of the commercial portion of the unit shall not be less than 300 square feet;

The RJ Group agrees it is standard and prudent to set a minimum square footage. However, in our experience and based on our previous designs, a minimum of 250 SF rather than 300 SF would be sufficient.

11. The commercial portion of the unit shall be open to the public during business hours;

The RJ Group finds this provision unnecessary. Business owners should govern their own business hours.

There are certain commercial uses that operate by appointment only or as a remote office for a larger business, and therefore do not need to be open to the public during typical business hours. This code could be restrictive to these use types that would otherwise be allowable under the zoning code.

Any Commercial use permitted in the zone is already governed by applicable zoning codes, as well as local codes protecting residents from noxious uses. Therefore, it would be redundant and cumbersome to regulate commercial operating hours specifically for live/work units.

13. The commercial portion of the unit must not contain any of the primary features of the residential portion of the live/work unit, such as sleeping, laundry facilities, or bathrooms containing a shower or bathtub;

We recommend that this condition be stricken from the proposed amendment. Condition 12 already explicitly prohibits residential use in the commercial space.

Also, some commercial uses may require laundry or showering facilities for normal business operations - a physical or massage therapist for example. This condition is redundant and limits the usability of the commercial space for the owner.

15. Live/work units shall include an exterior sign with the name of the associated business. The sign shall be clearly associated with the unit and visible to pedestrians from the public right-of-way;

The RJ Group recommends replacing “shall” with “may”, since certain commercial uses may not prefer or need a visible storefront presence. What if the unit owner were an employee using the space as a remote office for a larger business entity? Or a psychotherapist who only accepts clients by appointment and does not wish to advertise or allow public walk-ins?

16. Both residential and commercial rates will apply for permitting and monthly city utility billing purposes;

The RJ Group does not object to this amendment. However, developers will need additional transparency and guidance from city staff as to how the permitting and utility bills will be calculated for live/work units. We support the creation and use of a building permit application that is specific to live/work units.

17. The owner of a live/work unit shall sign and submit a live/work agreement to the Planning Department attesting that they will comply with all applicable live/work requirements and regulations and that the commercial portion will not be used for any residential, storage or other non-compliant uses; the agreement shall be approved by the Director;

18. Upon sale of the property, the new owner shall be required to sign and submit a new live/work agreement to the Planning Department for approval; and

The RJ Group recommends that conditions 17 and 18 be stricken from this amendment. These conditions are highly unusual and place an undue burden on owners and potential buyers. Buyers may not wish to sign such an agreement.

Additionally, these conditions could create difficulties in the lending process, as most lenders will be unfamiliar with an agreement of this nature. The future conditions imposed by condition 18 also mean that owners would face similar difficulties when they decide to re-sell their property. These conditions could reduce the pool of interested buyers, which in turn could negatively impact property values.

Finally, given that the previous conditions already govern and limit the allowable uses of the commercial space, these conditions are redundant and completely unnecessary.

For all these reasons, the RJ Group strongly urges that these conditions be stricken from this amendment.

20. A maximum of 40% of the total building floor area of all buildings within a commercial development may be designated for live/work.

The RJ Group would like to better understand the reasoning behind this condition. We believe 40% to be very low and suggest that 60% would be preferable.

We also anticipate that the wording, “within a commercial development” will be confusing. It remains unclear if this condition means that live/work units could only be applied for if they are part of a larger commercial development. It seems this condition does not allow a developer to build live/work units as a standalone project, limiting flexibility of development within the zone.

We suggest that either:

- This condition be stricken from the amendment, OR
- The condition be reworded to indicate that, in any mixed development which includes live/work units, a maximum of 60% of the total building floor area of all buildings shall be designated for live/work. AND that live/work units could also be developed as a stand-alone project within the zone.

Chapter 17.04.030 (1-7), (9-10), (12, 14); 17.20 and 17.28

The RJ Group finds these revisions acceptable and reasonable.

NOTICE OF PUBLIC HEARING

CITY OF SEDRO-WOOLLEY
Amendments to Development Regulations
Hybrid Meeting

Attachment 3
to PC Staff Report

City of Sedro-Woolley Council Chamber and Virtually via Zoom Webinar

The City of Sedro-Woolley Planning Commission will hold a public hearing on **February 21, 2023 at 6:30 PM** in the Sedro-Woolley Council Chamber and virtually via Zoom Webinar, to hear testimony regarding following proposed amendments to the City Development Regulations:

1. Possible amendments to Chapter 17.04 SWMC to Add a Definition for Live/Work Unit and Amendments to Chapters 17.20 and 17.28 SWMC to Specify Parking Requirements for Live/Work Units.

Interested parties can comment on the proposed changes in writing or at the hearing. Written comments will be read into the public record and **must be received by 4:00PM February 21, 2023** to be considered at this public hearing. Send written comments to: City of Sedro-Woolley Planning Department, ATTN: Assistant Planner, 325 Metcalf Street, Sedro-Woolley, Washington, 98284, or by email to nmcgowan@sedro-woolley.gov.

Please go to the Planning Commission Meetings page on the Sedro-Woolley website (<https://www.ci.sedro-woolley.wa.us/>) to find the meeting materials and a link to join the webinar.

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