

#### **Building and Planning Department**

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# City of Chehalis Hearing Examiner Staff Report for CU-21-004, VR-22-002, ST-21-0014 April 28, 2022

To: Hearing Examiner

From: Amelia Schwartz, City Planner

Date of Staff Report: April 21, 2022

Subject: Cascade Permanent Supportive Housing
Location: 135 W Main Street, Chehalis, WA
Date of Public Hearing: April 28, 2022

#### Introduction

Cascade Mental Health is proposing the remodeling and change of use at 135 W Main Street to become a voluntary permanent supportive housing center with 16 beds. Permanent Supportive Housing is not currently a type of use listed in City of Chehalis Use Chart, Chehalis Municipal Code (CMC) 17.78. However, RCW 35A.21.430, effective September 30, 2021, requires that "a code city shall not prohibit transitional housing or permanent supportive housing in any zones in which residential dwelling units or hotels are allowed. Effective September 30, 2021, a code city shall not prohibit indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed, except in such cities that have adopted an ordinance authorizing indoor emergency shelters and indoor emergency housing in a majority of zones within a one-mile proximity to transit. Reasonable occupancy, spacing, and intensity of use requirements may be imposed by ordinance on permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters to protect public health and safety. Any such requirements on occupancy, spacing, and intensity of use may not prevent the siting of a sufficient number of permanent supportive housing, transitional housing, indoor emergency housing, or indoor emergency shelters necessary to accommodate each code city's projected need for such housing and shelter under RCW 36.70A.070(2)(a)(ii)."

#### Site Plan

There are no proposed changes to the footprint of the structure.

#### **Conditional Use**

The project site is within the Central Business District (CBD) zone of the City of Chehalis. CMC 17.78.020 Use Chart lists the use of a "hotel" as conditional for the zone, instead of expressly permitted as written in RCW 35A.21.430.

#### Variance

The applicants desire a variance to be granted to allow them to access the water main underneath Main Street, which was updated with grind and overlay, reinstallation of traffic signal detection, pedestrian actuated crossings, and replacement of ADA curb ramps on approximately 1,800 linear feet of 46-foot-wide paved roadway on Main Street in 2021.

The City of Chehalis has engineering code that prevents cutting into new/repaired streets for the period of five years. Cascade has found that despite connections available on side streets, these alternative connections to water supporting a required fire suppression system has become cost-prohibitive, and they are seeking a solution to this obstacle. CMC 12.04.280(P)(1): "Trench Cuts in New Pavements. Trench cuts are not permitted in pavements that have been constructed or rehabilitated within five years. "Rehabilitation" includes all surface treatments such as chip seal, slurry seal, and asphalt overlay."

# **Site Characteristics**

The site is within the CBD zone, directly adjacent to single-family residential properties in the R2 zone. The site has open access to an alley south of the building that allows access to the single-family residential properties along SW Alfred Street. Other nearby uses include a hair salon, the Chehalis Masonic Temple, and other commercial uses. The project location is approximately 350 feet from a major traffic thoroughfare through the city, and commercial area on Market Boulevard, and approximately 170 feet away from the Lewis County offices' main parking lot.

The parcel is .56 acres according to Lewis County Auditor data, with approximately 240 linear feet of W. Main Street frontage and southern alley frontage and is nearly 100 feet in depth. The site is mostly paved with an existing building that is proposed to contain the new residential updates. The current building was constructed in 1950 as a church and consists of 3 floors and is currently used as an out-patient facility for treatment of individuals with substance abuse issues. The proposal is intended to add 24-hour substance abuse treatment services, and services to address clinical and basic needs for patrons.

#### **Application Timeline**

A complete Conditional Use and Site Plan Application was submitted on October 27, 2021. The project met with the Development Review Committee (DRC) on November 10, 2021, with a DRC recommendation of approval subject to plans for the connection to the water main. The project's team stated that they needed to do a feasibility review of potential water main connections.

On December 13, 2021, the applicants met with City Attorney Erin Hillier to discuss the 5-year prohibition on cutting into recently constructed or rehabilitated city streets. The City Attorney's office and Chehalis Public Works were then researching applicable conditions and requirements under city code and the grant that was used to pave Main Street. City Planning met with the City Attorney on March 21, 2022 to review the requirements for the process of the project to be considered for conditional and variance approval.

On March 21, 2022 Amelia Schwartz, City Planner, notified the applicant that a Variance application would be needed for the water main access through Main Street before scheduling a public hearing. On March 21, 2022 after speaking with Amelia Schwartz, the applicants submitted documentation for the Variance application, and Amelia scheduled a public hearing.

# **Public Notification and Comment**

Public notice issued April 14, 2022 in The Chronicle. Public notice was also posted on the city website on April 14, 2022. No public comments have been received as of this date.

#### **Environmental Review**

This project is exempt from SEPA review under WAC 197-11-800.

#### **Code Analysis**

To comply with RCW 36.70B.060(6) which allows for only one open record hearing and one closed record hearing, the decision for site plan ST-21-0014, variance application VR-22-002, and conditional use permit CU-21-004 are being combined for this project.

#### CMC 17.09.130 Site Plan Review

- C. The city may approve a proposed site plan in whole or in part, with or without conditions, if all of the following findings of fact can be made in an affirmative manner:
  - 1. The project is consistent with the Chehalis comprehensive plan and meets the requirements and intent of the Chehalis Municipal Code, including the type of land use and the intensity/density of the proposed development.

Staff analysis: Staff finds that the proposed land use change does not have a similar use type in the CMC 17.78 Use Chart, but the zone can allow for hotel use with conditional approval. Staff finds that the variance request is not supported by the requirements of the Chehalis Municipal Code 12.04.280.

2. The physical location, size, and placement of the development on the site and the location of the proposed uses within the project minimize impacts to any critical resource or floodplain area to the greatest extent possible or are compatible with the character and intended development pattern of the surrounding properties.

Staff analysis: Staff finds that the proposed development does not lie within a critical resource area or floodplain and is compatible with the intended development pattern of the surrounding existing properties.

3. The project makes adequate provisions for water supply, storm drainage, sanitary sewage disposal, emergency services, and environmental protection to ensure that the proposed project would not be detrimental to public health and safety.

Staff analysis: Staff finds that adequate provisions for the aforementioned necessities are met.

4. Public access and circulation including nonmotorized access, as appropriate, are adequate to and on the site.

Staff analysis: Staff finds that the public access and circulation will be adequate for this project.

5. Adequate setbacks and buffering have been provided. Any reduction to setbacks or buffer widths is the minimum necessary to allow for reasonable economic use of the lot and does not adversely impact the functional value of the critical resource area or adjoining land uses.

Staff analysis: Staff finds that adequate setbacks and buffering have been provided.

6. The physical location, size, and placement of proposed structures on the site and the location of proposed uses within the project are compatible with and relate harmoniously to the surrounding area.

Staff analysis: Staff finds that the physical location, size, and placement will be harmonious, as there will be no change. The proposed use is conditional, but has had similar, out-patient services prior to this proposal.

- 7. The project adequately mitigates impacts identified through the SEPA review process, if required. Staff analysis: Staff finds that this project does not require a SEPA review process.
- 8. The project would not be detrimental to the public interest, health, safety, or general welfare.

  Staff analysis: Staff finds that the project as submitted, with conditions would not be detrimental to the public interest, health, safety, or general welfare.

# CMC 17.78.020 Use Chart Adopted

The project site is within the Central Business District (CBD) zone of the City of Chehalis. CMC 17.78.020 Use Chart lists the use of a "hotel" as conditional for the zone, instead of expressly permitted as written in RCW 35A.21.430. There is no listed "residential treatment" use. RCW 35A.21.430 requires that transitional supportive housing be permitted in any zone that allows for hotel use.

Staff analysis: Staff finds that as "hotel" a conditional use in this zone, it is likely that transitional housing must also receive conditional approval based on RCW 35A.21.430.

# CMC 17.69.020 Bulk Regulations

As per the bulk regulation codes, there are no minimum setbacks, and the dwelling unit density is 24 units per acre. Staff analysis: Staff finds that the current proposal does not change the footprint of the existing building. The maximum density for the site is 24 units per acre, which would equate to 13.44 units per .56 acres, the size of the lot. The proposal requests approval for 16 dwelling units, which is over the maximum. However, "beds" in the context of hotels are not considered separate dwelling units, so they should not be considered separate units in the context of this project.

### CMC 17.69.030 Parking and Loading

Per the "Hotel" use on the CMC 17.78 Use Chart, 1 parking space is required per guest.

Staff analysis: Staff finds that the proposed lots sizes and parking spaces are adequate to provide for parking upon development. The applicant has proposed 16 beds, and the project site contains more than 16 marked parking spaces.

# CMC 17.69.040 Fences, Walls, and Hedges

A. Fences shall be limited to seven feet high above adjacent grade.

H. A hedge shall comply with the requirements for a fence; provided, hedges which are not located within a street setback, and do not otherwise constitute a traffic visibility obstruction on any right-of-way or alley, or any public nuisance condition, are not limited in height. [Ord. 961B § 10, 2016; Ord. 720B § 1, 2002.]J. A hedge shall comply with the requirements for a fence; provided, hedges which are not located within a street setback, and do not otherwise constitute a traffic visibility obstruction on any right-of-way or alley, or any public nuisance condition, are not limited in height. City of Chehalis Comprehensive Plan LU.06.02: "Require the use of buffers between incompatible land uses" A fence could be used as a buffer between the site and adjacent residential properties.

Staff analysis: The current proposal does not include the addition of a fence for the property. Any proposed fence must adhere to CBD fence regulations.

#### CMC 17.69.080 Essential Services/Utilities

Essential services for any proposed development shall be available to serve such development prior to occupancy. Essential services which the city determines cannot be made available prior to such occupancy shall cause the city to deny issuance of all development permits for such development.

Staff analysis: Staff finds that essential services, as defined at CMC 17.06.105, are available to the site, and that sewer and water utilities are available to the site. The requirements to upgrade the water availability to suit occupancy will require an additional water main connection. Due to the recency of the Main Street updates, CMC 12.04.280P1 requires that newly updated city streets not be cut into.

#### CMC 17.09.185 Conditional Use Permits

A. The city's policy is to mitigate the impacts of conditional uses through special conditions of approval. Where impacts cannot be mitigated effectively, the review authority shall deny the application. A conditional use may be approved or modified only when all of the following criteria are met:

- 1. The use is listed as a conditional use in the master use table in Chapter 17.78 CMC, Use/Occupancy; Staff finds that the use of a "hotel" is a conditional use in the master use table in Chapter 17.78.
- 2. Is suitable for the proposed site considering size, shape, location, topography, existence of improvements and natural features:

Staff finds that with the mitigation proposed within this staff report, this project is suitable for the proposed site with regard to size, shape, location, topography, existence of improvements and natural features.

3. Is timely, considering the adequacy of transportation systems, public facilities and services existing or planned for the area affected by the use;

Staff finds the project to be a timely proposal, that would exist in an area serviced by utilities, transportation, public facilities, and services.

- 4. The location, size, and functional characteristics of the proposal are such that it can be made reasonably compatible with and have minimal impact on the livability and development opportunities in the neighboring area; Staff finds that the location set adjacent to residential and commercial uses is appropriate for a development such as this with the listed conditions.
- 5. Is consistent with the applicable goals and policies of the Chehalis comprehensive plan and the purpose of the underlying zone;

Staff finds that this proposal is consistent with the following <del>The</del> Comprehensive Plan, Goals and Policies: LU.02 To encourage the efficient use of land.

LU.04.02 Encourage development in areas where adequate public facilities and services already exist, or can be provided in an efficient manner. H.01.07 Provide that zoning does not unduly restrict group homes or other housing options for

persons with special needs.

H.01.08 Cooperate with and support efforts of private or non-profit organizations, housing authorities, other social, health and government agencies to address local housing needs.
H.01.09 Require that housing for special needs populations should be dispersed throughout the community and not concentrated, and that such housing be compatible with surrounding properties.
H.02.02 Promote self-help and volunteer programs that provide housing rehabilitation services and development assistance.

6. Complies with all applicable site plan review requirements;

Staff finds that with hearing examiner approval of a variance, this project shall comply with site plan review requirements.

7. Does not have significant environmental consequences when compared with other permitted uses in the underlying zone which cannot be mitigated through conditions of approval.

Staff finds that this project will not have significant environmental impacts when compared to the surrounding permitted uses.

#### 17.09.190 Variances

This section shall govern the issuance of variances for certain provisions of this chapter.

- A. A variance may be granted to the density, dimension, height, setback and development standards; provided, that all other provisions of this chapter can be met.
- B. Under no circumstances shall the city grant a variance to allow a use not permissible under the terms of this title in the zoning district involved, or any use expressly or by implication prohibited in the zoning district by the terms of this title.
- C. Variances may be approved by the city based on a finding that such variance will not be contrary to the public interest and the comprehensive plan or where literal enforcement of the provisions of this chapter would result in undue hardship. A variance shall not be granted unless the city further finds that the applicant has demonstrated all of the following:
  - 1. That special circumstances applicable to the subject property, including size, shape, topography, location or surroundings, do exist; and

Staff finds that this proposal will make no changes to the density, dimension, height, or setbacks.

2. That because of such special circumstances, strict application of this chapter would deprive the subject property of rights and privileges enjoyed by other properties in the vicinity under identical zoning district classification; and

Staff finds that there is an alternate way to provide the necessary water service to this facility for providing fire safety.

3. That the granting of the variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the vicinity and zoning district classification in which the property is situated; and

Staff finds that cutting into the recently installed asphalt will be injurious to City owned property.

- 4. That the special circumstances do not result from the actions of the applicant; and
  - Staff finds that these circumstances are as a result of the applicants' actions.
- 5. That the granting of a variance will be in harmony with the general purpose and intent of this title, the specific zoning district, and the comprehensive plan. [Ord. 1016B § 2 (Exh. A), 2021.]

Staff finds that this variance is not in keeping with the general purpose and intent of CMC 12.04.280(P)(1).

# **Staff Findings and Recommendation**

1) Staff finds that the proposal is consistent with the Comprehensive Plan goals listed here:

LU.02 To encourage the efficient use of land.

LU.04.02 Encourage development in areas where adequate public facilities and services already exist, or can be provided in an efficient manner.

H.01.07 Provide that zoning does not unduly restrict group homes or other housing options for persons with special needs.

H.01.08 Cooperate with and support efforts of private or non-profit organizations, housing authorities, other social, health and government agencies to address local housing needs. H.01.09 Require that housing for special needs populations should be dispersed throughout the community and not concentrated, and that such housing be compatible with surrounding properties. H.02.02 Promote self-help and volunteer programs that provide housing rehabilitation services and development assistance.

Staff recommends APPROVAL of CU-21-004, ST-21-0014 for the development of permanent supportive housing with the following conditions:

Privacy fencing must be installed around the site as a buffer to adjacent single-family housing prior to final approval to meet Comprehensive Plan LU.06.02 intentions.

Staff recommends DENIAL of VR-22-002, a variance of CMC 12.04.280(P)(1) for the following reason:

That the granting of the variance will be materially detrimental to improvements in the vicinity in which the property is situated.

**Exhibit A: Application Coversheets** 

**Exhibit B: Conditional Use Application** 

**Exhibit C: Variance Application** 

Exhibit D: Security Plan Email Conversation

Exhibit E: Applicant and TIB Email Conversation

Exhibit F: Notice of Public Hearing published 4/14/2022

Exhibit G: Floor Plans
Exhibit H: Vicinity Map

**Exhibit I: Sprinkler Supply Drawings** 

Exhibit J: SEPA Checklist (Exempt from SEPA review)