

ORDINANCE NO. 3329

AN ORDINANCE OF THE CITY/TOWN OF PUYALLUP, WASHINGTON, implementing the engrossed substitute house bill (ESHB) 1998 related to co-living housing requirements, by amending Puyallup Municipal Code Chapter 14.10, 20.15, adding Chapter 20.29, and amending sections 20.25.010, 20.30.026, 20.30.027, 20.31.017, and 20.43.010.

WHEREAS, in 2024 the Washington State legislature passed Engrossed Substitute House Bill (ESHB) 1998 (codified as RCW 36.70A.540) related to co-living housing; and

WHEREAS, in passing ESHB 1998 (RCW 36.70A.540) the State legislature found that Washington is facing a housing affordability crisis; and

WHEREAS the State legislature further found that many communities throughout Washington face a severe shortage of workforce housing, and co-living housing provides housing affordable to that income range and below, without public funding; and

WHEREAS, the State legislature further found:

Co-living housing is a residential development with sleeping units that are independently rented and provide living and sleeping space, in which residents share kitchen facilities with residents of other units in the building;

Co-living housing historically provided a healthy inventory of rental homes on the lowest rung of the private housing market;

Co-living housing reduces pressure on the limited amount of publicly funded affordable housing by providing housing that is affordable to lower income residents who might otherwise wait years for subsidized housing;

Co-living housing provides options for people who: wish to lower their housing expenses by paying less for a smaller home; prefer a living arrangement with shared community spaces that facilitate social connections; wish to trade off location for space and, by living in a small home, also get to live in a high opportunity neighborhood they could not otherwise afford; or want a low-cost, more private alternative to having a roommate in a traditional rental;

Co-living housing reduces demand for family-sized rentals from singles who would otherwise group together to rent large homes;

Co-living housing provides a good option for seniors, especially those who want to downsize, or those who desire a living arrangement that is more social than a standard

apartment and when located in walkable neighborhoods, co-living housing gives mobility options to seniors who can no longer drive;

Co-living housing is well-suited for people of diverse incomes, including low and very-low income households;

State building codes have established minimum sizes and other standards to ensure that co-living housing meets modern health and safety standards;

Creating co-living housing near transit hubs, employment centers, and public amenities can help the state achieve its greenhouse gas reduction goals by increasing walkability, shortening household commutes, curtailing sprawl, and reducing the pressure to develop natural and working lands; and

Co-living housing, because the units are small, is inherently more energy efficient than standard apartments, both saving residents money and reducing the state's energy demand.

WHEREAS, on August 22, 2025, the city transmitted a copy of the proposed ordinance to the Washington State Department of Commerce in accordance with RCW 36.70A.106 at least 60 days in advance of adoption for the required 60-day State review period; and

WHEREAS, on August 26, 2025, the city issued a State Environmental Policy Act (SEPA) Determination of Non-Significance (DNS) on the proposed ordinance, which is a non-project proposal; and

WHEREAS, the city Planning Commission held work sessions on March 12, June 11, and July 23, 2025, to study and review matters related to implementing RCW 36.70A.535; and

WHEREAS, on September 24, 2025, the city Planning Commission held a duly noticed public hearing on the proposed ordinance, accepted testimony and made a recommendation to the Puyallup city council; and

WHEREAS, on October 7, 2025, the City Council held a meeting to consider the Planning Commission recommendation; and

WHEREAS, adoption of the ordinance will bring the city into compliance with RCW 36.70A.535 and will serve the general welfare of the public;

NOW, THEREFORE, the City Council of the City of Puyallup, Washington, ordains as follows:

Section 1. *Recitals.* The recitals set forth in the preamble of this ordinance are hereby adopted as findings of fact supporting the action taken herein.

Section 2. *Puyallup Municipal Code.* Section 14.10.010 is amended as follows.

14.10.010 Sewer schedule of system development charges and connection charges.

(1) System development charges include pro rata shares of the costs of existing and planned facilities. Revenues from system development charges minimize the impact to existing customers to construct new facilities required to accommodate growth. System development charges are stated in terms of cost per ERU (equivalent residential unit) and are specified in the most recently adopted sewer system development charge study. Each new connection to the sewer system shall pay a system development charge calculated by multiplying the SDC rate (\$/ERU) as specified in the most recent budget adopted by the city council by the number of ERUs as shown on the following schedule:

SDC ERU Schedule

Water Customer Description	No.of ERUs
Single-family dwelling	1
Accessory dwelling units	0.50
Duplex/apartment:	
First unit	1
Each additional unit	0.75
<u>Co-living sleeping units:</u>	-
<u>First unit</u>	<u>0.5</u>
<u>Each additional unit</u>	<u>0.375</u>
Mobile home subdivision, pad	1
Recreational vehicle park, each space	0.63
Motel/hotel, each unit	0.63
Hospital, rest home, each 6 beds	1
Commercial/industrial:	
First 15 fixture unit weights	1
Each additional fixture unit weight	0.067

The fixture unit weight shall be calculated from the "Drainage Systems" chapter of the Uniform Plumbing Code.

Section 3. *Puyallup Municipal Code.* Section 20.15.005 is amended as follows.

20.15.005 Words and phrases defined.

"Co-living" means a residential development with sleeping units that are independently rented or owned and lockable and provide living and sleeping space with residents sharing kitchen facilities with other sleeping units in the building.

"Congregate living facility" means a multiple dwelling residential facility for senior citizens, featuring a central lobby, common dining area, and recreational rooms. The fee structure shall include at least one meal per day in the common dining area. Domiciliary care services may also be provided. Accessory support uses for tenants, such as pharmacies, banking services, barbers/beauticians, etc., may be included. Such uses include, but are not limited to, senior independent living, ~~etc~~ but do not include co-living housing.

"Dwelling, middle housing" means buildings that are complementary in scale and form with single family houses and contain two or more attached, stacked, or clustered homes, including duplexes, triplexes, fourplexes, townhouses, stacked flats, and cottage housing.

"Dwelling, multiple-family" means a detached building used exclusively for occupancy by one family living independently of each other, and containing ~~from three to 36~~ seven or more dwelling or sleeping units. "Multiple-family dwelling" also includes any dwelling or sleeping units that are with a mixed-use building and does not include middle housing (duplexes, triplexes, fourplexes, cottage housing, stacked flats, courtyard apartments, or townhouses)

"Kitchen" means ~~any~~ any room or part of a room which is used, or intended, or designed to be used for cooking or the preparation of food, - The kitchen includes facilities, or utility hookups for facilities, sufficient to prepare, cook, and store food, and wash dishes, including, at a maximum, any room having a countertop, a kitchen-style sink, space and utilities sufficient provisions for gas or ~~an~~ 220/240v electric stove and oven, and a refrigerator.

"Kitchen, shared" means a kitchen that is used, intended, or designed to be used by residents of multiple dwelling or sleeping units for preparing food simultaneously.

"Kitchenette" means a room or part of a room which is used, intended, or designed to be used for basic food preparation, with a sink and at least one 120v electrical outlet, and with no 240v outlet.

"Sleeping unit" means an independently rented or owned and lockable unit that provides living and sleeping space.

Section 4. *Puyallup Municipal Code.* Section 20.25.010 is amended as follows.

20.25.010 Permitted uses - RM multiple-family residential zones.

The following uses are permitted for all RM multiple-family residential zones unless otherwise specified:

- (1) Reserved;
- (2) One or more duplexes per lot of record as long as the minimum lot area equals at least 4,800 square feet per building;
- (3) One or more triplexes per lot of record as long as the minimum lot area equals at least 7,200 square feet per building;
- (4) In the RM-20 and RM-Core residential zones only, multiple-family dwellings including apartments, townhouses, co-living, or other groups of multifamily dwellings;
- (5) In the RM-10 residential zone district only, attached dwellings including duplexes, triplexes, fourplexes, and townhouses, and co-living housing only when the allowable density would allow at least 6 dwelling units on the lot. Apartments are not permitted in the RM-10 zone district;

Section 5. *Puyallup Municipal Code.* Chapter 20.29 is adopted as follows.

Chapter 20.29

CO-LIVING HOUSING

Sections:

20.29.005 Purpose.

20.29.010 General Provisions.

20.29.015 Permitted Uses.

20.29.020 Sleeping Units and Shared Kitchens.

20.29.025 Density.

20.29.030 Open Space Standards.

20.29.035 Parking.

20.29.005 Purpose.

The purpose of this chapter is to implement Engrossed Substitute House Bill 1998, codified in RCW 36.70A.535, by providing land use, development, design, and other standards for co-living housing to be developed on all lots zoned to allow at least six multifamily units.

20.29.010 General Provisions.

- (1) Nothing in this ordinance prevents the city from setting development regulations related to density, parking, open space, design standards, or sewer connection fees for multifamily housing.
- (2) The city shall not require through development regulations any standards for co-living housing that are more restrictive than those that are required for other types of multifamily residential uses in the same zone.
- (3) The city shall only require a review, notice, or public meeting for co-living housing that is required for other types of residential uses in the same location, unless otherwise required by state law including, but not limited to, shoreline regulations under chapter 90.58 RCW.
- (4) The city shall not exclude co-living housing from participating in affordable housing incentive programs under RCW 36.70A.540.
- (5) Conflicts. In the event of a conflict between this ordinance and other development regulations applicable to co-living, the standards of this ordinance control except that, this subsection shall not apply to shoreline regulations under Chapter 90.58.RCW.

20.29.015 Permitted Uses.

Co-living is a permitted use in all zones which allow at least six units of multifamily or middle housing development, including zones which allow six multifamily units as a component of mixed-use development.

- (1) Co-living is allowed as a primary use in the following zones: CBD, CBD-Core, CCX, CMX, LMX, MED, RM-10, RM-20, RM-Core, RMX, and UCX.
- (2) Co-living is allowed as an accessory use in the following zones: CB, CG, and CL.

20.29.020 Sleeping Units and Shared Kitchens.

- (1) Sleeping units shall be subject to the following standards:
 - (a) All sleeping units shall be no more than 300 square feet.
 - (b) Sleeping units may include kitchenettes but shall not include kitchens.
 - (c) Sleeping units must include a private bathroom (to include a toilet, sink, and shower).
 - (d) All sleeping units must have access by interior or covered exterior walkway to a shared kitchen.
- (2) Shared kitchens shall be subject to the following standards:
 - (a) At least one shared kitchen shall be provided for every twelve sleeping units.
 - (b) At least one shared kitchen shall be provided on each floor that also contains sleeping units.
 - (c) The conversion of an existing residential building to co-living housing with ten or fewer sleeping units is exempt from subsection (2)(b) of this section and shall provide a minimum of one shared kitchen, regardless of the number of building floors.

20.29.025 Density.

For the purposes of calculating density, sleeping units count as one quarter of a dwelling unit. Minimum density requirements shall not apply to sleeping units.

20.29.030 Open Space Standards.

Co-living sleeping units shall be exempt from private open space requirements in all zones. The following common open space standards shall apply at half the percentage of the zoning requirements.

- (1) Common open space in RM-10 shall be 10% of net lot area.**
- (2) Common open space in RM-20 shall be 15% of net lot area.**

20.29.035 Parking.

Off-street parking for co-living housing shall be subject to the following:

- (a) No off-street parking shall be required within one-half mile walking distance of a major transit stop as defined in RCW 36.70A.535.**
- (b) No more than one off-street parking space per four sleeping units shall be required**

Section 6. *Puyallup Municipal Code.* Section 20.30.026 is amended as follows.

20.30.026 Other residential uses in the CB zone.

- (1) Existing nonconforming single-family, duplex and triplex residences within the CB zone are subject to the development standards of the RS-06 zone.
- (2) Multifamily residential uses, including co-living, are permitted by right in the CB zone, subject to the following:
 - (a) Multifamily residential uses shall only be permitted as an accessory use to a commercial use and shall be located on the same site as the principal use;
 - (b) The gross floor area of multifamily residential and senior housing uses shall not exceed 50 percent of the gross floor area of the commercial uses on the site;
 - (c) The combined parking requirements for each use computed separately may be reduced by 10 percent; ~~ffil6-~~
 - (d) Multifamily residential uses shall be subject to the property development standards of Table 20.30.030 and of PMC 20.30.045 and the density standards of the RM-20 zone; and
 - (e) Co-living uses shall be subject to the development standards of PMC 20.29.
- (3) Retirement apartments and senior housing complexes are permitted by right as either a principal or accessory use in the CB zone and are subject to the following:

(a) If a retirement apartment or senior housing complex is developed as an accessory use to a commercial use, parking for the two uses computed separately may be reduced by 10 percent.

(b) Retirement apartments and senior housing complexes shall be subject to the property development standards of Table 20.30.030 and of PMC 20.30.045 and the density standards of the RM-20 zone.

Section 7. *Puyallup Municipal Code.* Section 20.30.027 is amended as follows.

20.30.027 Other residential uses in CL and CG zones.

(1) Existing nonconforming single-family residences within the CL and CG zone are subject to those development standards in the RS-06 zone.

(2) Multiple-family residential uses , including co-living, permitted by right in a CL or CG zone shall be subject to the following requirements:

(a) Multiple-family uses shall only be permitted in mixed use developments as an accessory use to a principal use and shall be located in the same structure as the principal use;

(b) Multiple-family use shall not occupy more than 50 percent of the gross floor area of the structure, and shall not occupy more than 25 percent of the first story building wall facing a public street; **fHIB**

(c) All multiple-family uses shall be subject to the property development standards set forth in Table 20.30.030 and performance standards set forth in PMC 20.30.045; **and**

(d) Co-living uses shall be subject to the development standards of PMC 20.29.

Section 8. *Puyallup Municipal Code.* Section 20.31.017 is amended as follows.

20.31.017 Permitted residential uses.

Subject to the requirements of PMC 20.31.018, the following residential uses are permitted in the MX zone districts, subject to the minimum and maximum density requirements of PMC 20.31.020, where applicable:

(1) Apartments, including co-living housing, either as a single stand-alone structure on a mixed-use development site or located within a single mixed-use structure as an upper floor use;

(2) Townhouse structures with a minimum of three attached units or more on a mixed-use development site; and

(3) Retirement apartments or senior housing complexes as either a stand-alone or mixed-use development proposal.

Section 9. *Puyallup Municipal Code.* Section 20.43.010 is amended as follows.

20.43.010 Permitted uses - MED zone.

The MED zone requires the development and approval of a master plan pursuant to Chapter 20.88 PMC for any hospital or hospital-affiliated uses. Any master plan proposed within the MED zone must include a hospital as the primary use. Other uses as defined are allowed within the MED zone, but do not require master plan approval if located outside the boundaries of an approved master plan.

(1) The following uses are permitted only when included within an approved master plan:

(a) Hospitals and any addition to an existing hospital, including accessory uses such as facility support offices and buildings, off-street parking areas and structures, dining halls and food preparation facilities, gift shops, pharmacies, newsstands, and other similar uses typical and clearly incidental to the primary hospital use;

(b) Hospital-related facilities such as out-patient surgery centers, out-patient therapy/treatment centers, etc.;

(c) Heliport facilities;

(d) Public or private educational institutions;

(e) Any use conditionally permitted in the MED zone per PMC 20.43.015;

(f) Any other use determined to be related to the primary use at the time of master plan approval or amendment.

(2) The following uses are permitted either as part of an approved master plan or outright within the MED zone:

(a) Clinical laboratories providing medical testing and research services;

(b) Offices and clinics providing medical services to persons including, but not necessarily limited to, general practice, dentistry, psychiatry, counseling, radiology, and medical specialties;

(c) Pharmacies;

(d) Multiple-family dwellings, including apartments, condominiums, townhouses, retirement apartments, co-living, or other groups of dwellings;

(e) Adult family homes;

(f) Boardinghomes;

- (g) Congregate living facilities, nursing homes;
- (h) Day care centers;
- (i) Medical hazardous waste treatment and storage facility, on-site;
- (i) Accessory buildings and uses customarily incidental to a permitted use;
- (k) Wireless communication facilities as a primary use, subject to the provisions of Chapter 20.59 PMC;
- (l) Electric vehicle infrastructure subject to the provisions of Chapter 20.56 PMC;
- (m) Transitional housing and permanent supportive housing, subject to the standards of Chapter 20.74 PMC;
- (n) Scattered site emergency housing and scattered site emergency shelter units, subject to the standards of Chapter 20.72 PMC;
- (o) Other uses related to a regional medical center, as determined by the community development director.

Section 10. *Severability.* All sections in this ordinance are hereby deemed severable. Any section found invalid or unconstitutional by a court of law with jurisdiction shall not be deemed to invalidate or find unconstitutional other sections in this ordinance.

Section 11. *Corrections.* The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 12. *Effective Date.* This ordinance shall become effective five days after publication in the official newspaper of the City of Puyallup.

DATED this 21st day of October, 2025.

Signed by:

3884EE69FFA4424

Jim Kastama, Mayor


APPROVED AS TO FORM:

DocuSigned by:

EF5BA5DC2E5544B

Joseph N. Beck, City Attorney

ATTEST:

Signed by:

E12281903A9A459

Dan Vessels Jr., City Clerk

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