

SMITHVILLE PLANNING COMMISSION

REGULAR SESSION

May 11, 2021

7:00 P.M.

Council Chambers

Due to the COVID-19 pandemic this meeting was held via the Zoom meeting app. City staff were at City Hall for the meeting.

Planning and Zoning Commission members attended via the Zoom meeting app. The meeting was streamed live on the city's YouTube page through YouTube Live.

Those attending the meeting: Deb Dotson, Alderman John Chevalier, Dennis Kathcart, Carmen Xavier, Connor Samenus, Mayor Damien Boley, Chairman Rand Smith, and Development Director Jack Hendrix.

1. CALL TO ORDER

Chairman Rand Smith called the meeting to order at 7:04 p.m.

2. MINUTES

The March 9, 2021 Meeting Minutes were moved for approval by MAYOR BOLEY, Seconded by XAVIER.

Ayes 6, Noes 0, Abstained 1 (Alderman Chevalier). Motion carried.

3. STAFF REPORT

HENDRIX reported:

Since January 1, 2021 we have issued 25 single family home permits. For 2020 we issued a total of 50 single family home permits for the entire year, so we are still a little bit ahead.

President Biden has discussed potentially putting an executive order out that relates to federal funding which then relates to inclusionary or exclusionary zoning. If you google this you can get some understanding of what this

means. In Smithville we have a staggered system in place that could be considered to be exclusionary zoning but some of the items that we are working on tonight addresses those issues. If President Biden does sign this executive order it could potentially impact how we are federally funded on items.

In November 2020, the Board of Alderman adopted the 2018 Property Maintenance Code. They also adopted staff recommendation to no longer allow people to park their cars in grass areas. This is because it creates other problems such as; grass not getting mowed around them or tracking mud into the streets, etc. Jack highlighted that the city has a very old zoning code provision related to RV parking which says they can park in grass. The old is zoning law, and the newly adopted is nuisance. These are separate and distinct. The newly adopted prevails always. The question Jack asked was, in the coming months do we eliminate the zoning law regarding RV parking and not address where they can be parked? This was last brought up in 2005 as a commercial vehicle parking issue. Somehow it got convoluted into RV parking. There are people on both sides of the issue and are very vocal. This is a very controversial issue that needs to be addressed. The other aspect is, we have provisions in our current code that prohibits commercial vehicles from parking overnight in the residential districts but only on the streets. They are only permitted to park the RVs in their driveway. This is a zoning uses issue. We get regular complaints about tractor trailers parked in the streets and driveways in residential subdivisions. Jack asked the commission to think about these issues and whether or not it is something they want to address them in future meetings.

Commercial construction is still moving along. Burger King has pulled their permit and has started construction. Domino's pizza has pulled its permit but has not started construction inside the strip mall at the Marketplace. Jack anticipates that the medical marijuana facility will be coming before this commission for site plan approval soon. He believes that there will likely be a site plan change at KCI RV Storage for different uses in various areas. Attic Storage is preparing for permit approval to start the construction of the secondary buildings in the back. They will also be coming forward for a subdivision of land so that the medical marijuana dispensary can have a separate lot.

The Main Street trail project has been completed and the grass is coming in nicely. Streetscape phase east from Commercial Street to the trail has

started construction. It is looking like completion for that will be sometime in September. You will be able to go from City Hall to Smith's Fork Park either by walking or biking.

MAYOR BOLEY stated that the Herzog Foundation is also moving along pretty quickly. Will the second phase of this come before this commission?

HENDRIX stated yes, it will come back to this commission for the site plan approval for the proposed cabins in the back of the property.

SMITH asked if anything is going to be built on the property where they just took the strip mall down piece by piece. It's located by Central Bank on the south end of town.

HENDRIX stated that nothing has been submitted to the city yet. The property is still for sale. Several people have been close to purchasing it but none of the deals have gone through.

MAYOR BOLEY stated that the shelter at Helvey has been completed. The Kiwanis Club built it. It's a cedar and steel structure. They spent a lot of money on it and it looks nice. They have a few things they want to add and are planning to have a ribbon cutting in July. The playground at Heritage Park is complete and they are getting ready to start on the basketball court.

4. PUBLIC HEARING (FOUR SEPARATE PUBLIC HEARINGS):

- **SET INITIAL ZONING FOR 2416 NE 157TH TERR**
- **SET INITIAL ZONING FOR 15719 N CHESTNUT ST**
- **SET INITIAL ZONING FOR 2224 NE 158TH ST**
- **SET INITIAL ZONING FOR 2402 NE 158TH ST**

HENDRIX stated we have 4 properties in the Lakeside Crossing subdivision that recently annexed into the city. We now need to set the initial Smithville zoning for them. Each of the 4 lots will require their own public hearing.

2416 NE 157th Terr:

Public Hearing: None

Public Hearing closed

15719 N Chestnut St:

Public Hearing: None

Public Hearing closed

2224 NE 158TH ST:

Public Hearing: None

Public Hearing closed

2402 NE 158TH ST:

Public Hearing: None

Public Hearing closed

5. ZONING FOUR LOTS IN LAKESIDE CROSSING TO R-1B (ONE ORDINANCE RECOMMENDATION)

SAMENUS motioned to approve the Finding of Facts and initial zoning for the four lots in Lakeside Crossing to R-1B. Seconded by XAVIER.

DISCUSSION: None

THE VOTE: DOTSON-AYE, MAYOR BOLEY-AYE, KATHCART-AYE, SMITH-AYE, SAMENUS-AYE, ALDERMAN CHEVALIER-AYE, XAVIER-AYE.

AYES-7, NOES-0. MOTION PASSED

6. PUBLIC HEARING: AN ORDINANCE AMENDING SECTIONS 400.090 TO 400.150 OF THE ZONING CODE PERTAINING TO DWELLING

UNIT SIZES AND LOT SIZES IN THE AGRICULTURAL AND RESIDENTIAL DISTRICTS.

Public Hearing:

Eric Craig: 106 W Main Street Smithville, MO 64089: Stated that everyone is aware of the increase in material costs and what that is doing in effect to the market. On the majority of the homes they build, in simple lumber increases we have seen anywhere from a \$35,000 to \$60,000 increase in pricing for the same home we were building 12 months ago. He doesn't foresee a lot of this to change. There has been a domino effect with other building material costs rising as well because of this. He believes because of this you will see families looking for smaller homes. Some worry that smaller homes will be cheap and inexpensive homes, but you really will not see new construction homes under \$300,000 if this kind of change is not made.

MAYOR BOLEY asked what the current cost per square foot to build?

MR. CRAIG stated it about \$185.00 a square foot. A year ago, we were about \$95.00 to \$100.00.

MAYOR BOLEY stated that basically for a 1,100 square foot home you're not building it for under \$200,000.

MR. CRAIG stated that is correct. Even if you were to put it on a slab. Slab means there is no foundation.

DOTSON asked if the \$185.00 per square foot included the foundation.

MR. CRAIG stated that it does.

HENDRIX stated that cost is for a 1,100 square foot house but does not include the cost of the land.

MR. CRAIG stated this cost does not include the cost of permits, cost of the lot, real estate commission, or builder's commission. It is just true hard cost of materials and labor only.

MAYOR BOLEY asked what our current inventory look like in Smithville?

MR. CRAIG stated that there are currently 6 homes for sale in the Smithville School District.

HENDRIX asked if once a house is put on the market if they sell really quick?

MR. CRAIG stated that they are basically selling homes within the first day they are put on the market and they typically have multiple offers in all price points. Lower price point homes (anything under \$300,000) are seeing 5-10 offers on a listing. And then anything over \$300,000 to \$500,000 they are seeing 1 to 3 offers on a listing. He noted he just listed a house at \$675,000 on small acreage in Smithville and he had 2 offers within the first day of it being on the market.

SMITH asked if most are still going for more than the asking price?

MR. CRAIG stated that anything under \$300,000 is going for more than the asking price. But offers on homes that are more than \$300,000 are coming in right around that. Buyers are removing their contingencies for appraisal and inspections to make their offer stronger.

XAVIER asked if there is any activity for any low income housing here at this point? Or is that not lucrative for developers?

MR. CRAIG stated that it is not lucrative for developers. Just the development cost to put in a developed lot is expensive as well. You are lucky if you can get a developed lot in for \$40,000. Depending on certain circumstances it could be as high as \$70,000 per lot. Because of the shift we are seeing affordability is always key for people. Now because material costs are so high it is just going to go in this direction. People have a perception that back in 2008 to 2010 when the real estate market crashed that homes kind of corrected themselves and prices did too. He was selling new construction homes during that time and the materials never really corrected themselves, but labor did. So, what you had was subcontractors who were merely trying to work to pay for their home and to put food on the table, but materials never corrected. He said he does believe that lumber prices will go down, but once price points go up you really do not see these huge drops, so he believes we are going to be stuck in this scenario for quite some time.

DOTSON asked what Mr. Craig attributes the cost of skyrocketing materials? Supply line disruptions?

MR. CRAIG stated that most of it is from supply line disruptions. We are not getting lumber in from Canada like we were. COVID is a factor. He believes that the mills are just not releasing the lumber like they should. There could also be some price gouging. It also could be from one supplier raising their prices and then it is like a domino effect and everybody starts to hit the consumer. As long as interest rates are favorable and low the consumer will still probably end up paying these prices. When people think about smaller homes they think the quality is different, but the home still has to be built per code. It just going to be a smaller scale of a product that the public is already receiving, which is a good product, the inspectors also do a great job making sure the consumer is protected. What we are really trying to do is give an opportunity for affordability for someone to have a new home.

DOTSON asked him to define affordable.

MR. CRAIG stated it is what someone can afford. Right now, with the way pricing is, you will not see a single family new construction home under \$300,000. Homes in the Diamond Crest subdivision were \$90,000 to \$100,000 when they were built. The Wildflower subdivision was in the low \$200,000 when they were built and were now recently selling for \$265,000.

KATHKART stated that this kind of goes along with our efforts to provide housing for teachers, fire fighters and police officers.

Public Hearing closed

7. AMENDING SECTIONS 400.090 TO 400.150 OF THE ZONING CODE.

MAYOR BOLEY motioned to approve amending sections 400.090 to 400.150 of the zoning code. Seconded by XAVIER.

DISCUSSION:

HENDRIX stated that he put something different in the ordinance language. It is the fourth whereas clause and it is the finding you all would need to make on this. Our code of ordinances says:

WHEREAS, the Planning Commission believes that these changes are necessary due to changed and changing conditions of the real estate market and the specific provision of the 2030 Comprehensive Plan.

HENDRIX stated that he has identified the changes in the real estate market and the provisions of our Comprehensive Plan in the packet that the commission has received. Specifically in the Comprehensive Plan it talks about getting rid of the dwelling unit size issues in multi-family. Approval of this ordinance, either as it sits or any other amended version, would be recommendation to the Board that this commission believes these changes are necessary because of these reasons.

ALDERMAN CHEVALIER stated that he was not on this commission when it was discussed in March and is trying to catch up. He asked for a little clarification on what we are trying to do here.

HENDRIX stated that there are 2 layers of changes. The first change is that we are adding 2 new zoning districts. The first one is the R-1C district which will have a 60 foot wide lot and then R-1D which is a 50 foot wide lot. Currently, R-1B is our smallest single family lot and it's 75 feet wide, unless you go through a Conceptual Plan Overlay process. During his staff report he also mentioned the inclusionary and exclusionary zoning. This is a way to move us towards more inclusionary zoning to allow multiple markets in the same area. With these new zoning districts and current zoning districts, when someone brings property to be zoned, this commission will have to go through the Findings of Facts process to see how that would impact the housing around it. The second change is the dwelling unit size requirement. In single family homes we have a 1,100 square foot minimum. In multi-family we currently have it at 900 square foot minimum for an apartment. That is a massive apartment and is probably one of the reasons why we don't have too many apartments in Smithville. 900 square feet is the average size for a 3 bedroom apartment. At our meeting in March, the commission's general discussion was to set it at 400 square foot minimum for multi-family. It also allowed us to make some adjustments in our current code.

ALDERMAN CHEVALIER stated that we are talking about affordability and providing homes for people who work jobs that are critical to us, but they can't even live here. He appreciates fixing the lot sizes but if a house can't be built cheaply, under \$300,000, what is this 1,100 square foot going to do to fix this? Are there other options to maybe reduce this or are there other options for maybe someone who wants tiny homes which is a new craze these days?

HENDRIX stated that in some of the multi-family districts do provide a reduced scenario. In the R-3 multi-family dwelling district, the minimum dwelling unit sizes went down to 800 square foot if its single family attached or detached. As far as tiny houses, we don't have a district that would really support those other than if a

tiny house was an apartment complex. We have basically been in a scenario where we have only had new people moving into Smithville. Young people who are from here and getting done with college really couldn't afford to come back into Smithville and there was no place to rent. Clay Creek built 31 units of 4 plex's in 18 months and were 100% rented immediately. And they are not cheap either.

ALDERMAN CHEVALIER stated that he understands for apartments and things like that but is curious if we could squeeze more homes into a subdivision, would those be able to be marketed towards the lower income folks? He asked Mr. Craig what his thoughts are on this.

MR. CRAIG stated he sees and understands where Alderman Chevalier is going with this. What you are going to see is something similar to what happened in the 1980's where interest rates were extremely high, and it cause affordability issues and you then saw a lot of multi-family being built. That is really when duplexes started taking off. He thinks that in order to hit a price point under \$300,000, that is really going to come in a duplex style unit which again is going to come into play with affordability purposes. What you are looking at approving will allow flexibility for developers to put in more lots. The cost with developing a lot is all about curb distance which is where the utilities and everything is. Having smaller lots is not a bad thing and will allow the lot cost to go down which would then be more affordable for the consumer. Then the square footage size going down is going to allow them to hit a lower price point. What is being put in front of you all is allowing options for housing.

MAYOR BOLEY thanked everyone on this commission and City staff for even indulging this and talking through this. He said that when he first brought this up to Mr. Hendrix and in the past these conversations have not gone well. He felt like this has been a good discussion. He doesn't see hundreds of people showing up for public comment which is also a good indicator that the community is willing to entertain this.

THE VOTE: DOTSON-AYE, MAYOR BOLEY-AYE, KATHCART-AYE, ALDERMAN CHEVALIER-AYE, SAMENUS-AYE, XAVIER-AYE, SMITH-AYE.

AYES-7, NOES-0. MOTION PASSED

8. ADJOURN

DOTSON made a motion to adjourn. XAVIER seconded the motion.

VOICE VOTE: UNANIMOUS

SMITH declared the session adjourned at 7:52 p.m.