

Response to Request for Council Action – Items 3, 4, and 5

Item 3: Compare stated objectives to actual outcomes using the above data

Since adoption of the West Central Independence Overlay District (WCIOD) on October 21, 2024, development activity within the overlay area has occurred, although at a modest and incremental scale consistent with the type of neighborhood-based reinvestment the overlay was intended to encourage.

Permit activity within the overlay area includes:

- Residential Additions – 2
- Residential Detached Buildings – 4
- Residential Duplex – 1
- Residential Remodels – 12
- Residential Repairs – 21
- New Residential Single-Family Homes – 5
- Accessory Dwelling Units (ADUs) – 2

While these numbers do not reflect large-scale redevelopment activity, they do demonstrate ongoing reinvestment and utilization of residential development tools within the district. Most notably, the permitting of two ADUs reflects direct use of one of the housing types specifically discussed during development of the overlay.

Additionally, the construction of one new duplex and five new single-family homes within the overlay area is noteworthy. New infill residential construction of these housing types in the area has historically been limited, and this level of activity represents some of the most significant small-scale residential infill activity experienced in the area in decades. This reflects emerging reinvestment interest and demonstrates that the area is accommodating new housing construction that may not otherwise have occurred.

It is also important to recognize that the overlay was designed to facilitate incremental, property owner-driven development, rather than immediate large-scale transformation. Housing types such as ADUs, small-lot infill, and cottage-style development typically emerge gradually over time based on individual property owner participation, financing availability, market conditions, and redevelopment interest.

Further, many of the broader goals associated with the overlay — including neighborhood stabilization, housing diversification, aging in place, and reinvestment in older housing stock — are often reflected not only in new construction activity, but also in ongoing repair, rehabilitation, and property improvement efforts occurring within the district.

Accordingly, while implementation to date remains incremental, the available data demonstrates measurable residential activity, reinvestment and early utilization of overlay-enabled housing options.

Item 4: Assess whether the overlay remains necessary or effective given current conditions and available alternatives

The WCIOD remains a relevant planning and zoning tool because the City's adopted housing strategies recognize that addressing housing needs requires a multi-pronged approach, rather than reliance on a single program or regulatory mechanism.

The City's 2022 City-Wide Housing Study specifically identified the need for a broader range of housing options, including infill housing, smaller housing types, housing that supports aging in place, and regulatory tools that enable incremental neighborhood reinvestment. The study also noted that policy responses may include "overlay districts that allow accessory dwelling units, reduced parking requirements, or changes to setbacks, all of which makes the desired development more achievable."

The Housing Study further concluded that Independence faces multiple interconnected housing challenges, including:

- An aging housing stock
- Slower-than-regional residential growth
- Limited infill development in older neighborhoods
- Affordability pressures for low- and moderate-income households
- Increasing demand for smaller and more flexible housing options
- A growing senior population needing opportunities to age in place

In response, the study recommends a coordinated housing strategy utilizing multiple tools and approaches, including zoning updates, infill strategies, rehabilitation efforts, neighborhood reinvestment, and diversification of housing types.

Within that context, the WCIOD functions as one component of a broader housing strategy by:

- Allowing housing flexibility not otherwise available under conventional zoning
- Supporting incremental infill and neighborhood-scale housing options
- Providing opportunities for ADUs and smaller housing forms
- Encouraging reinvestment in an older neighborhood area already targeted for infrastructure and corridor improvements

While alternative approaches such as citywide housing initiatives or broader zoning reforms may also support similar goals, those approaches are not mutually exclusive with the overlay. Rather, they can operate together as complementary tools within the City's larger housing framework.

Given the incremental nature of small-scale residential reinvestment and the broader goals identified in the Housing Study, it would be premature to conclude that the overlay is unnecessary or ineffective based solely on limited early utilization.

Item 5: Consider modification or sunset of the overlay if it is determined not to be producing intended results

It is important to clarify that the WCIOD is implemented through an adopted zoning overlay. As such, there is no administrative mechanism to simply “sunset” or remove the overlay. The only way to eliminate it would be to initiate and approve a rezoning of all affected properties to remove the overlay designation, which would require:

- A formal rezoning process
- Planning Commission review and recommendation
- City Council approval following a public hearing

At this stage, pursuing rezoning to remove the overlay would be premature for several reasons:

- The overlay has only been in effect for a relatively short period, and incremental housing tools typically require additional time to generate measurable outcomes.
- The overlay is functioning as an enabling framework, evidenced by the permitting of two ADUs, even if overall utilization remains limited.
- A full rezoning would remove regulatory flexibility currently available to property owners and could foreclose future small-scale housing opportunities in the area.

If concerns persist regarding performance, a more appropriate approach would be to:

- Conduct additional outreach and education to increase awareness and use of the tool
- Monitor outcomes over a longer timeframe before considering legislative removal
- Evaluate and refine overlay standards to address potential barriers to utilization