

# Housing Element Review

## 2024 Comprehensive Plan Update

**Date** October 10, 2024  
**To** Lake Forest Park City Council; Mark Hofman, Lake Forest Park Planning Director  
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## Introduction

This brief memorandum is meant to support the City Council review of Lake Forest Park's updated Housing Element. It provides an overview of state, regional, and county requirements, policies, and background for updating your housing element, and describes how the updated element complies with new requirements. Following this background is an overview of the major policy changes that were made to the City's previous comprehensive plan, and the reasoning behind each change.

## GMA Housing Element Requirements

The Housing Element requirements of the Growth Management Act were substantially amended in 2021 by HB 1220, requiring a much more detailed analysis of future housing needs by income level as well as considerations of racially disparate impacts, exclusion, and displacement in housing. As outlined in the Department of Commerce's *Guidance for Updating Your Housing Element*, the updated requirements for a housing element include the following:

- **Housing needs assessment (HNA):** *An inventory and analysis of existing and projected housing needs by income level as provided by the Department of Commerce that identifies the number of housing units necessary to manage projected growth.*
  - The City's Housing Needs Assessment was updated as part of this Comprehensive Plan Update to include all of the required elements outlined by the Department of Commerce, and can be found in the Housing Element Background section. The key conclusions included:
    - Lake Forest Park's population is aging, signaling a potential need for more accessible units
    - Renters face significant affordability challenges compared with homeowners in the city
    - Many people employed in Lake Forest Park do not get paid enough to afford to live in the community
    - Lake Forest Park is mostly built out, with significant environmental constraints and limited land availability. Most homes are large single-family detached units, with limited options for smaller housing types.
    - Ownership housing prices in Lake Forest Park are very high, and most homes sold in the past year would not be affordable to the average household in the city.
    - Lower-income residents and BIPOC communities are concentrated in areas of the city that allow multifamily housing. Creating more opportunities for infill in Lake Forest Park's neighborhoods would help alleviate these spatial inequities.
- **Goals, policies and objectives:** *A statement of goals, policies, objectives and mandatory provisions for the preservation, improvement and development of housing, including policies for moderate density housing options in urban growth areas.*

- The Goals and Policies are included in the attached Housing Element draft, and discussion questions are below.
- **Residential land capacity analysis:** *Analysis to identify sufficient land to accommodate projected housing needs by income level (including emergency housing and permanent supportive housing).*
  - Lake Forest Park has sufficient land capacity to meet its projected housing needs by income level, primarily through multifamily zoning in the Southern Gateway, and to a lesser degree in the Town Center. Allowing more Middle Housing types and ADUs will also help contribute to meeting housing targets. Lake Forest Park will also need to revise its code to allow for Emergency Housing. A full discussion of the methodology and results of the land capacity analysis are included in the Housing Element Background Section.
- **Provisions for all economic segments:** *Adequate provisions to address existing and projected needs of households at all income levels, including documenting programs and actions needed to achieve housing availability, consideration of housing locations in relation to employment locations and consideration of the role of accessory dwelling units (ADUs) in meeting housing needs.*
  - Commerce has provided Adequate Provisions checklists to analyze barriers to production of needed units by income level which are included as an appendix to the Housing Element. In addition, the city will be required to allow two ADUs per lot as mandated by House Bill 1337. Although Lake Forest Park is primarily residential, there is discussion of employment location in the Housing Element Background section, and provisions for new commercial space in the Town Center and Southern Gateway.
- **Address racially disparate impacts, exclusion, displacement and displacement risk:** *Identify policies and regulations that result in racially disparate impacts, displacement and exclusion, and implement policies and regulations that begin to undo these impacts. Also, identify areas that may be at higher risk of displacement and establish anti-displacement policies.*
  - Based on PSRC's regional displacement risk map, Lake Forest Park has a low displacement risk, although there are significant disparities in income, race, and ethnicity in areas of the city, and a large amount of parcels with historic racially restrictive covenants. Further analysis can be found in the Racially Disparate Impacts Analysis (also provided as background to the Housing Element) as well as in suggested revisions to Goals and Policies addressing displacement and exclusion below.

## PSRC VISION 2050 and King County Countywide Planning Policies

The housing element must also be consistent with PSRC Vision 2050 and King County's Countywide Planning Policies. Many of the suggested updates to the 2015 Goals and Policies were drafted to better align with these documents, particularly around new housing planning requirements which flow from the 2021 changes to the GMA detailed above. Some key themes incorporated in the new goals and policies to better align with PSRC and King County policies include:

- Specifics of planning for future housing unit targets by income band.
- Additions of specific middle housing types and ADUs, and policies to allow more housing types in neighborhoods.
- Discussion of racially disparate impacts in past housing policy and future policies to address these historic inequities and mitigate future displacement risk.
- Adjustments of language to acknowledge the need for some changes in housing types and locations, such as near future high-capacity transit

Further details on specific suggested policy changes and related discussion questions can be found below under "Discussion Questions and Guidance."

## Housing Goals & Policies

1. **Housing Supply and Diversity.** Many of the policies under this goal were expanded and strengthened in support of local objectives for inclusive housing outcomes and to address housing gaps identified in the Housing Needs Assessment, as well as to better align with new state, regional and county mandates and policies. Existing policies were amended through the following actions:
  - Strengthen policy on access to housing with a more inclusive list of demographic groups (H-1.1)
  - Expand policy on adequate supply of land to include state mandates to plan for housing needs across all income levels, including emergency housing and permanent supportive housing (H-1.2)
  - Strengthen policy on variety of residential densities by stating the purpose of the policy to meet the needs of different incomes, life stages and tenure (H-1.3)
  - Expand policy on housing capacity to align with regional and county policies requiring regular monitoring of housing needs and effectiveness of housing partnerships and policies (H-1.4)
  - Reframe and strengthen policy on infill development and compact housing to focus on provision of middle housing as a means of meeting more diverse housing needs; updated call out on “clustered development” to provide a description of middle housing (H-1.5)
  - Expand and strengthen policy on mix of commercial and residential uses to include multi-unit development (middle housing and apartments) and clarify how housing can increase economic vitality through access to opportunity and services and proximity to transit (H-1.6)
  - Expand policy on housing types, sizes and affordability levels in a variety of settings to specifically focus on access to homeownership for BIPOC populations (H-1.7), as Policy H-1.3 already states overall intent to provide variety of housing types throughout the city.
  - Strengthen and expand policy on flexibility in zoning and development regulations by changing language of “support” and “consider” to “allow”, clarifying the City’s intent to amend zoning and regulations, and included other middle housing types.
  - NEW policy on equitable development to mitigate displacement and address impacts of racially disparate impacts
  
2. **Housing Form and Scale.** This goal, and the policies within it, were amended to remove exclusionary language stating intent to “preserve neighborhood character” and shift the direction to focus more on complementing form and scale of existing neighborhoods.
  
3. **Housing Affordability.** Policies have been strengthened within this goal to better differentiate between income-restricted affordable housing and other forms of housing affordability, with most amendments and additions to policy language made to better align with state, regional and county policy direction.
  - a. Policy H-3.8 was shifted to strengthen language on the variety of City controlled policies, regulations or other barriers impacting overall housing costs and construction.
  - b. NEW policy H-3.11 is included to align with state, regional and county mandates or policies to promote housing stability for renters and mitigate displacement. Displacement risk is low throughout Lake Forest Park, and strategies for addressing renter stability can be difficult to implement, especially for a city of Lake Forest Park’s size and resources.