

# Exhibit 5

## Affordable Housing Committee

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*On behalf of Seattle  
Mayor Bruce Harrell*

Insert date

Jonathan Kesler  
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Dear Mr. Kesler,

Thank you for submitting the City of Medina's draft comprehensive plan to the Affordable Housing Committee's (AHC) Housing-focused Draft Comprehensive Plan Review Program for review on July 5, 2024. On behalf of the AHC, I am sending you this summary of our review and recommendations.

### Background

The AHC is a subcommittee of the Growth Management Planning Council (GMPC), consisting of representatives of King County and its cities, housing providers, area employers, and others. By direction of the GMPC, the AHC now conducts a housing-focused review of all King County jurisdictions' draft periodic comprehensive plan updates, assessing the draft plans for alignment with the [King County Countywide Planning Policies](#) (CPP) Housing Chapter goals and policies prior to plan adoption.

As you know, our county is experiencing a deep and persistent housing shortage. In 2021 the State of Washington adopted [House Bill 1220](#), which amended the Growth Management Act, requiring local governments to plan for and accommodate housing that is affordable to all income levels, including emergency housing. In response to this state mandate and local interest in improving the effectiveness of local housing plans and policies, the AHC led a two-year process to amend the King County CPPs.

The result was a significant update to the CPP Housing Chapter, which was recommended by the GMPC, adopted by the King County Council, and ratified by the cities in 2023. The goals of both the statute and this implementation work are to encourage cities and King County to work together to provide a full range of affordable, accessible, healthy, and safe housing choices to every resident in King County.

This review is guided by Housing-focused Comprehensive Plan Review Standards, as adopted by [GMPC Motion 23-2](#). In summary, the AHC review seeks to determine whether each jurisdiction's draft plan and submission materials:

1. address all CPP Housing Chapter policies;
2. articulate implementation strategies for relevant CPP Housing Chapter Policies; and
3. lay out meaningful policies that, taken together, support the jurisdiction's ability to equitably meet housing needs.

This program is still relatively new and evolving, and your engagement helps the AHC understand how jurisdictions are seeking to address their housing needs while aligning with the recent changes at the state, regional, and county levels.

The AHC acknowledges the substantial amount of time and effort that went into Medina’s draft comprehensive plan. During review, the AHC noted that several of Medina’s policies, analyses, and implementation strategies align with CPP Housing Chapter policies. In particular, the AHC celebrates Medina’s ongoing membership to A Regional Coalition for Housing (ARCH) and the City’s regular contributions to ARCH’s Housing Trust Fund, which can fund affordable housing projects throughout member cities in East King County.

Below, the AHC includes recommendations necessary for Medina to align with the CPP Housing Chapter policies.

### **Recommendations to Align with the CPP Housing Chapter**

The AHC recommends Medina take the following actions to align its draft comprehensive plan with CPP Housing Chapter goals and policies.

#### **1. Demonstrate sufficient capacity and meaningfully plan for and accommodate allocated housing needs (CPPs H-1 and H-11)**

##### **Relevant Countywide Planning Policies**

CPP H-1 requires Medina plan for and accommodate 19 net new housing units, including:

- three units of permanent supportive housing;
- five non-permanent supportive housing units affordable to extremely low-income households (incomes at or below 30 percent of area median income (AMI));
- three housing units affordable to very low-income households (30 to 50 percent AMI); and
- eight housing units affordable to low-income households (50 to 80 percent AMI).

CPP H-1 requires Medina plan for and accommodate four emergency housing beds. CPP H-11 requires jurisdictions to identify sufficient capacity of land for housing, including housing for low-, very low-, and extremely low-income households.

##### **Medina’s Proposal and AHC Findings**

Medina’s draft Housing Element narrative includes Medina’s housing needs allocation and discusses the need for the City to plan for and accommodate its allocated emergency housing and permanent supportive housing (page 6). However, Medina did not submit a land capacity analysis as part of the draft comprehensive plan as required by CPP H-11. Without this, the AHC cannot determine if Medina has sufficient residential land capacity for its allocated housing needs, which makes it difficult to assess the plan’s alignment with CPPs H-1 and H-11. Additionally, Medina’s draft Housing Element does not include a policy that explicitly states Medina’s intent to plan for and accommodate their share of countywide housing needs. Per Table H-1 in CPP Housing Chapter policy H-1, Medina must plan for and accommodate 19 permanent housing units total, all of which are meant to be affordable to households at 80 percent of AMI and below, as well as four emergency housing beds.

The absence of a land capacity analysis and a clear commitment to planning for and accommodating housing needs is concerning given Medina’s restrictive low-density residential zoning and high median home prices. According to Medina’s Housing Needs Assessment, 99 percent of its housing units are single-family homes (page 22), and the city has minimum lot sizes ranging from 16,000 to 30,000 square feet.<sup>1</sup> Additionally, the median home value from 2015 to 2019 was \$2,858,012,

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<sup>1</sup> Municode Library. (2023, December 22). *Subtitle 16.2 – Land Use*. [\[link\]](#)

affordable only to households at 524 percent of AMI and above (Housing Needs Assessment, page 26).

The AHC recognizes that Medina’s total housing need is relatively small in comparison to other jurisdictions in the county and that high home values complicate efforts to accommodate affordable housing. Nonetheless, these complicating factors don’t negate the fact that Medina must plan for and accommodate its housing needs and identify sufficient capacity of land for its allocated housing needs to be consistent with the CPPs H-1 and H-11.

**Recommendation 1:** To align with CPP H-1, Medina should include a policy that clearly states its intent to plan for and accommodate its allocated share of countywide future housing needs for moderate-, low-, very low-, and extremely low-income households.

To align with CPPs H-1 and H-11, Medina should demonstrate that it is providing sufficient residential capacity for its allocated permanent and emergency housing needs through a land capacity analysis. If the analysis reveals a deficit, Medina should propose changes and demonstrate that it will provide sufficient capacity for all income levels.

Please see Washington State Department of Commerce’s [Guidance for Updating Your Housing Element](#) as a guide for how to complete a land capacity analysis.

As discussed during Medina’s initial review meeting, AHC staff recognize the unique challenges Medina faces but also see numerous, creative ways that Medina could demonstrate an intent to plan for, accommodate, and provide capacity for its housing needs. This includes, but is not limited to, rezoning parcels suitable for affordable development, exploring the use of faith-based property within Medina for affordable housing, or the creation of local subsidy programs for small-scale affordable projects within the city.

## 2. Adjust affordability assumptions for accessory dwelling units (CPP H-11)

### Relevant Countywide Planning Policies

CPP H-11 requires jurisdictions identify sufficient capacity of land for housing, including housing for low-, very low-, and extremely low-income households.

### Medina’s Proposal and AHC Findings

In the draft Housing Element, Medina identifies allowing accessory dwelling units (ADUs) in residential zones as a strategy to address housing needs for households below 80 percent of AMI. The AHC appreciates Medina’s proposal to allow more ADUs to increase housing diversity and options within traditionally single-family areas. However, the AHC does not consider ADUs a meaningful strategy to address housing needs below 80 percent of AMI in King County communities, which have relatively higher housing costs compared to the rest of Washington State.

**Recommendation 2:** In compiling a land capacity analysis in alignment with CPP H-11, Medina should:

- assume ADUs will provide capacity for households at or above 80 percent of AMI, in alignment with Exhibit 13 in the Department of Commerce’s land capacity analysis guidance;<sup>2</sup>
- provide evidence in a detailed market analysis that ADUs are affordable to low-income households; or
- propose subsidies or development incentives that set a reasonable expectation that ADUs would be affordable to low-income households.

This update should inform and be consistent throughout Medina’s Housing Needs Assessment and Land Use Element.

### 3. Prioritize extremely low-income households (CPP H-2)

#### Relevant Countywide Planning Policies

CPP H-2 requires jurisdictions to prioritize the need for housing affordable to households less than or equal to 30 percent of AMI.

#### Medina’s Proposal and AHC Findings

Medina’s submission to the AHC identifies multiple policies and implementation strategies as responsive to CPP H-2, such as its membership and contributions to ARCH and its draft Housing Element policy H-P11 which directs Medina to “encourage the construction of housing types that are available to very low-, low-, and moderate-income households” (page 7).

While these policies and strategies could serve and benefit households with incomes less than 30 percent of AMI, the AHC did not identify a policy or implementation strategy that explicitly *prioritizes* housing needs of these households. Furthermore, the AHC does not find that Medina’s membership to ARCH alone is a meaningful strategy to accommodate extremely low-income housing needs. Contributions to ARCH may not necessarily go to fund housing units within Medina, particularly when Medina has not demonstrated land capacity for housing types typically affordable to low-income households, as mentioned in recommendation one of this letter.

**Recommendation 3:** To align with CPP H-2, Medina should amend Housing Element policy H-P11 to include “extremely low-income households” and identify a strategy that prioritizes the need for housing affordable to this income group. For examples of strategies Medina could use to align with CPP H-2, see the CPP Housing Chapter Technical Appendix.<sup>3</sup>

<sup>2</sup> Washington State Department of Commerce (2023 August). *Guidance for Updating Your Housing Element*. Page 33. [\[link\]](#)

<sup>3</sup> King County Countywide Planning Policies Appendix 4: Housing Technical Appendix, page 82. [\[link\]](#)

#### **4. Complete the housing inventory and analysis to inform policies and strategies (CPP H-3)**

##### Relevant Countywide Planning Policies

CPP H-3 directs jurisdictions to conduct a housing inventory and analysis to help identify and address the greatest needs as well as summarize the findings in the housing element.

##### Medina's Proposal and AHC Findings

While Medina's submission includes many data points and substantive analysis, the AHC could not find specific information on tenure by race/ethnicity and age by race/ethnicity as required by CPP H-3(f) and (g). This further analysis should guide the development of more comprehensive plan policies and strategies.

**Recommendation 4:** Medina should include data as required by CPP H-3(f) and (g) in the draft comprehensive plan and summarize the findings in the Housing Element. This additional analysis should inform additional comprehensive plan policy responses and strategies.

#### **5. Document racially exclusive and discriminatory land use and housing practices and adopt intentional, targeted actions to repair harm (CPPs H-5 and H-9)**

##### Relevant Countywide Planning Policies

CPP H-5 requires jurisdictions to:

- document the local history and impact of racially exclusive and discriminatory land use and housing practices;
- explain the extent to which that history is still reflected in current development patterns, housing conditions, tenure, and access to opportunity;
- identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including zoning that may have a discriminatory effect, disinvestment, and infrastructure availability; and
- demonstrate how current strategies are addressing impacts of those racially exclusive and discriminatory policies and practices.

CPP H-9 requires jurisdictions to adopt intentional, targeted actions that repair harms to Black, Indigenous, and People of Color (BIPOC) households from identified past and current racially exclusive and discriminatory land use and housing practices (generally identified through CPP H-5).

##### Medina's Proposal and AHC Findings

Medina's submission includes some local history and demographic data and analysis disaggregated by race and ethnicity (Housing Needs Assessment, pp. 3, 6, and 12). However, Medina's submission does not include clear documentation of the local history of racially exclusive or discriminatory land use and housing practices, or an analysis of racially disparate impacts required by CPP H-5. Without this analysis, the AHC cannot determine if Medina is taking targeted actions to repair harm to BIPOC households from past and current racially exclusive and discriminatory land use and housing practices in alignment with CPP H-9.

The AHC is concerned about the lack of a racially disparate impact analysis and historical documentation due to information that Medina's draft plan provides on experiences of cost burden,

the city's demographics, and an economically exclusive land use pattern. Medina's Housing Needs Assessment reports that Hispanic or Latino households are more likely to be housing cost burdened than any other racial group in Medina (page 12), and that their overall population only includes 4 percent Hispanic and just 1 percent Black or African American residents, both of which are below the countywide percentage (Housing Needs Assessment, page 6). The Housing Needs Assessment also reports that the median home value in Medina was \$2,858,012 between 2015 and 2019, which is affordable to households at 524 percent of AMI and above (page 26). This high value is significantly out of reach for households earning 80 percent of AMI or below, who, in King County, are also disproportionately BIPOC.

Likewise, the Seattle Civil Rights & Labor History Project has reported on the historical use of racially restrictive covenants in Medina, a racially exclusive housing practice. Medina should discuss and document such practices in their draft plan consistent with CPP H-5 and use that information to inform policies and targeted actions that repair harms to BIPOC households from past and current racially exclusive and discriminatory land use and housing practices, being sure to promote equitable outcomes in partnership with communities most impacted.

**Recommendation 5:** To align with CPP H-5, Medina should:

- document the history of racially exclusive and discriminatory land use and housing practices within their jurisdiction;
- explain the extent to which the history is still reflected in current development patterns, housing conditions, tenure, and access to opportunity;
- identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including zoning that may have a discriminatory effect, disinvestment, and infrastructure availability; and
- demonstrate how current strategies are addressing impacts of those racially exclusive and discriminatory policies and practices.

See the [Resources for Documenting the Local History of Racially Exclusive and Discriminatory Land Use and Housing Practices](#) document for assistance.

To align with CPP H-9, Medina should adopt or clarify how proposed actions are targeted to repair harms identified in their racially disparate impacts analysis.

## 6. Clarify community engagement findings (CPP H-8)

### Relevant Countywide Planning Policies

CPP H-8 requires all jurisdictions to collaborate with and prioritize the needs of populations most disproportionately impacted by housing cost burden.

### Medina's Proposal and AHC Findings

According to Medina's Housing Needs Assessment, Hispanic or Latino households are more likely to be housing cost burdened than any other racial group (page 12). In developing the draft plan, Medina engaged community stakeholders and technical stakeholders on key housing topics, distributed a survey, and hosted an open house. The findings from this engagement are summarized in Medina's Housing Action Plan. While the AHC commends Medina for conducting this thorough

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<sup>4</sup> Seattle Civil Rights & Labor History Project (2004-2020). *Racial Restrictive Covenants Map Seattle/King County*. [\[link\]](#)

community engagement, the input from communities most disproportionately impacted by housing cost burden are not disaggregated from the findings. As such, the AHC cannot determine if the needs of populations most disproportionately impacted by housing cost burden are prioritized in the draft plan.

**Recommendation 6:** To align with CPP H-8, Medina should disaggregate input from the community engagement process and clarify how the draft plan prioritizes the needs of populations most disproportionately impacted by housing cost burden.

## 7. Plan for and prioritize income-restricted housing (CPPs H-4, H-10, H-12, H-13, H-14, and H-18(c))

### Relevant Countywide Planning Policies

CPP H-4 requires jurisdictions to evaluate the effectiveness of existing housing policies and strategies to meet the jurisdiction's housing needs and identify gaps in existing partnerships, policies, and dedicated resources for meeting housing needs and eliminating racial and other disparities in access to housing and neighborhoods of choice. CPP H-10 requires jurisdictions to adopt policies, incentives, strategies, actions, and regulations that increase the supply of long-term income-restricted housing for extremely low-, very low-, and low-income households and households with special needs. CPP H-12 requires jurisdictions to adopt and implement policies that improve the effectiveness of existing housing policies and strategies and address gaps in partnerships, policies, and dedicated resources to meet the jurisdiction's housing needs. CPP H-13 requires jurisdictions to implement strategies to overcome cost barriers to housing affordability. CPP H-14 requires jurisdictions to prioritize resources for income-restricted housing, particularly for extremely low-income households, populations with special needs, and others with disproportionately greater housing needs. CPP H-18(c) requires jurisdictions evaluate the feasibility of, and implement, where appropriate, inclusionary and incentive zoning to provide affordable housing.

### Medina's Proposal and AHC Findings

Medina's Housing Needs Assessment identifies that the city currently has no income-restricted units (page 30), demonstrating that Medina's existing housing policies and strategies are ineffective at promoting income-restricted housing production and thus serve as barriers to planning for and accommodating housing needs for households below 80 percent of AMI.

Medina identified their current zoning and development regulations as a gap to meeting their allocated housing needs, as required by CPP H-4 (Housing Action Plan, page 28). Medina's Housing Action Plan also underscores the importance of increasing density and supporting infill development to "provide more housing at potentially more affordable rates" (page 28). However, Medina did not address this gap by incorporating either strategy into its comprehensive plan. Medina also does not address the restrictiveness of its development regulations, including large minimum lot sizes.

The AHC finds, therefore, that Medina's draft plan does not set reasonable expectations that the City will implement policies that increase the supply of and prioritize resources for income-restricted housing, as required by CPPs H-10 and H-14, overcome cost barriers to affordability, as required by CPP H-13, or address identified gaps in policy effectiveness, as required by CPP H-12.

In order to increase and promote income-restricted housing in the city, Medina must demonstrate sufficient land capacity for housing needs below 80 percent of AMI and remove significant barriers to income-restricted housing production. The AHC also finds that evaluating the feasibility of and



adopting an inclusionary housing policy concurrent with middle-housing density increases required by HB 1110 presents an opportunity for Medina to fill the gaps in policies and dedicated resources to meet its housing needs, as required by CPP H-12 and H-18(c). Implementing an inclusionary program with in-lieu fees could also provide Medina the opportunity to fund the production of income-restricted units within the city and as well as throughout East King County through Medina's housing capital contributions to ARCH.

**Recommendation 7:** To align with CPPs H-10, H-12, H-13, and H-14, Medina should include policies, incentives, strategies, actions, and regulations in its draft plan that increase the supply of long-term income-restricted housing in Medina, overcome cost barriers to affordability, fill gaps in the effectiveness of policies and dedicated resources for affordable housing, and prioritize resources for income-restricted housing.

One way Medina can address CPP H-10 and CPP H-14, while also aligning with CPP H-18(c), is to evaluate the feasibility of, and implement, where appropriate, inclusionary and incentive zoning to provide affordable housing. In developing this program, Medina should review recommendations in ARCH's 2024 [Middle Housing Affordability Opportunities in East King County](#), particularly those related to prioritizing on-site production of affordable homes when feasible and allowing fee-in-lieu payments when not. Medina should consider ways that in-lieu fees could fund both income-restricted housing within the city and in East King County, in the form of contributions to ARCH.

### **Conclusion and AHC Resources**

Thank you again for your submission to the Committee's Housing-focused Draft Comprehensive Plan Review Program. AHC members valued the opportunity to review Medina's draft Comprehensive Plan Elements for Public Review and related submission materials. Medina's participation in the plan review program is instrumental in the broader work of the Committee to empower local jurisdictions to address the affordable housing crisis in King County.

AHC staff are happy to assist Medina in addressing these recommendations. For immediate resources and guidance on aligning with the CPP Housing Chapter, refer to the:

- [Engrossed 2021 King County CPPs](#);
- [AHC Housing-focused Draft Comprehensive Plan Review Program Guide](#); and
- [King County Resources for Documenting the Local History of Racially Exclusive and Discriminatory Land Use and Housing Practices](#).

If you have questions or need additional information regarding aligning with the CPP Housing Chapter, please contact lead staff for the AHC plan review program, Carson Hartmann, at [AHCplanreview@kingcounty.gov](mailto:AHCplanreview@kingcounty.gov) or at 206-477-7813.

Sincerely,



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