

# Land Capacity Analysis Memo

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From: Dane Jepsen, Planner, LDC Inc.  
CC: Mark Riley, Senior Vice President, LDC Inc.  
Steve Wilcox, Development Services Director, City of Medina  
Date: September 18, 2024  
Re: City of Medina 2024 Land Capacity Analysis

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## Executive Summary

This Land Capacity Analysis (LCA) evaluates the inventory of developable and redevelopable land within a city's jurisdiction to determine if the city can accommodate its projected growth targets. The analysis provides insights into the available land for development, strategies for utilizing this land to meet the growth targets, and identifies potential adjustments needed to meet the land capacity required for all housing needs projected for the city.

This LCA found that the City of Medina (City) has housing capacity through zoned and ADU development potential but lacks zoning that supports housing affordable to households with income less than 80% of area median income (AMI). Consequently, there is a shortfall of 19 housing units that must be addressed to meet the requirements of [RCW 36.70A.070\(2\)](#). To address this shortfall, Medina is exploring alternative zoning options.

This memorandum offers a comprehensive overview of the background, methodology, and findings that update the City's housing and employment capacity previously established by the King County Urban Growth Capacity Report (UGCR).

## Background

The City is required to estimate its land capacity to accommodate anticipated growth over the planning period as part of the housing and land use elements of its comprehensive plan (WAC 365-196-405).

In King County cities, this LCA leverages findings from the UGCR. The UGCR, conducted by King County, assesses the amount of land suitable for development within the County, evaluates each city's growth capacity, and projects future housing and employment capacity for each city. This assessment is informed by recent development activity data from King County cities and is part of the Buildable Lands program (RCW 36.70A.217), with the latest update in 2021<sup>1</sup>. These data underpin the updated analysis of land capacity.

## Land Capacity Analysis Overview

This LCA draws on data available from the County Assessor, the County Buildable Lands Report (King County UGCR), local permitting activities, and other relevant sources to assess the city's potential for employment and housing development. The analysis also examines necessary adjustments to achieve the land capacity for accommodating all housing and employment needs. As the City of Medina is designated a "residential community" under RCW 36.70A.070(7) and lacks an adopted employment target, this LCA will not include an assessment of employment capacity.

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<sup>1</sup> The 2021 Buildable Lands Report is based on an inventory of permits and property status as of January 2020 (King County Urban Growth Capacity Report, June 2021, pg. 18).

The Washington Department of Commerce (Commerce) has developed guidance for conducting LCAs, including the document [Evaluating Land Capacity to Meet All Housing Needs](#), which focuses on housing capacity related to House Bill (HB) 1220, and the [Urban Growth Area Guidebook](#), which addresses both housing and employment capacity in relation to the Growth Management Act (GMA).

In collaboration with LDC, the City has analyzed development capacity for the 2020-2044 planning period following Commerce guidance. This summary presents findings from the LCA according to Commerce guidelines, with the underlying analysis conducted using an independent methodology developed by LDC, which incorporates elements from the King County UGCR methodology.

## Land Capacity Analysis Methodology

- The methodology used in this LCA is divided into two stages: Stage One - Buildable Lands Inventory, and Stage Two - Buildable Lands Capacity Analysis. The general stages of this methodology are outlined below:
  - Stage One - Buildable Lands Inventory:
    - Step One – Land Use Look-Up
    - Step Two – Inclusions and Exclusions
    - Step Three – Feasibility
    - Step Four – Overrides
  - Stage Two - Buildable Lands Capacity Analysis:
    - Housing Capacity

### Housing Capacity

These stages and their associated steps were integrated into the LCA as described below.

## Stage One - Buildable Lands Inventory

Stage One of the Buildable Land Analysis involved processing a city-wide parcel dataset in Excel workbook with numerous fields of GIS data. The following data inputs were used to compile the Buildable Lands Inventory for the City:

- Parcel data (King County Assessor, May 2023)
- Property Improvement Data (King County Assessor, May 2023)
- Use Code Table (King County 2021 Buildable Lands Report p. 353-358)
- Parcel Critical area coverage (LDC GIS Analysis, 2024)
- Zoning and future land use maps (City of Medina)
- Recent permitted development (01/2020-04/2023) and pipeline projects (City of Medina)
- Zone Assumptions (Appendix A, City of Medina)

### Pre-Processing

Before the analysis began, the continuous parcel dataset for all parcels in the City’s jurisdiction was assembled, and all base data required for the analysis was integrated. This process, carried out in GIS, involved spatial and attribute-based data joins through several review cycles, comparing results to the 2021 Buildable Lands Inventory. The final dataset was compiled using the following sub-steps:

1. Filter parcels to only “Base Parcel” tax parcel type.
2. Join recent permitted development and pipeline projects to base parcels.
3. Spatially join critical area encumbrances from 2021 Buildable Lands Inventory to base parcels.
4. Spatially join current zoning and future land use map designations to base parcels.
5. Join Property Improvement Data current city parcels, then spatially to base parcels.

Once these sub-steps were completed, the base dataset for the Buildable Lands Inventory was compiled and exported into an Excel workbook for further analysis. Each parcel in the base dataset was then classified into one of the following Buildable Lands Inventory designations:

Buildable Lands Inventory designation	Description
Vacant	Land that is vacant of any improvements or existing use. Can be identified by King County Assessor use code or by improvement value.
Vacant Single Unit	Vacant land that is too small to develop more than one single-family residential unit on. This designation is specific to residential zones.
Redevelopable	Land that is not vacant and is identified to have potential for redevelopment. This is identified based on existing development compared to the redevelopment potential.
Pipeline	Land that is associated with an existing land use/civil project being permitted by the City of Medina that has not yet received approval as of April 2023.
Built Out/Undevelopable	Land that is either vacant or already developed but is unlikely to have any potential for future development or redevelopment. This lack of potential may be due to factors such as the presence of critical areas, its designation as public property, excessively high improvement values, or insufficient space for redevelopment.

Table 1 – Buildable Lands Inventory Designations

### Step One – Land Use Look-Up

In this step, the designated King County Assessor Use Codes for all parcels in the base dataset are compared with the Use Code Table, which defines the development potential use. Possible designations include:

- Unbuildable
- Redevelopable
- Vacant
- Aircraft Land
- Gov Land
- School Land
- Golf Course

Parcels designated "Vacant" or "Redevelopable" are again evaluated in Step Two - Inclusions and Exclusions.

### Step Two – Inclusions and Exclusions

Parcels identified as "Vacant" or "Redevelopable" in Step One are assessed to determine whether they should be included or excluded from further analysis.

Possible designations at this stage are:

- Exclude
- Vacant
- Pipeline
- Redevelopable

Parcels will be excluded if they meet any of the following criteria:

- Use type designations in the Use Code Table of "GOV" or "EDUC".
- Use type designation in the Use Code Table of "RES SFR" with a King County Assessor property improvement value over \$600,000.

- Use type designation in the Use Code Table other than "RES SFR" with a King County Assessor property improvement value over \$1,500,000.
- Any recent<sup>2</sup> permitted development was reported for the parcel.

Parcels will be included if they meet any of the following criteria:

- Use type designation in the Use Code Table other than "RES SFR" with a Medina zone type of "MIX COM" or "COM".
- Any pipeline projects were reported for the parcel.

Parcels not explicitly included or excluded are advanced to Step Three with the designation received in Step One.

### *Step Three – Feasibility*

In this step, the feasibility of development for parcels designated as "Vacant" or "Redevelopable" is evaluated based on the Medina Zone Assumptions (Appendix A), the presence of critical areas, and existing residential units or commercial space. The result is a Preliminary Capacity Designation, which aligns with the final output of the Buildable Lands Inventory categories: Vacant, Vacant Single Unit, Redevelopable, Pipeline, Built Out/Undevelopable.

Net parcel area is calculated by subtracting critical area coverage from the listed parcel size (according to King County Assessors data). If updated assessor's data or listed acreage results in negative net parcel value, these are limited to 0.

#### *Vacant Parcels*

Residential parcels classified as "Vacant" in Step Two are evaluated for subdivision feasibility. If the net parcel area is smaller than the minimum lot size for the zone, the parcel is designated as "Vacant Single Unit"; otherwise, it remains "Vacant". Mixed-use or commercial zone parcels are designated as "Vacant".

#### *Redevelopable Parcels*

"Redevelopable" parcels are assessed for redevelopment potential by comparing build potential (based on zone assumptions and net parcel area) to existing development. Feasibility for residential and commercial development build is determined based on zone assumptions for residential density, mixed-use split, and commercial density (refer to zone assumptions, Appendix A). Redevelopment parcels have a net development to existing development ratio greater than 2.5 (net units/existing units). Feasible parcels are designated "Redevelopable", and infeasible ones are designated as "Built Out/Undevelopable", referred to as the Preliminary Capacity Designation.

#### *Pipeline Parcels*

Parcels designated as "Pipeline" in Step two receive a Preliminary Capacity Designation of "Pipeline".

#### *Excluded Parcels*

Parcels designated as "Exclude" in Step two receive a Preliminary Capacity Designation of "Built Out/Undevelopable".

### *Step Four – Overrides*

After assigning Preliminary Capacity Designation, LDC and City staff review parcels for unique circumstances, such as inaccurate assessor designations, City ownership, or other incompatible use like access tracts or stormwater infrastructure. This review closely considered previous designations from the 2021 King County Buildable Lands Inventory. Discrepancies or exceptions identified in this review are corrected, resulting in Final Capacity Designation.

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<sup>2</sup> Building activity that was permitted in the City between January of 2020 and April of 2023

## Stage Two - Buildable Lands Capacity Analysis

Stage Two involves calculating development capacity within an Excel workbook, using a progressive calculation table. This table applies zone assumptions and summarizes development capacity by each zone.

While Stage One estimates development capacity for site feasibility, Stage Two focuses on capacity calculations based on the base dataset and Final Capacity Designation from Stage One. The progressive calculation table aggregates residential and commercial capacity components to yield the final residential capacity for each zone. The Final Capacity becomes the input for Step 1 of the Commerce LCA guidance (discussed on page 9 of this memorandum).<sup>9</sup>

### *Housing Capacity*

Housing capacity is calculated for each zone using a series of progressive steps, detailed below the accompanying diagram.

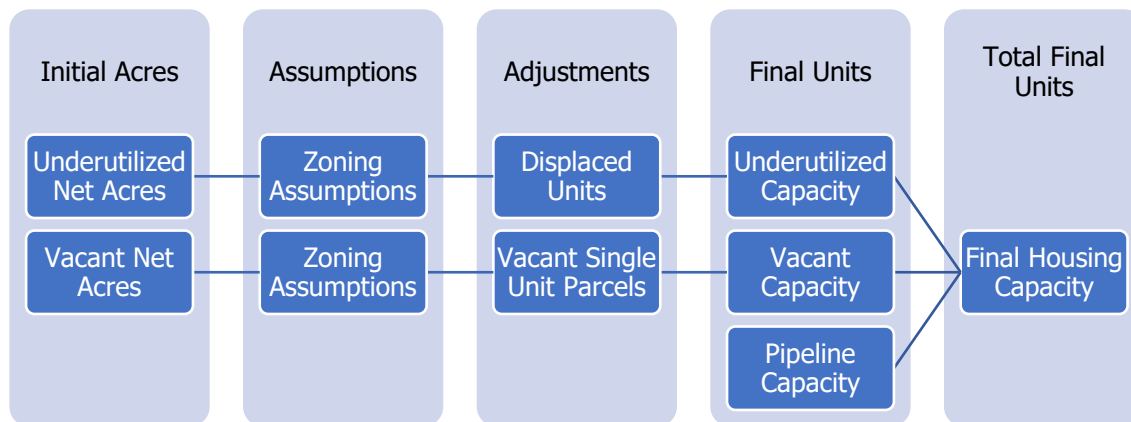


Figure 1 – Stage Two, Housing Capacity Calculation

### *Initial Acres*

Housing capacity is based on net acres, which are calculated by subtracting any critical areas from the total acres. Only parcels designated as “Vacant” or “Redevelopable” in Stage One are included in the total initial acres.

### *Assumptions*

Housing zone assumptions encompass:

- Density
- Market Factor
- Plat Deductions

These assumptions are unique to each zone. The market factor reduces the total land area available to reflect the probability of property development based on the local real estate market; generally, “Redevelopable” land has a higher market factor than “Vacant” land. Plat deductions account for non-residential uses resulting from development, such as open space, stormwater infrastructure, and transportation facilities.

### *Adjustments*

Housing adjustments include considerations for displaced units and vacant single-unit parcels. Existing dwellings on redevelopable land (in all zones) are categorized as “displaced” and are subtracted from the total redevelopment capacity to reflect net housing growth, as some existing units may be preserved during redevelopment. Parcels designated as “Vacant Single Unit” in Stage One are included in the vacant

housing capacity after applying zone assumptions, as these parcels will not be subdivided and are not expected to change significantly in future housing potential.

*Final Units*

Final housing units are calculated from vacant and redevelopable land, as well from pipeline development.

*Total Final current Units*

The total housing capacity for each zone is determined by summing the final units from vacant and redevelopable land, in addition to those pipeline development.

## Land Capacity Analysis Results

The LCA provides projections of future housing capacity. The following sections of this memo will discuss the outcomes of the LCA and the options for the City’s 2024 Comprehensive Plan update.

### Housing Target 2020-2044

According to the King County Countywide Planning Policies (amended August 15, 2023), Medina has a housing target of 19 new housing units by 2044, which should be planned for in the 2024 Comprehensive Plan update.

### Current Development

The City has provided data for land development that has taken place since the 2021 UGCR. The tables below summarize the type of building activity permitted in the City from January 2020 to April 2023. development applications not yet permitted as of this date will be included in the LCA as Pipeline Projects.

2020-2023 Permits	
Development	Quantity
Single-Family Detached	1 Unit
ADU	0 Units
<b>Total Residential</b>	<b>1 Residential Units</b>

Table 2 – 2020-2023 Permit Summary

Permitted units can be counted toward the City’s current growth target, as they have effectively increased the City’s capacity for housing.

Growth Target	2020-2044
<i>Housing Target</i>	19
2020-2023 Permitted Growth	1
<b>Target Remaining</b>	<b>18</b>

Table 3 – Remaining Growth Target

## Housing Capacity

In accordance with the GMA, the LCA must account for various types of housing, including Affordable Housing, Permanent Supportive Housing, Emergency Housing, and traditional market rate housing<sup>3</sup>, definitions from the GMA for those terms below.

Housing type	Definition from RCW
Affordable Housing  RCW 84.14.010	Residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low or moderate-income households.
Permanent Supportive Housing (PSH)  RCW 36.70A.030	Subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors. Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or  physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services.
Emergency Housing  RCW 36.70A.030	Temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.

Table 4 – GMA Housing Definitions

The City has established goals to add 19 residential units and four (4) emergency beds by 2044, encompassing various types of housing. These goals address needs for Affordable Housing, PSH, and Emergency Housing, and traditional market rate housing. As previously mentioned, King County ordinance 19660, adopted on August 15, 2023, sets Medina’s housing growth targets by income level and emergency housing bed targets.

Permanent Housing Target (Units) by Affordability (AMI)							Emergency Housing Target (Beds)	
0 – 30%		30 – 50%	50 – 80%	80 – 100%	100 – 120%	120% Plus		Total
Non-PSH	PSH							
5	3	3	8	0	0	0	19	4

Table 5 – Affordable and Emergency Housing Targets

In 2021, the GMA was amended to reflect the passing of HB 1220, requiring local government to plan for and accommodate affordable housing to all economic segments. The GMA was later amended in 2023 to reflect the passing of HB 1337, requiring eased barriers to the construction and use of ADUs.

<sup>3</sup> RCW 36.70A.070(2)(c)



To demonstrate compliance with HB 1220, housing capacity is assessed according to Commerce guidance<sup>4</sup> through the following steps:

1. Summarize land capacity by zone.
2. Categorize zones by allowed housing types and density level.
3. Relate zone categories to potential income levels and housing types served.
4. Summarize capacity by zone category.
5. Compare projected housing needs to capacity.
6. (If Deficit is Found) Implement Actions to Increase Capacity for One or More Housing needs and Reassess Capacity (Step 1)

*1. Summarize land capacity by zone*

In the context of recent HBs (HB 1220 and HB 1337), the City has identified capacity for all housing needs in three areas:

1. Zoned capacity – Capacity from vacant and redevelopable land or from pipeline development projects.
2. Accessory Dwelling Unit Capacity (HB 1337) – Potential capacity for the construction of ADU on existing and future residential lots based on assumed production rates.
3. Emergency Housing Capacity (HB 1220) – Capacity to meet emergency housing needs based on available land and regulations.

*Zoned Capacity*

The table below summarizes housing capacity from zoned land as identified in Stage 2 of the LCA: <b>Housing Capacity (Units)</b>				
<b>Zone</b>	<b>Initial</b>	<b>(Displaced)</b>	<b>Pipeline</b>	<b>Total</b>
Neighborhood auto servicing	0	(0)	0	0
Parks and public places	0	(0)	0	0
Single-family residence—R16	9	(0)	0	9
Single-family residence—R20	12	(0)	0	12
Single-family residence—R30	4	(0)	0	4
Suburban gardening residential—SR30	0	(1)	0	(1)
<b>Total</b>	<b>25</b>	<b>(0)</b>	<b>0</b>	<b>25</b>

*Table 6 – Housing Capacity Summary*

*Accessory Dwelling Unit Capacity (House Bill 1337)*

HB 1337, enacted during the 2023 legislative session, mandates that cities must comply with its provisions by June 30, 2025. According to the bill, if a city or county does not align its regulations with the law, the law’s provisions “supersede, preempt and invalidate any conflicting local development regulations” (Session law adopting HB 1337, p. 5, lines 14-15).

Recent state law changes require cities to permit up to two Accessory Dwelling Units (ADUs) on all lots<sup>5</sup> zoned for single-family homes, provided these lots meet or exceed the minimum lot size requirements for the zone. In Medina, this applies to all zones (R-16, R-20, R-30). There are 1,235 parcels within the City. After excluding parcels designated for other land uses, those with critical areas, and those with existing capacity as determined by the LCA, 572 lots are eligible for two (2) ADUs per HB 1337. Including lots that

<sup>4</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.19

<sup>5</sup> Lots with critical areas or their buffers are exempt from the requirements of HB 1337.

could potentially accommodate an ADU, based on LCA capacity (vacant, redevelopable, or vacant single unit) the total number of ADU-eligible lots rises to 591.

Commerce recommends estimating ADU production on the participation rate reflective of the real estate market of the jurisdiction<sup>6</sup>. This was inferred from recent development trends in Medina. Based on an analysis of ADU development in Medina, the City has projected a 15% participation rate, considering that some property owners may lack the means or the desire to construct ADUs. Additionally, the City has estimated an average of 1.25 ADUs per lot. Although no lots currently have more than one ADU, the new HB 1337 requirements could result in future lots with two ADUs. With this analysis, the City has determined a capacity for 111 ADUs across 89 lots.

ADU Development Capacity				
Available Lots	Participation Rate	Potential ADU Lots	ADUs per Lot	2044 ADU Capacity
591	15.00%	89	1.25	111

Table 7 – HB 1337 ADU Capacity

*Emergency Housing Capacity (House Bill 1220)*

HB 1220 introduced new Emergency Needs Housing Requirements applicable to all jurisdictions with assigned Emergency Needs Housing targets. The City has been allocated a target of four (4) emergency beds. The bill mandates that jurisdictions must allow indoor emergency housing or shelters where hotels are permitted or within “a majority of zones within a one-mile proximity to transit.” While the City does not have any zones that permit hotels, it is entirely within one mile of transit.

The City must demonstrate land capacity for emergency housing in addition to permanent housing. As of the writing of this analysis, Medina’s land use regulations allow for certain supportive housing types, such as Permanent Supportive and Transitional Housing Facilities”, in zones designated for single-family dwellings, subject to criteria specified in [MMC 16.31.060](#).

To meet the requirements of HB 1220, the City will need to codify a definition of “Emergency Housing” and update its land use table to permit Emergency Housing in all zones and demonstrate emergency housing capacity through an emergency housing LCA as detailed in Sections 3 and 4 of HB 1220. This could be done by coordinating with religious organizations to assess the possibility of developing emergency housing on their property and enabling possible development through development code changes.

Furthermore, according to Commerce guidance<sup>7</sup>, the City should revise [MMC 16.31.060](#) to eliminate requirements related to spacing (beyond 880 feet) and occupancy (other than those outlined in adopted building, fire and safety codes) to be in compliance with RCW 35A.63.240, RCW 35.21.682, RCW 35A.21.314, and RCW 36.01.227.

<sup>6</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.28

<sup>7</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.43

*Housing Capacity Subtotal*

Housing capacity provided by zoning, pipeline projects, and ADU production contributes toward the City’s total 2044 housing target of 19 residential units. This LCA identifies approximately 13 acres of vacant land available for future residential development within the City. Excluding considerations for different income brackets, the City has capacity to accommodate 137 residential units, resulting in a surplus of 118 residential units. The table below compares the residential outcomes from the LCA with the 2044 housing target.

Housing	2020-2044
2020-2023 Permitted Growth	1
Pipeline projects	0
Zoned Housing capacity	25
ADU Capacity	111
<b>Total Housing Capacity</b>	<b>137</b>
(Housing Target)	(19)
<b>Housing Capacity Surplus (or deficit)</b>	<b>118</b>

Table 8 - Housing Growth Target Progress

*2. Categorize zones by allowed housing types and density level*

Commerce has established a framework to assess potential housing affordability. This framework requires categorizing zones based on permitted housing types and maximum allowed density to create “Zone Categories.” These categories help evaluate how effectively the capacity identified in the LCA meets “all housing needs.”

Housing costs and affordability can vary widely depending on housing type, which is influenced by zoning and other local development regulations. For example, subsidized affordable housing is most viable in low-rise or mid-rise multifamily zones that support multi-unit housing, such as apartment buildings.<sup>8</sup>

The table to the right outlines the zone categories from Commerce guidance that apply to Medina’s zones.

Zone Category	Typical Housing Types Allowed
Low Density	Detached single-family homes
Moderate Density	Townhomes, duplex, triplex, quadplex
Low-Rise Multifamily	Walk-up apartments or condominiums (2 to 3 floors)

Table 9 – Zone Density Categories

Based on this framework, the City’s residential zones can be classified into the following categories:

Medina Residential Zone Density Categories			
Zone	Housing Types Allowed	Max Density Allowed	Assigned Zone Density Category
Neighborhood auto servicing—NA	Detached single-family homes	2.64 Du/ac	Low Density
Parks and public places—P	Detached single-family homes	0 Du/ac	Low Density
Single-family residence—R16	Detached single-family homes	2.72 Du/ac	Low Density

<sup>8</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), p.30

Single-family residence—R20	Detached single-family homes	2.17 Du/ac	Low Density
Single-family residence—R30	Detached single-family homes	1.45 Du/ac	Low Density
Suburban gardening residential—SR30	Detached single-family homes	1.45 Du/ac	Low Density

Table 10 – Medina Zone Density Categories

### 3. Relate zone categories to potential income levels and housing types served

Different housing types and densities address various income levels. The “Zone Category Incomes Served” table (Table 17) illustrates the potential income levels that different housing types, whether market rate or subsidized, can serve. The classification is based on a standard table provided by Commerce<sup>9</sup>. Income levels are determined by the Area Median Income (AMI), refer to the “Income Levels based on AMI” table (Table 16).

Income Levels	
Income Level	Relative AMI
Extremely Low Income	<=30% AMI
Very Low Income	>30% and <=50% AMI
Low Income	>50% and <=80% AMI
Moderate Income	>80% and <=120% AMI
High Income	>120% AMI

Table 11 – Household Income Levels

Zone Category Incomes Served				
Zone Category	Housing Types Served	Lowest Potential Income Level Served		Assumed Affordable Income Level for LCA
		Market Rate	With Subsidies	
Low Density	Single-Family Detached	High Income	Not feasible at scale	High Income
Moderate Density	Townhomes, duplex, triplex, quadplex	Moderate Income	Not feasible at scale	Moderate Income
Mid-Rise Multifamily	Apartments or condominiums in buildings with ~4-8 floors	Low Income	Extremely Low - Very Low Income	Low - Extremely Low Income and PSH
ADUs (all zones)	ADUs on developed residential lots	Moderate Income	N/A	Moderate Income

Table 12 – Zone Category Incomes Served

<sup>9</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), Exhibit 13, p.33

#### 4. Summarize capacity by zone category

##### Zoned Capacity

Zoned capacity is derived from developable or redevelopable land as identified in the LCA. The “Zoned Capacity by Density” table (Table 18) shows zoned capacity from the LCA, summarized by density category.

Zoned Capacity by Density			
Zone	Capacity (LCA)	Zone Density Category	Capacity in Zone Density Category
NA	0	Low Density	25
P	0		
R-16	9		
R-20	12		
R-30	4		
SR-30	0		
ADUs (any zone)	111	ADUs	111
<b>Total</b>	<b>136</b>		

Table 13 – Zoned Capacity by Density

##### Permitted Housing Growth

There was one home built in the Single-family residence—R20 zone in 2023. This was incorporated in the total capacity in the Low Density Zone Category.

##### Pipeline Capacity

No pipeline development was observed in this LCA.

#### 5. Compare projected housing needs to capacity

The adopted income housing targets (see

5	3	3	8	0	0	0	19	4
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Table 5) are compared with the identified zoned (Table 13) and permitted housing capacities in the table (Table 14). The first two columns provide a reorganization of the income housing targets table (5), while the remaining columns display the calculations based on the capacity categories established previously.

Zoned capacity tends to serve higher income brackets before addressing lower ones due to market dynamics. Pipeline and built capacity is allocated to income categories based on the type of development whether market-rate or including an affordable housing component.

Income Housing Target Capacity Summary							
Income Level	Projected Housing Need	Aggregate d Housing Needs	2020-2023 Permitted Growth	Total Pipeline Capacity	Zone Categories Serving These Needs	Total Zoned Capacity	Capacity Surplus (or Deficit)
0 - 30% PSH	5	11	0	0	Low-Rise Multifamily	0	<b>(11)</b>
0 - 30% Non-PSH	3						
>30 - 50%	3						
>50 - 80%	8	8	0	0	Low-Rise Multifamily	0	<b>(8)</b>
>80 - 100%	0	0	0	0	Moderate Density and ADUs	111	<b>111</b>
>100 - 120%	0						
>120%	0	0	1	0	Low Density	25	<b>26</b>
<b>Total</b>	<b>19</b>		<b>1</b>	<b>0</b>		<b>136</b>	

Table 14 – Income Housing Target Capacity Summary

This LCA found no capacity for housing affordable to households with income less than 80% AMI. The City does not currently have any zoning capable of supporting affordable housing according to standard assumptions provided by Commerce. The LCA identified considerable capacity for ADUs, but ADUs are not considered affordable under Commerce guidance.

Furthermore, a report on middle housing affordability prepared by A Regional Coalition for Housing (ARCH) estimated that even ADUs, specific to the Points Communities<sup>10</sup>, in Medina would be affordable to households with incomes above 120% AMI<sup>1</sup>. While Medina has potential for land development, the high land values present a challenge. The capacity identified in this LCA suggests that meeting housing needs is feasible, but achieving this will require adjustments to current policies and regulations.

*6. (If Deficit is Found) Implement Actions to Increase Capacity for One or More Housing needs and Reassess Capacity (Step 1)*

This LCA indicates that while the City has sufficient housing capacity through zoned and ADU development potential, it lacks zoning that supports housing affordable to households with income less than 80% of AMI. Consequently, there is a shortfall of 19 housing units that must be addressed to meet the requirements of [RCW 36.70A.070\(2\)](#). To address this shortfall, Medina is exploring alternative zoning options. The following section details the proposed changes and evaluates their impact on housing capacity.

<sup>10</sup> Medina, Clyde Hill, Hunts Point, Beaux Arts, Village, and Yarrow Point

## Next Steps

The City of Medina currently lacks zoning that supports affordable housing development. To meet the City's affordable housing targets, new zoning or development regulations need to be adopted. The following section includes LDC's recommendation for zoning changes the City could take to address the existing deficit.

## Alternative Options

The City will need to revise zoning code to plan for Affordable Housing capacity for both PSH and non-PSH housing and, depending on City decisions, Emergency Housing as well. The following zoning changes were considered for alternative zoning options:

- Multi-family Housing zoning
- Middle Housing Zoning
- Accessory Dwelling Units
- Tiny Home Communities

### *Multi-family Housing Zoning*

Multi-family housing is the most likely zoning to provide affordable housing development. Higher density housing benefits from economies of scale, making construction, and lifetime maintenance, lower per dwelling unit included. This efficiency yields market-rate housing that is more affordable, enables jurisdictions to impose density incentives that are likely to provide affordable housing, and reduces the cost associated with development of permanently affordable housing projects.

Standard density assumptions Commerce guidance assumes that multi-family development 2-3 stories is sufficient to provide affordable housing when incentives are provided:

<b>Low-Rise Multifamily</b>	Walk-up apartments, condominiums (2-3-floors)	Moderate income (>80-120% AMI)	Extremely low, Very low, and Low-income (0-80% AMI)	Low income (0-80% AMI) and PSH
<b>Mid-Rise Multifamily</b>	Apartments, condominiums	Moderate income (>80-120% AMI)	Extremely low, Very low, and Low-income (0-80% AMI)	Low income (0-80% AMI) and PSH

Figure 2 - Commerce Multi-family affordability<sup>11</sup>

To provide multi-family housing in Medina's zoning, use regulations would need to be modified and densities of approximately 12 dwelling units per acre would be required.

### *Middle Housing Zoning*

Middle Housing presents an opportunity for small-scale affordable housing. Middle Housing is denser and inherently more affordable relative to Single-Family detached housing, but according to Commerce recommendation without subsidies or incentives it should only be considered affordable to households with income between 80-120% AMI, which would not address Medina's housing target of 19 units under 80% AMI.

The previously mentioned Middle Housing affordability report by ARCH analyzed the potential for income restricted Middle Housing development and includes a draft demonstration of feasibly income restricted Middle Housing; but it was limited to affordability provided at 80% AMI, which again, would not address any of Medina's Housing targets since they are all for housing affordable to households making less than 80% AMI<sup>12</sup>.

<sup>11</sup> WA Commerce, HB 1220 Book 2 Housing Element Update (August 2023), Exhibit 13, p.33

<sup>12</sup> ARCH, Middle Housing Affordability Opportunities in East King County: Analysis, Policy Recommendations and Considerations for Local Implementation of HB 1110, p.21



The City could explore opportunities to develop affordable Middle Housing through coordination with an affordable housing provider such as Habitat for Humanity or ARCH, but this would likely require the City to contribute to the development cost or land acquisition which is not something the City can enact for this Comprehensive Plan update unless they already have land they would like to dedicate for this purpose.

LDC encourages the City to consider affordable housing incentives and considerations as it moves forward with its Middle Housing Study but does not believe could be utilized for a demonstration of affordable housing capacity.

### *Accessory Dwelling Units*

Accessory Dwelling Units (ADU's) can provide an increased number of available housing units without the need for new and large-scale developments. Additionally, ADUs can help increase density within existing neighborhoods without altering the character of these areas and the scale of ADUs makes it easy for them to amalgamate to the surrounding infrastructure. ADUs can also support a diverse range of populations within the city and enhance community resilience and social cohesion.

Given the Cities substantial capacity for ADUs, LDC researched the feasibility of providing affordable housing through ADU development. There are possibilities for affordable ADU development; the City of Seattle has code for its Neighborhood Residential zones that incentivize Affordable ADU development ([Seattle Municipal Code 23.44.041](#)) and other organization like [the BLOCK project](#) seek to provide ADU development through partnership with individual land owners. The BLOCK project would not be something the City could implement or plan for so it could not address the City's targets. LDC confirmed with Commerce that the Seattle Code incentivizing affordable ADUs could only be limitedly applied and would only be able to apply to development greater than 2 units due to the passing of HB 1337; this would be worth the City pursuing, but there is not a demonstrated example of this working, and this would not be a sufficient demonstration of affordable housing capacity.

### *Tiny Home Communities*

Similar to ADUs, tiny home communities offer benefits to an area's focus in increasing affordable housing, although, they also provide some unique interests. Tiny home communities foster a sense of community and connection through shared spaces and create a supportive environment for its residents.

Tiny home communities are often developed and run by non-profit organizations and provide on-site services similar to Permanent Supportive Housing. The City could pursue by coordinating with religious or other community-based organizations to assess the possibility of developing emergency housing on their property and enabling possible development through development code changes.

## Conclusion

In partnership with LDC, the City has analyzed development capacity for the 2024-2044 planning period according to King County UGCR and Commerce guidance applicable to new State regulations implementing HBs 1220 and 1337. This LCA found that the City has housing capacity through zoned and ADU development potential but lacks zoning that supports housing affordable to households with income less than 80% of AMI. Consequently, there is a shortfall of 19 housing units that must be addressed to meet the requirements of [RCW 36.70A.070\(2\)](#). To address this shortfall, Medina is exploring alternative zoning options.



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## Appendices

(2024). *Appendix A – LCA Zone Assumptions*

**Appendix A - Medina 2024 LCA Zone Assumptions**

Zone	Zone Type	Residential			Employment		Residential Market Factor		Non-Residential Market Factor		Plat Deductions (ROW, Stormwater, Open Space, Non-Residential)
		Mixed-Use Split	Density	Min Lot	Mixed-Use Split	Density	Vacant	Redevelopable	Vacant	Redevelopable	
<b>NA</b>	COM	0%	0	0	100%	0.72	10%	10%	0%	0%	10%
<b>P*</b>	COM	0%	0	0	100%	0	10%	10%	0%	0%	10%
<b>R-16</b>	RES	100%	2.72	0.367309	0%	0	10%	10%	0%	0%	10%
<b>R-20</b>	RES	100%	1.5	0.459137	0%	0	10%	10%	0%	0%	10%
<b>R-30</b>	RES	100%	0.8	0.688705	0%	0	10%	10%	0%	0%	10%
<b>SR-30</b>	RES	100%	0.8	0.688705	0%	0	10%	10%	0%	0%	10%