

1 **I. Introduction**

2 This Housing Element of the Comprehensive Plan details the policy approaches the
 3 City will take to manage projected housing growth and accommodate its housing
 4 needs.
 5

6 **Housing Growth Target and Housing Needs**

7 In 2022, King County adopted [Ordinance 19384](#), which amended the Countywide
 8 Planning Policies (CPPs) and set housing growth targets for the cities in King County.
 9 Mercer Island’s projected housing growth target is 1,239 dwelling units.
 10

11 In 2023, King County adopted [Ordinance 19660](#), which amended the Countywide
 12 Planning Policies (CPPs) to establish the number of dwelling units needed to
 13 accommodate moderate, low, very low, and extremely low-income households for
 14 cities throughout the county. The Housing Growth Target and Housing Needs by
 15 income level are shown in Table 1. [COM-3]
 16

17 **Table 1. Mercer Island Housing Growth Target and Housing Needs.**

	Housing Growth Target	Housing Needs By Income Level [Comment Log #37]								Emergency Housing ²
		0-≤30% AMI ³			>30-≤50% AMI	>50-≤80% AMI	>80-≤100% AMI	>100-≤120% AMI	>120% AMI	
		PSH ¹	Non-PSH ¹	Total ≤30% AMI						
20-years Total Need	1,239	339	178	517	202	488	4	5	23	237
% of total	100%	27%	14%	41%	16%	39.39%	0.32%	0.40%	1.86%	N/A
Average Units/year achieve in 20 Years (2024-44)	62	17	9	26	10	24	0	0	1	12

18 Source: King County Countywide Planning Policies (CPPs), current through Ordinance 19660.

19 Notes:

- 20 1. Permanent Supportive Housing (PSH)
 21 2. Emergency Housing need is its own metric and not part of the housing need or housing growth
 22 target.
 23 3. Area Median Income (AMI) for King County as tracked by the U.S. Department of Housing and
 24 Urban Development (HUD).
 25

26 **Capacity to Accommodate Housing Growth Target and Housing Needs**

27 In 2022, King County enacted [Ordinance 19369](#), which adopted the King County Urban
 28 Growth Capacity (UGC) Report. The UGC Report established the land capacity analysis
 29 for the City of Mercer Island and found that the City has capacity for 1,429 dwelling
 30 units; enough capacity to accommodate its housing growth target.
 31

1 In 2023, the WA Department of Commerce (Commerce) issued new guidance for
2 complying with updated housing requirements in the WA Growth Management Act
3 (GMA) to counties and cities. That guidance recommended a process by which cities
4 should evaluate development capacity to accommodate housing needs
5 disaggregated by income level. Based on the Commerce guidance, the City prepared
6 the Land Capacity Analysis (LCA) Supplement (**Appendix X**).
7

8 The Land Capacity Analysis Supplement found that the City needed to increase
9 multifamily and mixed-use development capacity by at least 143 units during the
10 Comprehensive Plan periodic review to accommodate lower income housing needs.
11 During the Comprehensive Plan periodic review, the City expanded development
12 capacity with two actions. First, the City increased the maximum building height in
13 selected Town Center subareas. Second, the City allowed multifamily development in
14 the Commercial Office (C-O) zone. Those two actions were analyzed in the Land
15 Capacity Analysis Supplement and were found to generate adequate capacity to
16 accommodate the City's housing needs. [COM-4, PSRC-2]
17

18 The City prepared a Housing Needs Assessment (HNA) during the Comprehensive
19 Plan periodic review (**Appendix X**). This assessment included an inventory and analysis
20 of the existing housing stock that, combined with LCA, found that the City can
21 accommodate its projected growth. [CPP-1, PSRC-1]
22

23 **Permanent Supportive Housing and Emergency Housing**

24 Under the GMA the City must plan for two types of housing for households with
25 income at or below 30 percent of the AMI: Permanent Supportive Housing (PSH) and
26 non-permanent supportive housing. Housing need for extremely low-income housing
27 is split into these two categories because these are two distinct housing types. PSH is
28 intended to house people who need support services whereas non-PSH extremely
29 low-income housing is meant for people at the lowest income level that do not
30 necessarily need additional services. For reference, PSH is defined in [RCW](#)
31 [36.70A.030\(31\)](#).
32

33 In addition to planning for PSH, the City must also plan for emergency housing.
34 Emergency housing provides temporary indoor accommodations for individuals or
35 families who are homeless or at imminent risk of becoming homeless that is intended
36 to address the basic health, food, clothing, and personal hygiene needs of individuals
37 or families ([RCW 36.70A.030\(14\)](#)). Emergency housing is different from housing for
38 extremely low-income households and PSH in that it is intended to be shorter-term
39 accommodations. Emergency housing can include shelter space.
40

41 Capacity for PSH and emergency housing was evaluated in the LCA Supplement. The
42 LCA Supplement found that the Comprehensive Plan allows adequate capacity to
43 accommodate its PSH and emergency housing needs. [COM-5]
44

45 **Adequate Provisions**

46 The GMA requires the Housing Element to make adequate provisions for existing and
47 projected needs of all economic segments of the community. This includes taking
48 actions to address potential barriers to housing production. Barriers are factors that

1 negatively affect production for different housing types. The Commerce Housing
2 Element Update Guidebook 2 explains barriers as follows:

3 “For example, a city may be seeing a lot of detached single-family housing
4 production on vacant land, and therefore determine that there are no
5 significant barriers to single-family home construction. However, the same
6 city may be seeing very little production of moderate density housing
7 types such as townhomes or triplexes in zones where those types are
8 allowed. If the city’s housing element is relying on capacity for those
9 housing types to meet the needs of moderate-income households, then
10 its housing element should also assess barriers specific to those housing
11 types as well as actions to help overcome those barriers.”
12

13 Table 2 provides the documentation of potential barriers and the programs and
14 actions detailed in this Housing Element to overcome those barriers and achieve
15 housing availability.

16
17 [COM-7, COM-8, PSRC-1, CPP-2]

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Table 2. Programs and Actions Needed to Achieve Housing Availability.

Housing Type	Share of Existing Housing Units ¹	Likelihood Barriers Exist	Potential Barriers	Action or Program
Single-Family	67%	Very Low Likelihood given the large share of existing units	Development Regulations	No change.
			Other Limitations: Permitting Process	Comply with statewide legislation ^{8(d)} .
			Other Limitations: Development Capacity	No change.
Multifamily and Mixed-Use	27% ²	Moderate Likelihood given the lower share of existing units and the need to increase capacity ³ during the periodic review	Development Regulations	Review multifamily zone development regulations to: <ul style="list-style-type: none"> • Simplify the requirements • Reduce permit review times • Consider adjustments to bulk, dimensions, and parking standards
			Other Limitations: Permitting Process	Consider streamlining design review for multifamily and mixed-use development, particularly for developments with income-restricted affordable units.
			Other Limitations: Development Capacity	Increase development capacity within existing Town Center and Commercial Office zone boundaries to address the capacity shortfall identified in the City's Land Capacity Analysis Supplement ⁷ .
			Other Limitations: Displacement Risk	Establish anti-displacement measures to reduce and mitigate risk of displacement in areas with increased displacement risk.
Middle Housing	6% ⁴	High-Moderate Likelihood given the small share of existing units	Development Regulations	Comply with statewide legislation ^{8(b)} .
			Other Limitations: Permitting Process	Comply with statewide legislation ^{8(b)} .
			Other Limitations: Development Capacity	Comply with statewide legislation ^{8(b)} .
Income Restricted Units, Permanent Supportive Housing (PSH) and Emergency Housing	<1% ⁵	High Likelihood given the small share of existing units	Development Regulations	<ul style="list-style-type: none"> • Comply with statewide legislation^{8(a)} for PSH and emergency housing Adopt additional incentives to spur development of new income-restricted affordable housing units
			Other Limitations: Permitting Process	<ul style="list-style-type: none"> • Comply with statewide legislation^{8(a)} Consider streamlining design review for developments with income-restricted affordable units.
			Other Limitations: Development Capacity	<ul style="list-style-type: none"> • Increase land capacity within existing boundaries to address the capacity shortfall identified in the City's Land Capacity Analysis Supplement⁷ Comply with statewide legislation ^{8(a)}
			Funding Gaps	<ul style="list-style-type: none"> • Maintain membership in A Regional Coalition for Housing (ARCH) and continue to contribute to the ARCH Housing Trust Fund (HTF) • Evaluate potential local revenue sources for affordable housing • Evaluate an affordable housing fee-in-lieu program • Use incentives to reduce the per-unit costs for affordable housing Coordinate efforts with providers, developers, and government agencies
Accessory Dwelling Units (ADUs)	N/A ⁶	Very Low Likelihood given ADUs are allowed in all single-family zones	Development Regulations	Comply with statewide legislation ^{8(c)}
			Other Limitations: Permitting Process	Comply with statewide legislation ^{8(c)}
			Other Limitations: Development Capacity	Comply with statewide legislation ^{8(c)}

Notes:

1. Source: U.S. Census Bureau 2022 American Community Survey (ACS), Table B25024. This is an estimate of the number of existing housing units based on an annual survey.
2. Multifamily and mixed-use housing type is categorized as residential development with ten or more units per structure.
3. A multifamily and mixed-use housing capacity deficit was found in the Land Capacity Analysis Supplement (Appendix X). The capacity deficit was addressed in the Comprehensive Plan periodic review, but additional actions can address other potential barriers.
4. Middle housing development is categorized as residential development with 2-9 units per structure.
5. The Puget Sound Regional Council (PSRC) maintains [an inventory of income restricted housing units per jurisdiction](#). As of November 6, 2023, PSRC tracked that there were 102 income restricted affordable housing units in Mercer Island. Per the PSRC inventory, there were 30 units for extremely low-income households, 59 units for very low-income households, and 13 units for low-income households.
6. Accessory dwelling unit share of housing units is combined with the single-family. Between 2006 and 2022, the City permitted 104 ADUs.
7. The Land Capacity Analysis Supplement was developed to evaluate whether the Comprehensive Plan allows adequate capacity to accommodate its housing needs (Appendix X).
8. Statewide legislation passed in the years preceding the Comprehensive Plan periodic review affected several types of housing as follows:
 - a. House Bill 1220 – Adopted in 2021, this bill amended several GMA requirements and also set limits on how jurisdictions can regulate PSH and emergency housing;
 - b. House Bill 1110 – Adopted in 2023, this bill requires cities to allow middle housing types in zones where single-family homes are allowed. Jurisdictions must make amendments to comply with this bill within six months of the Comprehensive Plan periodic review;
 - c. Housing Bill 1337 – Adopted in 2023, this bill requires cities and counties to amend the development regulations for ADUs. Jurisdictions must make amendments to comply with this bill within six months of the Comprehensive Plan periodic review; and

d. Senate Bill 5290 – Adopted in 2023, this bill requires cities and counties to meet permit review timetables.

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1 **Racially Disparate Impacts and Displacement Risk**

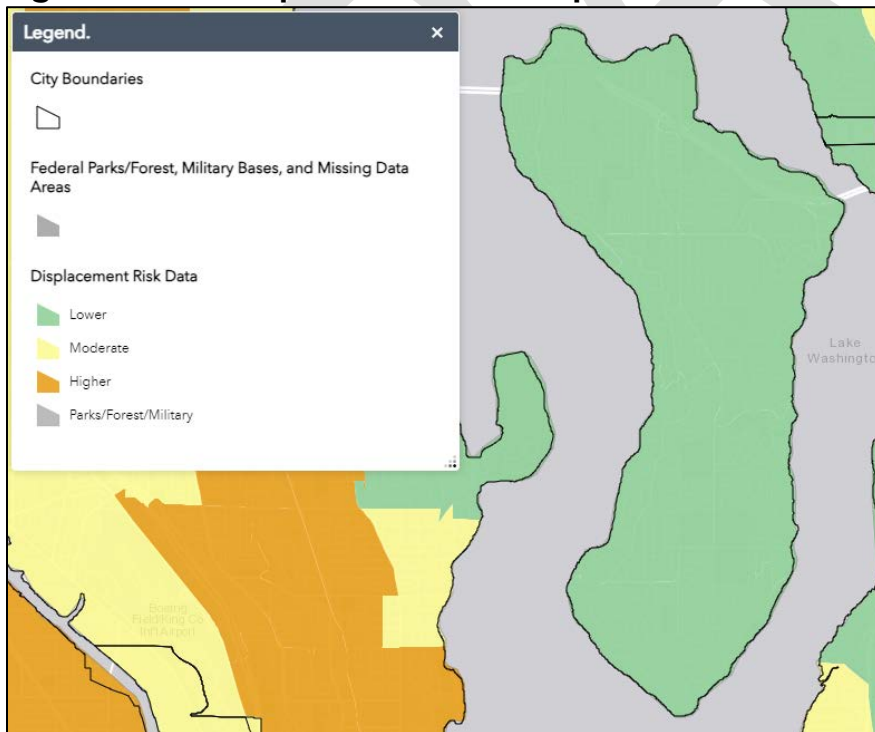
2 In 2021, the GMA was amended to require jurisdictions to identify potential racially
3 disparate impacts, take steps to address those impacts, and reduce displacement risk.
4 In 2023, Commerce provided guidance for complying with the GMA requirement to
5 identify and begin undoing racially disparate impacts established in [RCW](#)
6 [36.70A.070\(2\)\(e\)-\(g\)](#). Based on that guidance, the City prepared the Racially Disparate
7 Impacts (RDI) Evaluation. The RDI Evaluation provides the analysis and policy
8 evaluation to identify policies that may have resulted in racially disparate impacts and
9 identify areas at higher risk of displacement ([Appendix X](#)).

10
11 The RDI Evaluation found that the primary racially disparate impacts are:

- 12 • Renting households are more cost-burdened than homeownership households by
13 a margin of 20 percentage points;
- 14 • Households of color are eight percentage points more likely than White
15 households to be housing cost-burdened; and
- 16 • Black or African American households in Mercer Island are severely housing cost-
17 burdened at more than double the rate of any other racial group.

18
19
20 Figure 1 shows the PSRC displacement risk mapping for Mercer Island census tracts. All
21 tracts on Mercer Island were in the lower risk category, suggesting that most of Mercer
22 island in general has a lower risk of displacement occurring compared to other census
23 tracts in King, Pierce, Snohomish, and Kitsap counties.

24
25 **Figure 1. PSRC Displacement Risk Map.**



26
27 Source: Puget Sound Regional Council (PSRC) Displacement Risk Mapping. [https://www.psrc.org/our-](https://www.psrc.org/our-work/displacement-risk-mapping)
28 [work/displacement-risk-mapping](https://www.psrc.org/our-work/displacement-risk-mapping).

1 The RDI Evaluation identified three areas that may be at higher risk of displacement
2 relative to other areas in the City. Displacement could occur due to changes in
3 development regulations or capital investments. The three areas that may be at higher
4 risk of displacement are:

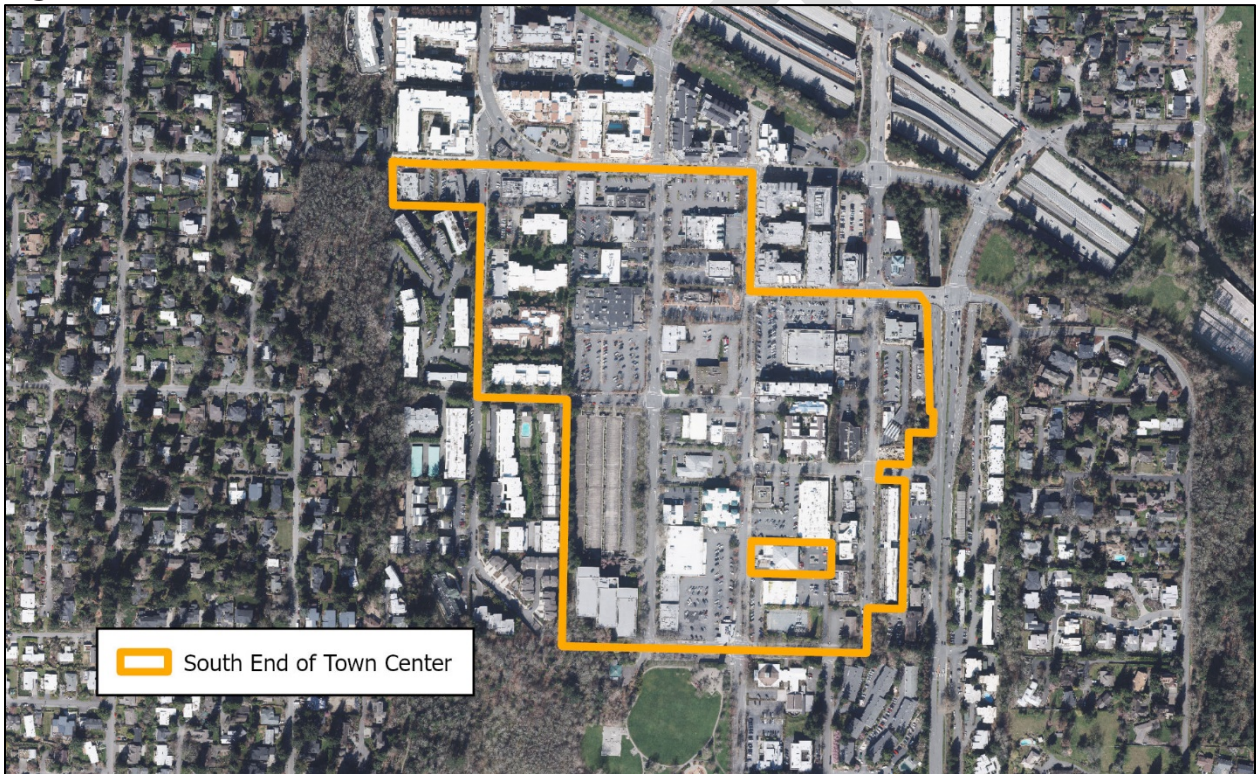
5
6
7
8
9

- The south end of Town Center;
- Multifamily zones adjacent to Town Center; and
- Multifamily zones east of Town Center. [COM-12, PSRC-10]

10 Figures 2, 3, and 4 show maps of the three areas that may be at higher risk of
11 displacement.

12
13

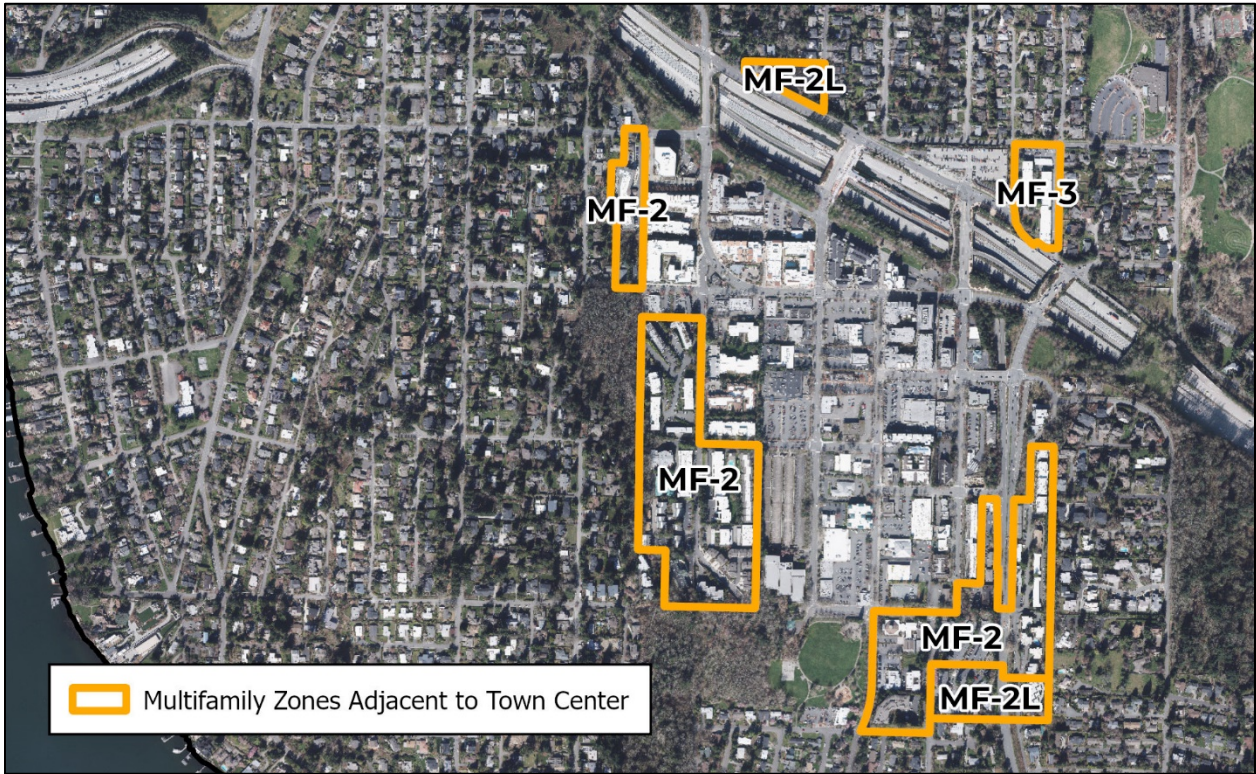
Figure 2. South End of Town Center.



14
15

Source: RDI Evaluation dated December 15, 2023.

1 **Figure 3. Multifamily Zones Adjacent to Town Center.**



2
3 Source: RDI Evaluation dated December 15, 2023.

4
5 **Figure 4. Multifamily Zones East of Town Center.**



6
7 Source: RDI Evaluation dated December 15, 2023.

1 The following strategies detailed in this Housing Element are directed at addressing
2 and beginning to undo the impacts identified in the RDI Evaluation:

- 3
- 4 • Expand tenant protections;
- 5 • Intentional public outreach during implementation of the Comprehensive Plan;
- 6 • Increase the supply of affordable rental housing;
- 7 • ~~Expand tenant protections;~~
- 8 • Add incentives for the construction of affordable housing; and
- 9 • Increase capacity for multifamily and mixed-use housing; ~~and~~
- 10 • ~~Intentional public outreach during implementation of the Comprehensive Plan.~~

11
12 [COM-9, COM-10, COM-12, CPP-3, CPP-4]

13 14 **Goals and Policies**

15 The goals and policies in this Housing Element are divided into six sections focusing on
16 a specific topic:

- 17
- 18 • Overall housing strategies;
- 19 • Affordable housing;
- 20 • Racially disparate impacts;
- 21 • Anti-Displacement;
- 22 • Residential regulations; and
- 23 • Implementation.

24
25 The strategies outlined in the policies should be implemented throughout the planning
26 period to accomplish the following by the year 2044:

- 27
- 28 • Accommodate the City's housing target and projected housing needs;
- 29 • Make adequate provisions for housing needs for all economic segments of the
30 community;
- 31 • Provide for and address potential barriers to the preservation, improvement, and
32 development of housing;
- 33 • Begin undoing racially disparate impacts from past housing policies;
- 34 • Reduce or mitigate displacement risk as zoning changes and development
35 occur; and
- 36 • Realize the City's goals for housing.

37 38 **II. Goals and Policies**

39 40 **Goal 1 – Overall Housing Strategies**

41
42 Goal: Mercer Island provides housing affordable for all income levels meeting its
43 current and future needs.

44 45 **Policies**

46

- 1 1.1 Accommodate the Mercer Island housing growth target and housing needs
 2 shown in Table 1 by:
 3
- 4 1.1.A Ensuring the Comprehensive Plan allows adequate capacity for the Mercer
 5 Island housing growth target and housing needs assigned by King County;
 - 6 1.1.B Adopting policies that will increase the supply of income-restricted and
 7 naturally occurring affordable housing;
 - 8 1.1.C Addressing racially disparate impacts;
 - 9 1.1.D Reducing or mitigating displacement risk; and
 - 10 1.1.E Taking actions to implement this element throughout the Comprehensive
 11 Plan planning period.
- 12
- 13 1.2 Categorize household income level for the purposes of this element as follows:
 14
- 15 1.2.A High income is a household income that exceeds 120 percent of the AMI;
 - 16 1.2.B Moderate income is a household income at or below 120 percent and
 17 above 80 percent of the AMI;
 - 18 1.2.C Low income is household income at or below 80 percent and above 50
 19 percent of the AMI;
 - 20 1.2.D Very low income is household income at or below 50 percent and above
 21 30 percent of the AMI; and
 - 22 1.2.E Extremely low income is household income at or below 30 percent of the
 23 AMI. [Definitions from RCW 36.70A.030]
- 24
- 25 1.3 Accommodate the Mercer Island housing growth target and housing needs by
 26 income level with the following approaches:
 27
- 28 1.3.A High Income – Continue to allow market rate single-family, moderate
 29 density, and condominium housing;
 - 30 1.3.B Moderate, Low-, and Very Low-Income –
 31 (1) Implement strategies to preserve existing units;
 32 (2) Implement strategies to increase the supply of new income
 33 restricted units;
 34 ~~(2) Implement strategies to preserve existing units; and~~
 35 (3) Reduce barriers to new moderate density, multifamily, and mixed-
 36 use construction. [Comment Log #20]
 - 37 1.3.C Extremely Low-Income and Permanent Supportive Housing (PSH) –
 38 (1) Implement strategies to increase the supply of new income
 39 restricted units for extremely low-income households and PSH; and
 40 (2) Coordinate efforts among providers, developers, and government
 41 agencies; and
 42 (3) Organize resources in support of new income restricted
 43 development.
 - 44 1.3.D Emergency Housing – Allow use consistent with state law and ensure that
 45 occupancy, spacing, and intensity regulations allow sufficient capacity to
 46 accommodate the City’s level of need. [HB 1220, COM-1, PSRC-3, CPP-6,
 47 CPP-15]
- 48

- 1 1.4 Plan for residential neighborhoods that protect and promote the health and well-
2 being of residents by supporting equitable access to:
3
- 4 1.4.A Parks and open space;
 - 5 1.4.B Recreation opportunities and programs
 - 6 1.4.C ~~Safe pedestrian and bicycle routes~~ Streets that are safe for pedestrians,
7 bicyclists, and vehicle drivers and passengers; [Comment Log #21]
 - 8 1.4.D Clean air, soil, and water;
 - 9 1.4.E Shelter from extreme heat events;
 - 10 1.4.F Fresh and healthy foods;
 - 11 1.4.G High-quality education from early learning through kindergarten through
12 twelfth grade;
 - 13 1.4.H Public safety;
 - 14 1.4.I Artistic, musical, and cultural resources
 - 15 1.4.J Affordable and high-quality transit options and living wage jobs;
 - 16 1.4.K The opportunity to thrive in Mercer Island regardless of race, gender
17 identity, sexual identity, ability, use of a service animal, age, immigration
18 status, national origin, familial status, religion, source of income, military
19 status, or membership in any other category of protected people; and
 - 20 1.4.L Neighborhoods in which environmental health hazards are minimized to
21 the extent possible. [Comment Log #35] [PSRC-5, CPP-10, CPP-11, CPP-12,
22 CPP-19]
- 23
- 24 1.5 Take actions to promote healthy and safe homes. [CPP-18]
- 25
- 26 1.6 Mitigate climate impacts related to housing by executing the Climate Action
27 Plan.
- 28
- 29 1.7 Strive to increase class, race, and age integration by equitably dispersing
30 affordable housing opportunities. [PSRC-11, CPP-14, CPP-15]
- 31
- 32 1.8 Discourage neighborhood segregation and the isolation of special needs
33 populations. [COM-11, CPP-12, CPP-14, CPP-15, CPP-16]
- 34
- 35 1.9 Increase housing choices for everyone, particularly those earning lower wages, in
36 areas with access to employment centers and high-capacity transit. [PSRC-5,
37 CPP-9, CPP-10, CPP-11, CPP-19]
- 38
- 39 1.10 Encourage accessory dwelling units (ADUs) as a housing form that can help to
40 meet housing needs for moderate to low-income households. [COM-2]
- 41
- 42 1.11 Focus on the Town Center and Commercial-Office zones when increasing
43 multifamily and mixed-use development capacity to accommodate the Mercer
44 Island housing growth target and housing needs. Strive to reduce and/or
45 mitigate displacement of businesses resulting from an increase in residential
46 capacity. [CPP-12, CPP-15]
- 47

- 1 1.12 Consider alternatives for maximizing housing capacity in the Town Center and
2 Commercial-Office zones before analyzing alternatives for increasing multi-
3 family capacity elsewhere. [PSRC-6, CPP-15]
4
5
6

7 **Goal 2 – Affordable Housing**

8

9 Goal: Households at all income levels can afford to live in Mercer Island because
10 of the mix of market rate and income-restricted housing.
11

12 **Policies**

13

- 14 2.1 Support the development and preservation of income-restricted housing that is
15 within walking distance of planned or existing high-capacity transit. [PSRC-6,
16 PSRC-9, CPP-9, CPP-10, CPP-11]
17
- 18 2.2 Implement strategies to overcome cost barriers to housing affordability.
19 Strategies should include:
20
- 21 2.2.A Periodic review of development standards, staffing levels, and permit
22 processes to reduce permit review times and costs;
 - 23 2.2.B Periodic review of residential densities in high-density zones to adjust
24 multifamily and mixed-use capacity as needed to accommodate housing
25 needs;
 - 26 2.2.C Programs, policies, partnerships, and incentives to decrease costs to build
27 and preserve affordable housing. [PSRC-7, CPP-5, CPP-7, COM-8, COM-11]
28
- 29 2.3 Decrease barriers and promote access to affordable homeownership for
30 extremely low-, very low-, and low-income, households. [COM-8, CPP-13]
31
- 32 2.4 Increase affordable homeownership options for moderate income households by
33 increasing moderate density housing capacity where mandated by state law.
34 [COM-1, PSRC-3, PSRC-4, CPP-12, CPP-13]
35
- 36 2.5 Encourage the construction of new permanent income-restricted housing
37 through approaches such as the following
38
- 39 2.5.A Affordable housing incentives that require units at varying income levels
40 to be incorporated into new construction to address the Mercer Island
41 housing growth target and housing needs for households earning less
42 than the area median income (AMI). Affordable housing unit requirements
43 should be set at levels to yield more lower-income units as the benefit of
44 the incentive increases.
 - 45 2.5.B Height bonuses concurrent with any increase in development capacity to
46 address Mercer Island’s affordable housing needs;
 - 47 2.5.C Incentives for the development of housing units affordable to extremely
48 low-, very low-, low-, and moderate-income households;

- 1 2.5.D A Multifamily Tax Exemption (MFTE) linked to substantial additional
2 affordability requirements.
- 3 2.5.E Reduced design review processes and simplified standards for
4 developments with affordable units.
- 5 2.5.F Reduced or waived permit fees for developments with affordable units.
- 6 2.5.G Reduced parking requirements for income-restricted units in the Town
7 Center zones. [Comment Log #26, alt: strike 2.5.G]
- 8 2.5.H Relief from other building requirements that do not implicate health,
9 safety or comfort. [Comment Log #1]
- 10 ALT Relief from other development code provisions that do not affect health
11 or safety requirements. [Staff Alternative]
- 12 [PSRC-3, PSRC-8, CPP-5, CPP-15]
- 13
- 14 2.6 Evaluate potential revenue sources to fund a local affordable housing fund. [CPP-
15 7, CPP-8, CPP-15]
- 16
- 17 2.7 Evaluate a fee-in-lieu program whereby payments to the local affordable housing
18 fund can be made as an alternative to constructing required income-restricted
19 housing. [CPP-7, CPP-8, CPP-15]
- 20
- 21 2.8 Prioritize the use of local and regional resources for income-restricted housing,
22 particularly for extremely low-income households, populations with special
23 needs, and others with disproportionately greater housing needs. [CPP-5, CPP-8,
24 CPP-15]
- 25
- 26 2.9 Evaluate the feasibility of establishing zoning in existing multifamily and mixed-
27 use zones that would require developers to provide affordable housing in new
28 high-density developments. [PSRC-7, PSRC-8, CPP-5, CPP-12, CPP-15]
- 29
- 30 2.10 Continue to participate in A Regional Coalition for Housing (ARCH) as a key
31 strategy for addressing affordable housing need for low-, very low-, and extremely
32 low-income households. [CPP-6]
- 33
- 34 2.11 Evaluate increasing the contribution to the ARCH Housing Trust Fund (HTF) to
35 be at a per-capita rate consistent with other participating/member cities as a key
36 strategy to address PSH, extremely low-, very low-, and low-income housing
37 needs. [CPP-6, CPP-15]
- 38
- 39 2.12 Develop partnerships to address barriers to the production of housing affordable
40 to extremely low-income households by connecting with government agencies,
41 housing service providers, religious organizations, affordable housing developers,
42 and interested property owners. [CPP-14, CPP-15]
- 43
- 44 2.13 Periodically meet with partners to gather feedback on actions the City can take
45 to reduce barriers to the production of extremely low-income housing units,
46 including PSH and emergency housing. [CPP-14, CPP-15]
- 47

1 **Goal 3 – Racially Disparate Impacts**

2
3 Goal 3: Undo identified racially disparate impacts, avoid displacement and
4 eliminate exclusion in housing, so that every person has the opportunity
5 to thrive in Mercer Island regardless of their race.
6

7 **Policies**

- 8
9 3.1 Begin undoing racially disparate impacts by prioritizing actions that:
10
11 3.1.A Increase the supply of affordable rental housing;
12 3.1.B Expand tenant protections;
13 3.1.C Add incentives for the construction of affordable housing;
14 3.1.D Increase capacity for multifamily and mixed-use housing; and
15 3.1.E Include intentional public outreach during implementation of the
16 Comprehensive Plan. [PSRC-12]
17
18 3.2 Acknowledge historic inequities in access to homeownership opportunities for
19 communities of color. [PSRC-11]
20
21 3.3 Seek partnerships with impacted communities to promote equitable housing
22 outcomes and prioritize the needs and solutions expressed by these
23 disproportionately impacted communities for implementation. [PSRC-10, CPP-4,
24 CPP-14, CPP-15]
25
26 3.4 Include a statement in all future Public Participation Plans adopted for actions
27 that implement this Housing Element explaining how the City will reach
28 impacted communities. [PSRC-10, CPP-4, CPP-14, CPP-15]
29
30 3.5 Seek partnerships and dedicated resources to eliminate racial and other
31 disparities in access to housing and neighborhoods of choice. [PSRC-10, CPP-4,
32 CPP-14, CPP-15]
33

34 **Goal 4 – Anti-Displacement**

35
36 Goal: City actions reduce and mitigate displacement risk as regulations change
37 and development occurs.
38

39 **Policies**

- 40
41 4.1 Seek partnerships to develop an affordable housing inventory to catalog the
42 location, quantity, and ownership of income-restricted affordable units and
43 Naturally Occurring Affordable Housing (NOAH). [CPP-14, CPP-15, CPP-17]
44
45 4.2 Evaluate and consider implementing the following tenant protections:
46
47 4.2.A Required advance notice of rent increases;

- 1 4.2.B Relocation assistance; and
- 2 4.2.C Right of first refusal or tenant opportunity to purchase requirements when
- 3 an apartment building is converted to a condominium. [CPP-15, CPP-17]
- 4
- 5 4.3 Evaluate the potential increased risk of displacement that could accompany any
- 6 increase in development capacity concurrent with proposed zoning changes
- 7 affecting a zone where multifamily or mixed-use development is allowed. This
- 8 evaluation should:
- 9
- 10 4.3.A Be paid for by an applicant requesting a rezone and conducted on behalf
- 11 of the City;
- 12 4.3.B Consider economic, physical, and cultural displacement as defined by the
- 13 WA Department of Commerce;
- 14 4.3.C Recommend strategies to reduce or mitigate identified displacement
- 15 risks; and
- 16 4.3.D Be presented to City decision makers prior to making findings,
- 17 recommendations, or decisions. [CPP-15, CPP-17]
- 18
- 19 4.4 Policy or regulatory amendments that affect development capacity in zones
- 20 where multifamily or mixed-use residential development is allowed must be
- 21 accompanied by findings that displacement risk has been adequately reduced
- 22 and/or mitigated. [CPP-15, CPP-17]
- 23

24 **Goal 5 – Residential Regulations**

25

26 Goal: Regulations that affect residential development are balanced so that they

27 safeguard the public health, safety, and welfare.

28

29 **Policies**

- 30
- 31 5.1 Consider reviewing the multifamily development standards to identify potential
 - 32 amendments that would:
 - 33
 - 34 5.1.A Reduce permit review times and costs;
 - 35 5.1.B Simplify requirements,
 - 36 5.1.C Limit design review process to administrative design review and ensure
 - 37 that all design standards are objective and measurable;
 - 38 5.1.D Ensure parking requirements are right sized to adequately balance the
 - 39 need for parking with the per-unit cost of parking and consistent conform
 - 40 with state law and that they do not unnecessarily restrict multifamily
 - 41 housing but rather carefully balance the need for parking and the cost for
 - 42 providing it; [Comment Log #16 and #36]
 - 43 5.1.E Increase affordable housing incentives; and
 - 44 5.1.F Address displacement risk from zoning changes. [PSRC-7, CPP-6]
 - 45
 - 46

- 1 5.2 Identify the regulatory amendments necessary to ~~allow~~encourage duplexes,
2 triplexes, townhomes, and other moderate density housing types in residential
3 zones. [Comment Log #2] [COM-1, PSRC-4]
4
- 5 5.3 Amend residential development standards to ~~allow~~encourage middle housing
6 types and ADUs in residential zones consistent with the state law. [Comment Log
7 #2] [HB 1110, COM-1, PSRC-4, CPP-12]
8
- 9 5.4 Consider amending ADU development standards to add flexibility and expand
10 options for the development of this type of housing to help meet housing needs
11 for moderate to low-income households. [HB 1337, COM-2]
12
- 13 5.5 Consider restructuring existing ADU incentives such as the gross floor area bonus
14 to require affordable housing.
15

16 **Goal 6 – Implementation**

17
18 Goal: The Housing Element is implemented in a timely and efficient manner so
19 that the City’s goals are realized.
20

21 **Policies**

- 22
23 6.1 Establish a Housing Element implementation strategy and schedule in
24 conjunction with each biennial budget cycle. This implementation strategy can
25 be periodically updated and amended by City Council at any time thereafter and
26 should detail the following:
27
- 28 6.1.A Actions from this element to be added to department work plans for the
29 next biennial budget cycle;
 - 30 6.1.B Any funding including grants allocated to support the completion of these
31 actions;
 - 32 6.1.C Any staff resources allocated to support the completion of these actions;
 - 33 6.1.D A schedule detailing the key actions and/or milestones for the completion
34 of each action; and
 - 35 6.1.E A list of near-term future actions expected to be proposed to be added to
36 department work plans in the next three to five years.
37
- 38 6.2 Prepare a biennial report tracking implementation of the Housing Element. The
39 report will be provided to the City Council prior to adoption of the budget.
40
- 41 6.3 Partner with state, regional, and countywide agencies to periodically track the
42 effectiveness of the policies in this element including the GMA required
43 implementation progress report due five years after each Comprehensive Plan
44 periodic review. [CPP-20 and RCW 36.70A.130(9)(a)]
45
- 46 6.4 Provide resources for actions to implement this element and respond to limited
47 resources by using strategies such as:
48

- 1 6.4.A Alternate funding sources;
- 2 6.4.B Public-private partnerships;
- 3 6.4.C Reducing project or program scope to align with current biennial budget
- 4 constraints; and
- 5 6.4.D Amending the policies of the Housing Element to reflect the City's
- 6 capacity to implement the element.
- 7

DRAFT