



Washington State
Department of
Commerce

Housing Element Updates

Laura Hodgson, Senior Planner

GROWTH MANAGEMENT SERVICES

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HOUSING AND
HOMELESSNESS



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SERVICES AND FACILITIES



CRIME VICTIMS AND
PUBLIC SAFETY



ECONOMIC
DEVELOPMENT

Agenda

- New housing element requirements
- Land capacity guidance
- Adequate provisions guidance
- Racially disparate impacts
- Development code revisions
- Resources



Housing element:

Amended by HB 1220 (laws of 2021), RCW 36.70A.070(2)

New GMA housing goal:

- “Plan for and accommodate ~~encourage the availability of affordable housing~~ affordable to all economic segments.”

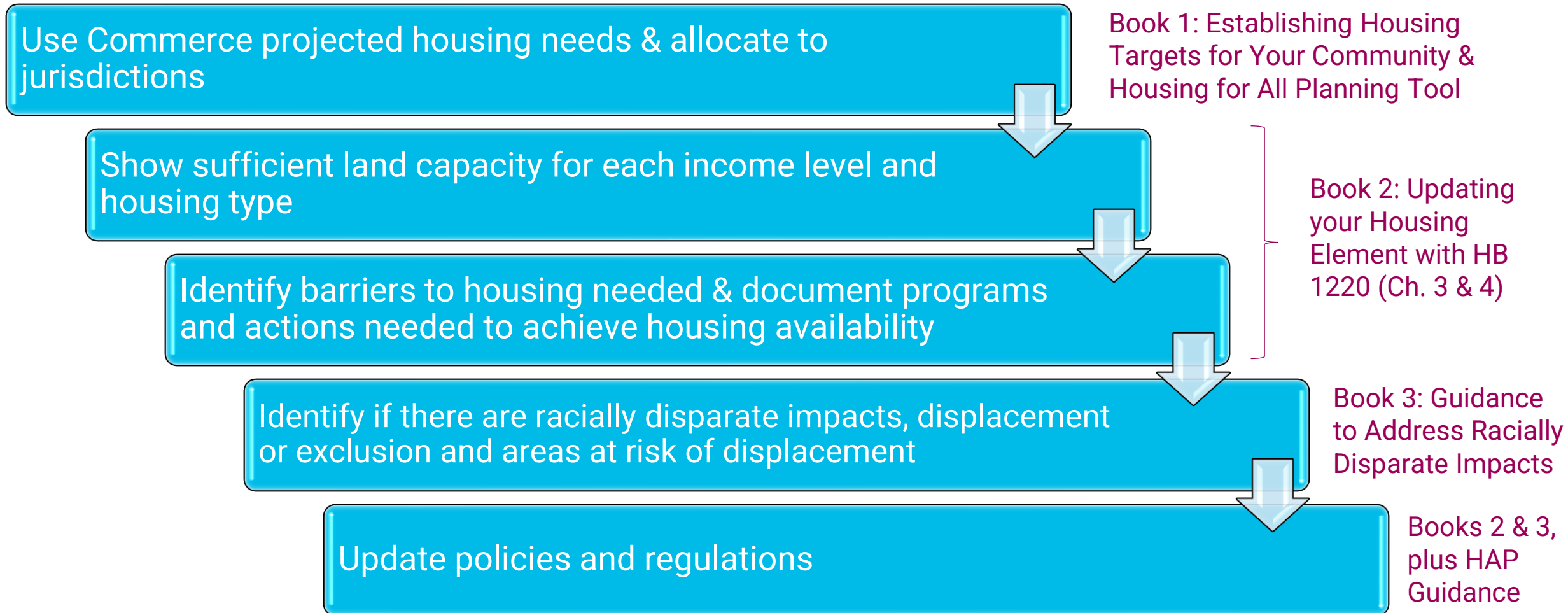
Commerce to provide projected housing need to local governments:

- For moderate, low, very low, and extremely low-income households
- For permanent supportive housing, emergency housing and emergency shelters

Local housing element to:

- Identify local housing needs based on Commerce’s countywide numbers
- Identify sufficient land capacity for all housing needs
- Document barriers to housing availability & actions needed to address needs
- Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and begin to undo them
- Identify areas at risk of displacement and establish anti-displacement policies

Process for updating your housing element



Housing needs as provided in HAPT

Table 1: OFM GMA Population Projections, 2045

Thurston County Projected Population, 2045

| | Low | Medium | High |
|-----------------------------|---------|---------|---------|
| Projected Population (2045) | 345,246 | 389,659 | 431,732 |

Table 2: Projected Countywide Housing Needs Based on User Inputs

Thurston County

Population Target = 389,659

| | Affordability Level (% of Area Median Income) | | | | | | | | Emergency Housing/Shelter Beds |
|------------------------------------|-----------------------------------------------|---------|-------|--------|--------|---------|----------|--------|--------------------------------|
| | Total | 0-30% | | 30-50% | 50-80% | 80-100% | 100-120% | 120%+ | |
| | | Non-PSH | PSH | | | | | | |
| Total Future Housing Needed (2045) | 174,682 | 11,636 | 3,774 | 20,858 | 46,625 | 30,824 | 19,898 | 41,067 | 1,562 |
| Estimated Housing Supply (2020)* | 120,334 | 2,879 | 180 | 12,428 | 38,356 | 26,452 | 15,518 | 24,522 | 626 |
| Net New Housing Needed (2020-2045) | 54,347 | 8,757 | 3,594 | 8,430 | 8,269 | 4,372 | 4,380 | 16,545 | 936 |

* Note: Supply of PSH in 2020 is beds. However, projections of Net New Housing Needed (2020-2045) are in housing units. See Overview tab for details.

Identify sufficient land capacity

RCW 36.70A.070(2)(c): “Identifies sufficient capacity of land for housing including, but not limited to:

- housing for moderate, low, very low, and extremely low-income households, and
- emergency housing, emergency shelters, and permanent supportive housing...

Minimum requirements

- Present a table of allocated housing needs by income level
- Show that there is enough capacity to meet each type of housing need.
- **If there is insufficient capacity for any type of housing need, the jurisdiction must identify and implement zoning changes that provide enough capacity prior to adoption of the comprehensive plan.**

Possible land capacity findings

- Jurisdictions will likely find they don't have enough capacity for lower-income housing needs
 - Result: Need to add land zoned for mid-rise housing types
- Areas that were not planned to be served by infrastructure may need attention in capital facilities plan to support needed capacities
- Cities may also need to update regulations allowing emergency housing and shelters, transitional housing and PSH (**already done!**)

Redmond LCA example

- Zoning as of 2019 has insufficient land capacity to meet total housing unit target (capacity: 16,213; need: 20,000)
 - Currently: 40% of all housing units are in larger structures with 5 to 20 or more units, 41% are detached single family homes of 1 unit, remainder: other housing types like duplexes or mobile homes
 - In the future: Housing serving 0-30% AMI makes up over half of the total 20,000 housing units needed by 2044.
- Will increase capacity in Overlake Center, near transit
- Updates to Chapter 21.57 will eliminate spacing and density limits for emergency housing/shelters in order to show capacity
- “Redmond’s preferred alternative demonstrates that, with significant subsidies, the Redmond preferred alternative has the land capacity to meet these county needs. “

Redmond LCA example

- To achieve sufficient unit production in typologies associated with various AMI levels, the preferred alternative used a variety of zoning strategies.
 - Consolidates all (non-semirural) single family zones (R-1 through R-8) into a new Neighborhood Residential zone which fosters moderate density and middle housing typologies.
 - Consolidates all multifamily zones (R12 through R030) into a new Neighborhood Multifamily zone which will accommodate roughly 30 units/acre.
 - Increases housing capacity in the Downtown and Overlake centers
 - Creates housing capacity in what is currently a “big box” zone.
 - Rezones some portions of the city from single-family zones to multifamily.

Redmond LCA example

Table: Redmond 2050 Planned Housing Unit Growth with Land Use Intensities and Incomes Served

| Intensities | 0 - 50% AMI Housing Units | 51 - 80% AMI Housing Units | 81 - 120% AMI Housing Units | >120% AMI Housing Units | Total Units |
|-------------------------------------------------------------------|------------------------------|-------------------------------|--------------------------------|----------------------------|-------------|
| Low Density | 0 | 0 | 0 | 36 | 36 |
| Moderate Density | 0 | 274 | 0 | 1,094 | 1,368 |
| Low Rise | 2,685 | 1,151 | 0 | 0 | 3,835 |
| Middle Rise | 15,455 | 0 | 0 | 0 | 15,455 |
| High Rise | 0 | 2,256 | 3,159 | 3,610 | 9,025 |
| Redmond Preferred Alternative Total Future Housing: 2050 | 18,140 | 3,680 | 3,140 | 4,740 | 29,700 |
| Extrapolated KC CPP Total Future Housing Needed: 2050 | 18,090 | 3,429 | 920 | 2,361 | 24,800 |

Adequate provisions

(d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:

...


(ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;

Recommended minimum standard:

1. Review housing production trends to determine if a barrier exists (If yes, then proceed to next step)



2. Gather information to determine what kind(s) of barriers exist



3. Identify and document appropriate programs and actions to overcome each barrier identified

“Documenting programs and actions”

Gather information to determine what kinds of barriers exist

Exhibit 7: Moderate Density Housing Barrier Review Checklist

| Barrier | Is this barrier likely to affect housing production? (yes or no) | Why or why not? Provide evidence. | Actions needed to address barrier. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------|------------------------------------|
| Development Regulations | | | |
| Unclear development regulations | | | |
| Prohibiting some moderate density housing types, such as: | | | |
| <ul style="list-style-type: none">• Duplexes• Triplexes• Four/five/six-plexes• Townhomes• Cottage housing• Live-work units• Manufactured home parks | | | |
| High minimum lot sizes | | | |
| Low maximum densities or low maximum FAR | | | |
| Low maximum building heights | | | |

Determine actions to address barriers to housing

Redmond adequate provision example

- Housing Element and HAP document programs and actions needed to meet housing goals, including barriers remediating actions.
- Redmond's HAP, details many of the actions necessary to meet the housing unit need.
- The two biggest barriers to meeting housing need:
 - Regulatory zoning limitations →
 - Address with coordinated land use and zoning changes to increase capacity
 - Streamline permitting, reduce parking requirements, revise design standards, etc.
 - Revising mandatory IZ and voluntary MFTE for units at deeper affordability levels
 - Funding limitations → local levies is an option, but also advocacy for more regional, state and federal funds
- In addition to barriers discussion, Technical Appendix discusses other parts of “adequate provisions”

Address racially disparate impacts (RDI)



Step 1 and throughout
Engage the Community



Step 2
Gather and
Analyze
Data



Step 3
Evaluate
Policies



Step 4
Revise Policies



Step 5
Review and
Update
Regulations



Sampling of strategies

Increase affordable housing production

- Generate revenue for affordable housing
 - Property tax levy
 - REET 1 or 2
 - Sales and use tax
- Increase affordable housing production
 - Affordable housing incentives
 - Rezoning
 - MFTE
 - Impact fee waivers

Preserve existing affordable housing

- Mobile home park preservation or conversion to cooperative
- Support community land trusts
- Retain affordability over time
- Notice of intent to sell ordinance
- Regulate short-term rentals

Protect existing households

- Homeownership programs
 - Support financial assistance
 - Support home repair programs
 - Fee waivers for water or sewer connection
- Rental assistance
- Tenant protections
 - Right to return policy
 - Deferral of property tax
 - Relocation assistance

Ensure the benefits of investment and development are equitably distributed

- Community benefit agreements
- Support community led investments
- Monitor for equitable outcomes

RDI example: Enumclaw

- Evaluation shows indicators of exclusion, disparate impacts in housing and displacement risk
- Likely primary factors contributing to inequality:
 - Regional & systemic root causes
 - Zoning & housing policies
 - Limited transit service

Table 4-1. Local Policies and Regulations that May Contribute to Disparate Impacts, Exclusion, Segregation, or Displacement

| Goal, Policy, or Regulation | Text | Possible Impact | Reason |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Goal LU-5 Policy 5.4 | Allow placement of manufactured homes in existing manufactured home parks or in residential zones that have residential design standards in place to preserve neighborhood character. | Exclusion | Excludes manufactured homes in SFR areas because they are not likely to meet design standards. Manufactured homes are more affordable than stick-built homes, so this policy may exclude households with lower incomes. |
| Goal LU-6: | Encourage the development of upper-middle-income residential neighborhoods that appeal to a variety of age groups. | Exclusion, Displacement | Excludes based on income and may contribute to displacement as affordable housing is replaced with upper-middle-income housing (gentrification). |
| Goal T-4 Policy 4.11 | Develop standards for private streets in subdivisions that will allow gated communities in areas that are not necessary for the future connectivity and continuation of the City's street grid. | Exclusion | Encourages gated communities. Gated communities exclude lower-income residents, thus increasing inequality at the local level (Vesselinov 2008; Traub 2000). |
| Goal ED-3 | Encourage or attract upper-middle-income residential development. | Exclusion, Displacement | Excludes lower-income households and may contribute to displacement as affordable housing is replaced with housing for upper-middle incomes. |

RDI example: Enumclaw

- **Policy recommendations:**
 - Local policies and regulations that may be contributing to disparate impacts and exclusion are related to zoning, **including single-family residential zoning with large minimum lot sizes and zoning that limits more affordable housing types** (duplexes, triplexes) to a few areas.
 - Many of these **impacts can be mitigated by inclusionary zoning measures** that allow a wider variety of housing types throughout the city and increase the availability of affordable housing.
 - **Increasing the availability of affordable housing choices also mitigates** displacement risk of cost-burdened households.

Update development codes...


- Checklist for 2023 housing laws coming; see Comp Plan update checklist for housing laws prior to 2022
- Zoning
 - **Allow two ADUs on all lots that allow SF homes in UGAs**
 - **Where applicable, regulations must allow middle housing**
 - Zoning code – allow density increase for:
 - New residential units in existing building in multifamily zones
 - Affordable housing on property owned or controlled by religious org
 - Developing regulations remove restrictions on developing residential units in existing buildings (HB 1042)
 - Code standards for covenants and declarations comply with HB 1110 and HB 1337

Update development codes...

- **Parking**
 - Parking regulations for middle housing and ADUs
- **Subdivision code**
 - Development regulations allow unit lot short subdivisions (HB 5258)
- **Impact fees**
 - Reduced impact fees for ADUs (no more than 50% of primary unit)
 - Impact fees must be proportional to the impact of the unit
- **Other**
 - Design standards must be clear and objective
 - For middle housing, may only be subject to administrative review
 - For ADUs, may not be more restrictive than principal unit

Resources from Commerce

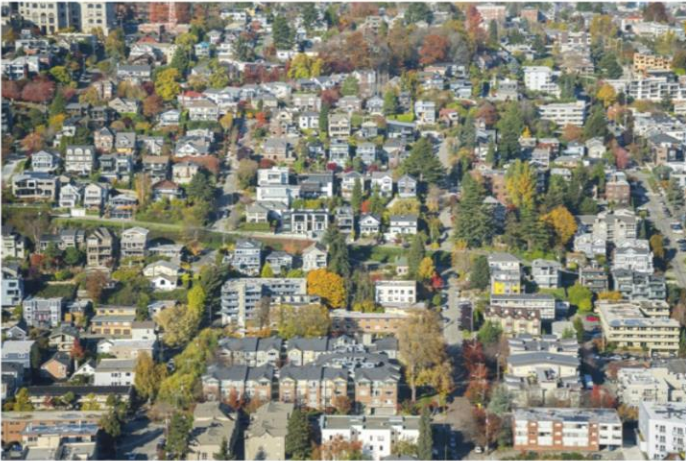
- **Commerce's main Housing webpage**
www.commerce.wa.gov/planning-for-housing
- **Updating your Housing Element webpage**
www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/
- **Periodic Update webpage**
www.commerce.wa.gov/serving-communities/growth-management/periodic-update/
- **Staff Support**
 - Laura Hodgson,
laura.hodgson@commerce.wa.gov



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Updating GMA Housing Elements

Growth Management Act housing element updates and requirements created by HB 1220 are presented below.



Quick Links

- Growth Management
- Governor's Smart Communities Awards Program
- Collaborative Roadmap Phase III
- Climate Program
- GMA Laws and Rules
- GMA Periodic Update
- Growth Management Grants
- Growth Management Topics
- Guidebooks and Resources
- Civilian-Military Compatibility
- Defense Community Compatibility
- Regional Planners' Forums
- Short Course on Local Planning
- Submitting Materials to the State for Review

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Planning for Housing in Washington State

In 2021, the Washington Legislature changed the way communities are required to plan for housing. [House Bill 1220 \(HB 1220\)](#) amended the Growth Management Act (GMA) to instruct local governments to "plan and accommodate" for housing affordable to all income levels. This significantly strengthens the previous goal, which was to encourage affordable housing.

The [2021 housing laws document](#) has more information on the requirements of HB 1220.

Questions?

Laura Hodgson

SENIOR PLANNER

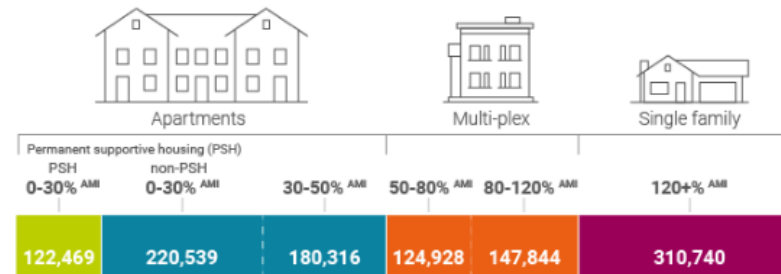
Laura.Hodgson@commerce.wa.gov

360-764-3143

Updating GMA Housing Elements

This webpage contains guidance on planning for housing under the Growth Management Act (GMA), including the new requirements established by House Bill 1220 (2021).

Future housing needs broken down by area median income (AMI) groups



1.1 Million new homes will be needed in the next 20 years

In addition, there will also need to be:

91,357 Emergency housing beds (temporary housing)

Quick Links

- ⊕ Growth Management
- ⊕ Governor's Smart Communities Awards
- ⊕ Climate Program
- ⊕ Planning for Housing
- ⊕ Laws and Rules - Growth Management Act
- ⊕ Periodic Updates - Growth Management Act
- ⊕ Growth Management Grants
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- ⊕ Guidebooks and Resources
- ⊕ Civilian-Military Compatibility
- ⊕ Defense Community Compatibility
- ⊕ Integrated Stormwater and Watershed Planning
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