Attachment B

Housing Element Review for the City of Tumwater's 2025 Comprehensive Plan Update

Balancing Nature and Community: Tumwater's Path to Sustainable Growth



General Government Committee, September 13, 2023

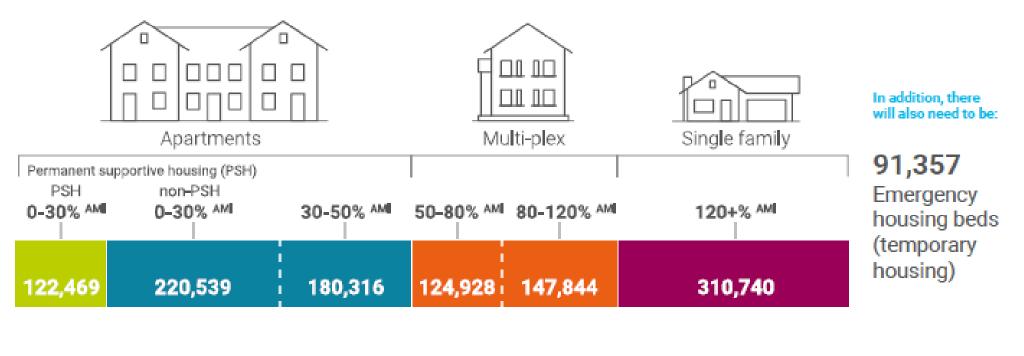
Intent

- Discuss Growth Management Act Housing Goal and requirements
- Present the current version of the Housing Element
- Consider specific issues for the Housing Element
- Consider how to incorporate diversity, equity, and inclusion throughout
- Discuss state guidance materials





According to the State Department of Commerce, statewide 1.1 million new homes will be needed in the next 20 years





State Department of Commerce

December 2022 State Housing Survey

The December 2022 Puget Sound Regional Council and State Department of Commerce Housing Survey noted:

- 83% of the respondents said more reasonably priced housing was needed in their communities
- 78% said they wanted more housing options for people in their communities
- Housing costs were a top issue for four times as many respondents (39%), compared to traffic and transportation (8%)



December 2022 State Housing Survey

Other responses from survey respondents included:

- 77% said rents were too high
- 75% said it cost too much to buy a home
- 49% found it difficult or very difficult to find affordable housing that met their needs
- 74% experienced one or more difficulties finding or affording housing
- 76% were directly impacted or knew someone affected by housing costs and availability
- 8% experienced threats of eviction or foreclosure
- 7% experienced discrimination in housing



December 2022 State Housing Survey

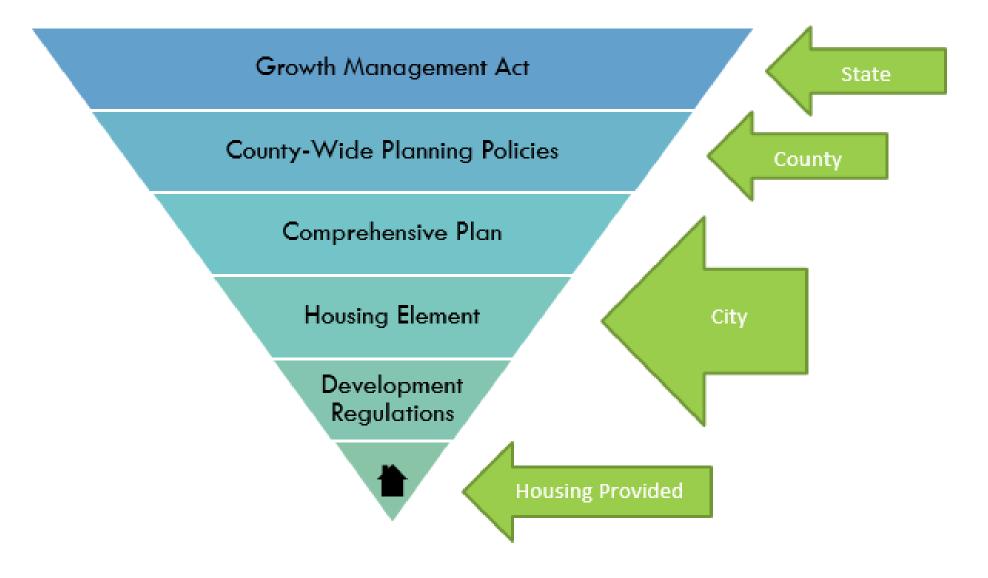
Other responses from survey respondents included:

- 14% had been forced to move due to costs, eviction, or foreclosure
- 64% said government agencies should do more to provide housing not being delivered by the market
- 80% said that more housing, if done well, was likely to make their community better
- 58% agreed that middle housing, such as triplexes, should be allowed in single-family zones if they meet all of the standards of the zone



• 66% said their community needed more diverse and affordable types of housing

How the Requirements are Related

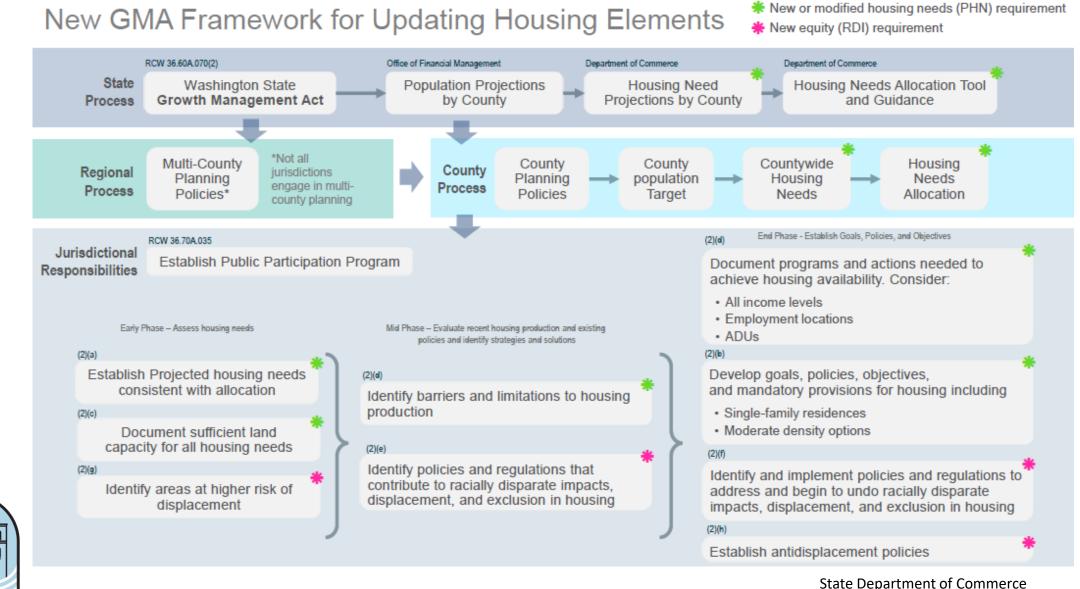




Growth Management Act – Housing Goal

 Housing. Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

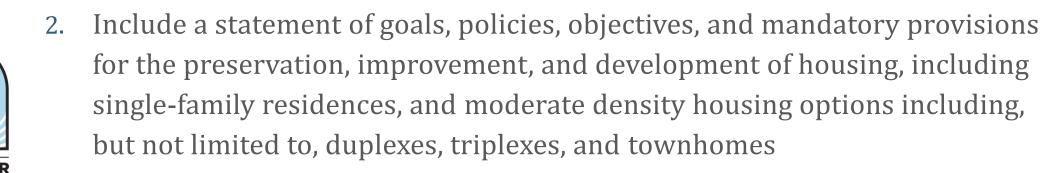




State Requirements for the Housing Element

Housing Element will need to address the following state Growth Management Act requirements to ensure the vitality and character of established residential neighborhoods

- 1. Include an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, including:
 - a. Units for moderate, low, very low, and extremely low-income households
 - b. Emergency housing, emergency shelters, and permanent supportive housing



General Requirements for the Housing Element

- 3. Identify sufficient capacity of land for housing including, but not limited to the following:
 - a. Government-assisted housing
 - b. Housing for moderate, low, very low, and extremely low-income households
 - c. Manufactured housing
 - d. Multifamily housing
 - e. Group homes and foster care facilities
 - f. Emergency housing, emergency shelters, and permanent supportive housing
 - g. Consideration of duplexes, triplexes, and townhomes



General Requirements for the Housing Element

- 4. Make adequate provisions for existing and projected needs of all economic segments of the community, including:
 - a. Incorporating consideration for low, very low, extremely low, and moderateincome households
 - b. Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations
 - c. Consideration of housing locations in relation to employment location
 - d. Consideration of the role of accessory dwelling units in meeting housing needs



General Requirements for the Housing Element

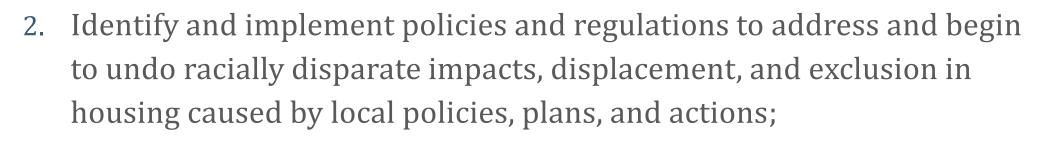
5. In addition to the state requirements in WAC 365-196-410, the City will need to address new state legislation regarding accessory dwelling units and conversion of existing commercial or office uses to residential uses



Racially Disparate Impact Requirements

As part of the review and update of the Housing Element, the City is required to:

- 1. Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:
 - a. Zoning that may have a discriminatory effect;
 - b. Disinvestment; and
 - c. Infrastructure availability;





Racially Disparate Impact Requirements

- Identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and
- 4. Establish antidisplacement policies, with consideration given to the following:
 - Preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing
 - Equitable development initiatives
 - Inclusionary zoning
 - Community planning requirements
 - Tenant protections
 - Land disposition policies
 - Land that may be used for affordable housing



Housing Element Update Process



Engage the Community

State Department of Commerce

Step 2 Gather and Analyze Data

Step 3 Evaluate Policies

Step 4 Revise Policies Review and Update Regulations

SEPA Review for the Housing

The adoption of required nonproject actions taken that increase housing capacity, increase housing affordability, and mitigate displacement that apply outside of critical areas are not subject to administrative or judicial appeal under SEPA unless the adoption of the nonproject actions has a probable significant adverse impact on fish habitat



County-Wide Planning Policies

I. GENERAL POLICIES

1.10 Meet basic human needs of clean water and air, healthy food, adequate housing, quality education, public safety, and equal access, regardless of socio-economic status

VIII. AFFORDABLE HOUSING

- 8.1 Increase housing choices to support all ranges of lifestyles, household incomes, abilities, and ages. Encourage a range of housing types and costs that are commensurate with the employment base and income levels of jurisdictions' populations, particularly for low, moderate and fixed income families
- 8.2 Accommodate low and moderate income housing throughout each jurisdiction rather than isolated in certain areas
- 8.3 Explore ways to reduce the costs of housing



County-Wide Planning Policies

VIII. AFFORDABLE HOUSING

- [...]
- 8.4 Establish and maintain a process to accomplish a fair share distribution of affordable housing among the jurisdictions
- 8.5 Work with the private sector, Housing Authority, neighborhood groups, and other affected citizens, to facilitate the development of attractive, quality, low and moderate income housing that is compatible with the surrounding neighborhood and located within easy access to public transportation, commercial areas and employment centers
- 8.6 Regularly examine and modify policies that pose barriers to affordable housing
- 8.7 When possible, provide assistance in obtaining funding and/or technical assistance for the expansion or establishment of low cost affordable housing for low, moderate and fixed income individuals and families



Sustainable Thurston Goals

- H-1: Improve regulatory clarity and predictability to encourage urban infill and redevelopment
- H-2: Increase housing amid urban corridors and centers to meet the needs of a changing population
- H-3: Provide sufficient housing for low and moderate income households within each jurisdiction



Sustainable Thurston Goals

- H-4: Maximize opportunity to redevelop land in priority areas by investing in infrastructure and environmental remediation
- H-5: Provide sufficient service enriched housing for homeless and highrisk populations
- H-6: Encourage housing density and diversity in neighborhoods to add vibrancy and increase equitable access to opportunity
- H-7: Encourage the construction, weatherization, and operation of homes to boost energy efficiency



Housing Action Plan

- The City Council adopted the Tumwater Housing Action Plan in 2021
- The Plan is intended to inform the City's Comprehensive Plan policies and development regulations and to guide implementation strategies to help the City meet its housing needs and strategic objectives
- The Housing Action Plan will be used to support the update of the Housing Element and development regulations



Housing Action Plan HOUSING NEEDS **Comprehensive Plan** Informs Housing Element goals & policies **Capital Facilities Element** Land Use Element Housing **Action Plan** Implementation Guides **Strategies Development regulations** Infrastructure spending priorities Strategies should encourage Permitting processes Fee structures housing development that Housing programs meets housing needs.

State Department of Commerce and BERK



Purpose of the Housing Element

Housing Element – Studies the existing housing stock and explores methods of providing sufficient affordable housing for all economic segments



- 1. Introduction
 - 1.1 Introduction, including Table of Foundational Plans and Data
 - 1.2 Growth Management Act Goals Compliance
 - 1.3 County-Wide Planning Policy Compliance
 - 1.4 Sustainable Thurston Goals
 - 1.4.1 Priority Goals
 - 1.4.2 Community Goals
 - 1.4.3 Housing Goals
 - 1.5 Affordable Housing Definition
 - 1.6 Ongoing Review Program
 - 1.7 Amendments



- 2. Existing Housing Distribution
 - 2.1 Introduction
 - 2.2 Housing Pattern
 - 2.3 Housing Trends and Projections
- 3. Existing Housing Investment Profile
 - 3.1 Introduction
 - 3.2 Federal and State Housing Financing Programs
 - 3.3 Local Financing
 - 3.4 Conclusion



- 4. Affordable Housing Needs
 - 4.1 Introduction
 - 4.2 Emergency Shelters and Transitional Housing
 - 4.3 Private Subsidized Housing
 - 4.4 Publicly Subsidized Housing
 - 4.5 Low and Moderate Income Definitions
 - 4.6 Housing Needs Gaps and Coordination Points
 - 4.7 Homelessness
 - 4.8 Conclusion



- 5. Housing Goals, Policies, and Actions
 - 5.1 Housing Goals, Policies, and Actions
- 6 Regulatory Barrier Assessment
 - 6.1 Introduction
 - 6.2 Community Perceptions
 - 6.3 Growth Management
 - 6.4 Permitting
 - 6.5 Infrastructure
 - 6.6 Zoning Code
 - 6.7 Building Code
 - 6.8 Conclusion



- 7. Citywide Housing Needs
 - 7.1 Introduction
 - 7.2 Housing Needs
 - 7.3 Conclusion
- 8. Sufficient Land for Housing
 - 8.1 Introduction
 - 8.2 Identification of Expected Population
 - 8.3 Identification of Sufficient Land for Housing
 - 8.4 Sufficient Land for Specific Housing Needs
 - 8.4.1 Government Assisted Housing
 - 8.4.2 Housing for Low Income People
 - 8.4.3 Manufactured Housing
 - 8.4.4 Multi-Family Housing
 - 8.4.5 Group and Foster Care Homes



- 8.5 Vacancy Rates
- 8.6 Conclusion
- 9. Existing and Future Housing Provisions
 - 9.1 Introduction
 - 9.2 Protection of Existing Housing Stock
 - 9.3 Low and Moderate Income Provisions
 - 9.4 Regulatory Barriers to Affordable Housing
 - 9.5 Sufficient Land for 20 Years of Housing
 - 9.6 Employment
 - 9.6.1 Thurston County Employment Base
 - 9.7 Unemployment
 - 9.8 Conclusion



Current Housing Element

Link to current Housing Element:

<u>https://www.ci.tumwater.wa.us/departments/community-</u> <u>development-department/tumwater-comprehensive-plan</u>



Commerce Housing Guidance Materials

- Periodic Update Checklist for Fully-Planning Cities (March 2023)
- Guidance to Address Racially Disparate Impacts (April 2023)
- Establishing Housing Targets for Your Community (July 2023)
- Guidance for Updating Your Housing Element (2022)
- Missing Middle
 - Frequently Asked Questions about Middle Housing (May 2023)
 - Middle Housing in Washington: Fact Sheet for Implementing E2SHB 1110 (May 2023)



Commerce Housing Guidance Materials



GROWTH MANAGEMENT SERVICES

Middle Housing in Washington:

May 2023 Fact Sheet for Implementing E2SHB 1110

In 2023, the Washington State Legislature passed E2SHB 1110, which substantially changes the way many cities in Washington are to plan for housing. The bill requires cities of certain sizes and locations to allow multiple dwelling units per lot in a middle housing type of form.

What is middle housing? "Middle housing" is defined in the bill as "buildings that are compatible in scale, form, and character with sir

duplexes, triplexes, f cottage housing."

What are cities requ each of the population the requirements of Which cities are regu allow middle housin

any population size growth area that incl currently subject to t best understanding

When does a local go to implement the bill RCW 36.70A.130. Cit counties) have the ea which means that the

Additional cities may threshold using OFM their population mig within 12 months aft

1 E2SHB 1110, Section 1 estimate." https://ofm.v 7 If your city is listed or a * F2SHR 1110 Section ESSHB 1110 MIDDLE

V3.1



Guidance for Updating Your Housing Element Public Review Draft To meet evolving community needs



Establishing Housing Targets for your Community County-level considerations for housing planning

Commerce

Department of Commerce

Periodic Update Checklist for Fully-Planning Cities

Overview: This checklist is intended to help cities that are fully planning under the Growth Management Act (GMA) conduct the "periodic review and update" of comprehensive plans and development regulations required by RCW 36.70A.130 (4). This checklist identifies components of comprehensive plans and development regulations that may need updating to reflect the latest local conditions or to comply with GMA changes since the last periodic update cycle (2015-2018).



Statutory changes adopted since 2015 are emphasized in highlighted text to help identify new GMA requirements that may not have been addressed during the last update or through other amendments outside of the required periodic update



Please refer to the following Commerce housing ments and Planning for Housing.

odic update resources including checklists, guidebooks

ions will be available prior to their 2026-2027 updates. A

quired to complete their update in 2024 now have until to complete their updates in 2025-2027 are still required new criteria will be required to submit an

participation in planning efforts with local and regional

nts to begin providing separated organic material als collected and delivered to composting and other

nodifying urban growth areas.

Citv

Phase I – Community Engagement

Summer 2023 – Fall 2023

- <u>Community Outreach</u> Initial Actions
- <u>Gap Analysis</u> To be completed September 2023
- <u>Data Collection</u> To be completed Spring 2024
- <u>Format of the Updated Plan</u> To be completed September 2023



Phase I – Gap Analysis

The Gap Analysis will use the following materials to review the Land Use Element:

- 1. Commerce Periodic Update Checklist
- 2. Ecology Critical Areas Checklist
- 3. Commerce Periodic Update Materials
- 4. 2022-23 State Legislation
- 5. Plans Adopted by the City since 2016
- 6. Specific Plans from Agencies Outside the City



Phase I – Gap Analysis

The Gap Analysis will identify what needs to be updated or added to the following in the Land Use Element:

- 1. Goals, policies, and actions
- 2. Technical information
- 3. Maps
- 4. Appendices
- 5. Subarea Plans



Phase I – Initial Element Review Work Sessions

1. <u>Housing Element</u>

- Planning Commission August 22, 2023 and September 26, 2023
- Laura Hodgson, Senior Planner at the State Department of Commerce with a focus on GMA housing related issues, will be attending the September 26, 2023 work session
- General Government Committee September 13, 2023



Phase II – Plan Development

Winter 2024 – Fall 2024

- Community Outreach
- Actions to be determined based on Phase 1 results and Community Outreach Plan
- Schedule
- Continuing Community Outreach January 2024 June 2024
- Commerce review proposed Plan format March 2024
- Comprehensive Plan Individual Element Development Meetings January 2024 October 2024

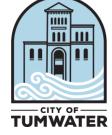


• Development Code Amendment Meetings – March 2024 – October 2024

Phase III – Legislative Process

Fall 2024 – June 30, 2025

- Commerce Review Fall 2024 Winter 2025
- Prepare Ordinance October 2024
- SEPA Review and Commerce Notice of Intent November 2024 December 2024
- Public Adoption Meetings
 - Planning Commission November 2024 February 2025
- City Council March 2025 June 2025



• Notice of Adoption – June 30, 2025

Next Steps

- October 11, 2023 Briefing on 2025 Development Code Update
- October 24, 2023 City Council Work Session on Comprehensive Plan Update



Comments and Contact information

Written comments are welcome at any time during the periodic update process and staff will address and publish all formal comments

City of Tumwater Contact:

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- The periodic update email is <u>compplan@ci.tumwater.wa.us</u>
- All documents related to the periodic update will be located on the <u>City's periodic update webpage</u>

