

New Requirements for Local Housing Planning

Updating your housing element

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CITY OF LAKEWOOD PLANNING COMMISSION MEETING - 10/5/2022



Washington State
Department of
Commerce

We strengthen communities



HOUSING
HOMELESSNESS



INFRASTRUCTURE AND
BROADBAND



SMALL BUSINESS
ASSISTANCE



ENERGY



PLANNING AND TECH
ASSISTANCE



COMMUNITY
SERVICES AND FACILITIES



CRIME VICTIMS AND
PUBLIC SAFETY



ECONOMIC
DEVELOPMENT

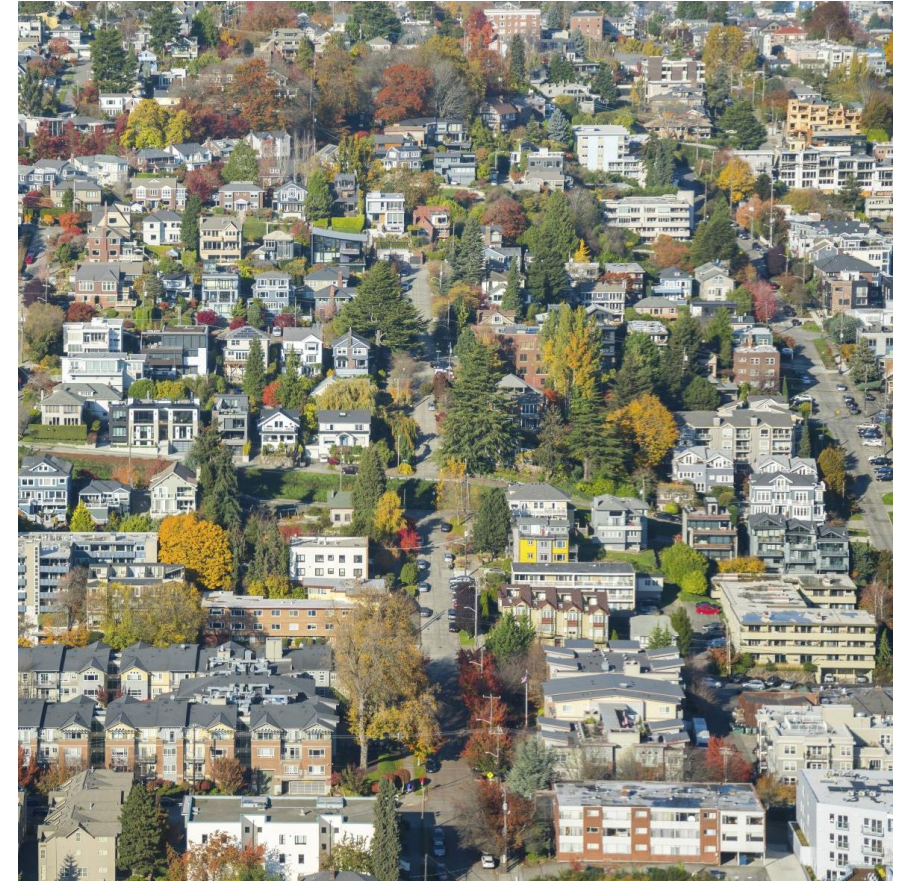
Why does the Growth Management Act exist?

The GMA was adopted in 1990 as a statewide planning framework to:

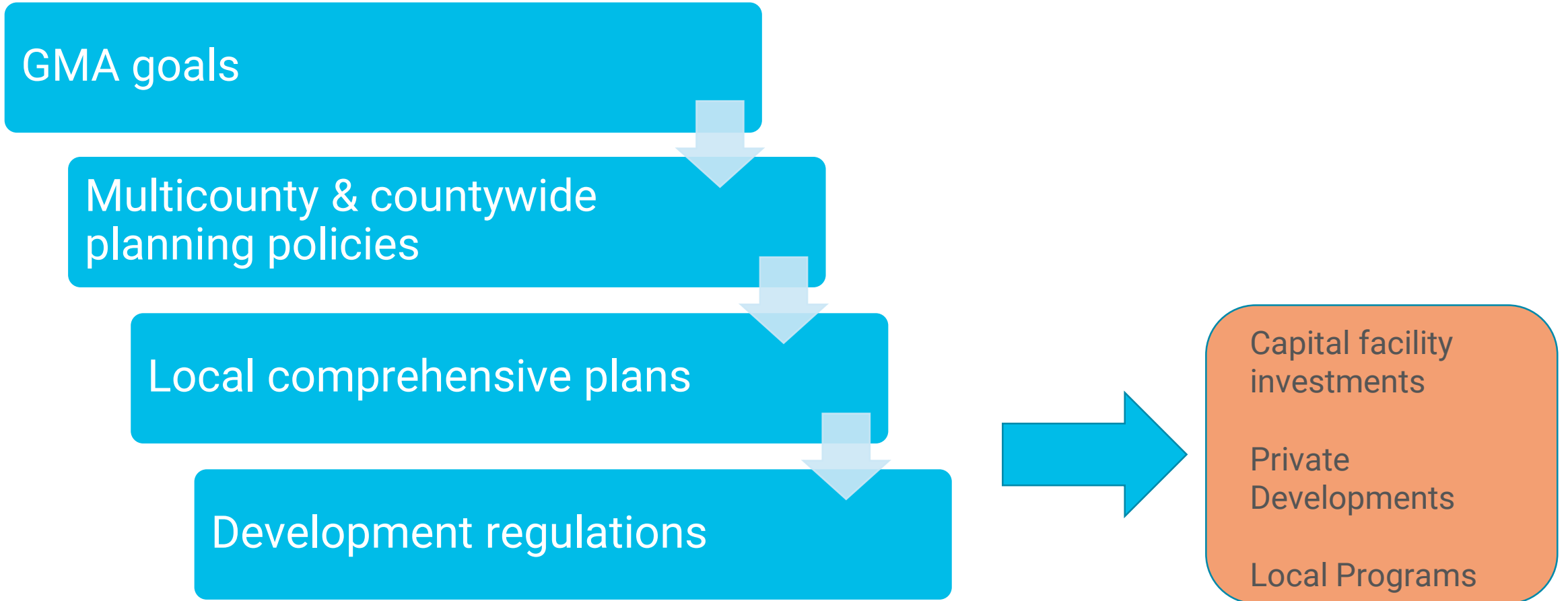
- Address uncoordinated development and urban sprawl
- Manage threats to the quality of life in Washington
- Require local planning, guided by state law, and regionally coordinated

State law: **RCW 36.70A**

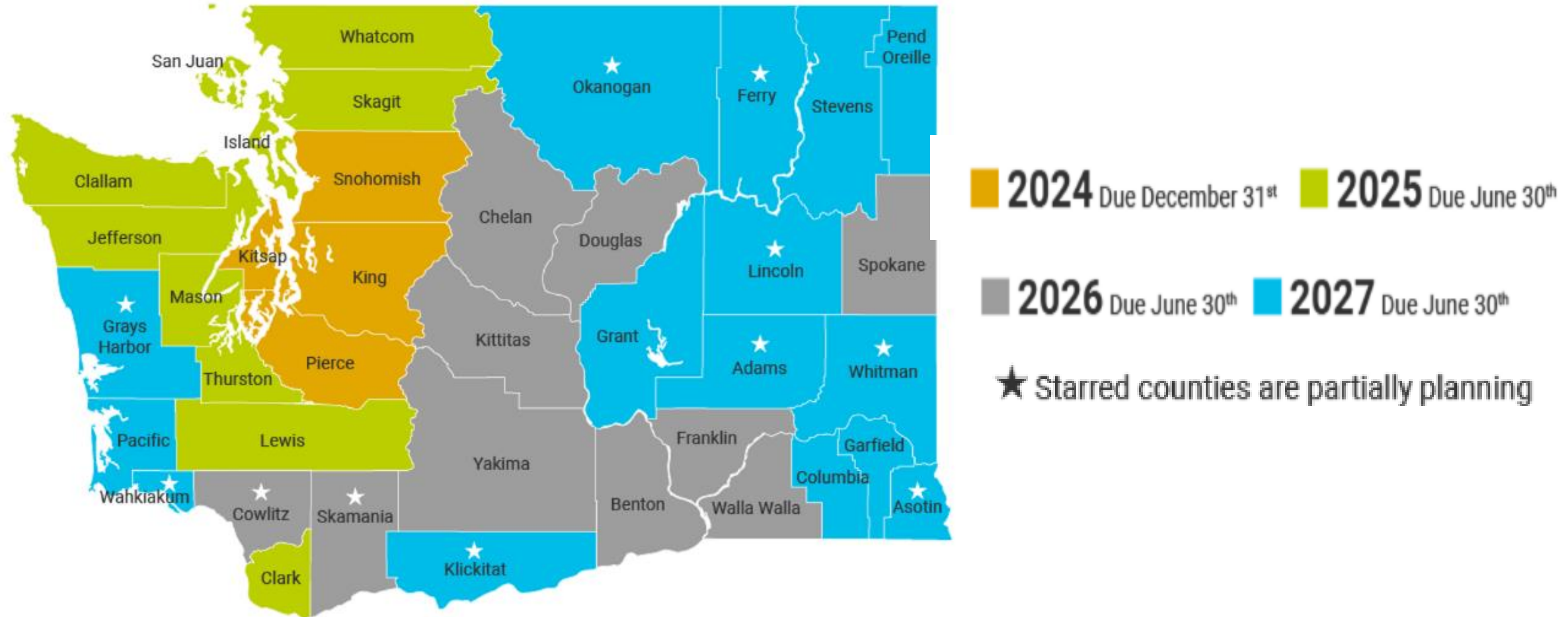
Guidance statutes: **WAC 365-196**



Growth Management Act (GMA) framework for planning



Growth Management Act (GMA) requires that comprehensive plans and development regulations be updated every 10 years



Required elements of a GMA comprehensive plan

Land Use: Land uses, stormwater planning, ground water, physical activity

Transportation: Inventory, assessment of current and future needs, bicycle and pedestrian component

Housing: Inventory of existing housing and projected needs; identifies sufficient land for all income levels and a variety of housing types

Utilities: Inventory, assessment of current and future needs, coordination between providers and land development

Capital Facilities: Inventory, assessment of current and future needs, coordination of planning affordability analysis of serving the land use plan

Rural (counties only): Define and protect rural character
RCW 36.70A.070 and WAC 365-196



Need for more robust housing planning

- From 2000-2015, Washington state fell over 225,000 homes short of meeting its housing needs*
- Shortage of housing is not unique; Oregon and California have taken recent steps to better plan for housing needs
- Disparities in housing in Washington:
 - Rates of cost-burden highest in communities of color (BIPOC)
 - The homeownership rate for households with people of color in Washington is 19 percentage points below that of non-Hispanic white households**
- In 2021, Washington adopted HB 1220 to direct communities to strengthen how they accommodate housing

*Source: UpForGrowth, 2020 **Source: Washington State Homeownership Disparities Work Group Report, 2022

HB 1220 (laws of 2021):
Changed RCW 36.70A.070 (2) The Housing Element

Changed GMA housing goal:

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

Requires 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 (referred to as special housing needs)

HB 1220:

Changed RCW 36.70A.070 (2): The Housing Element

Local housing element to:

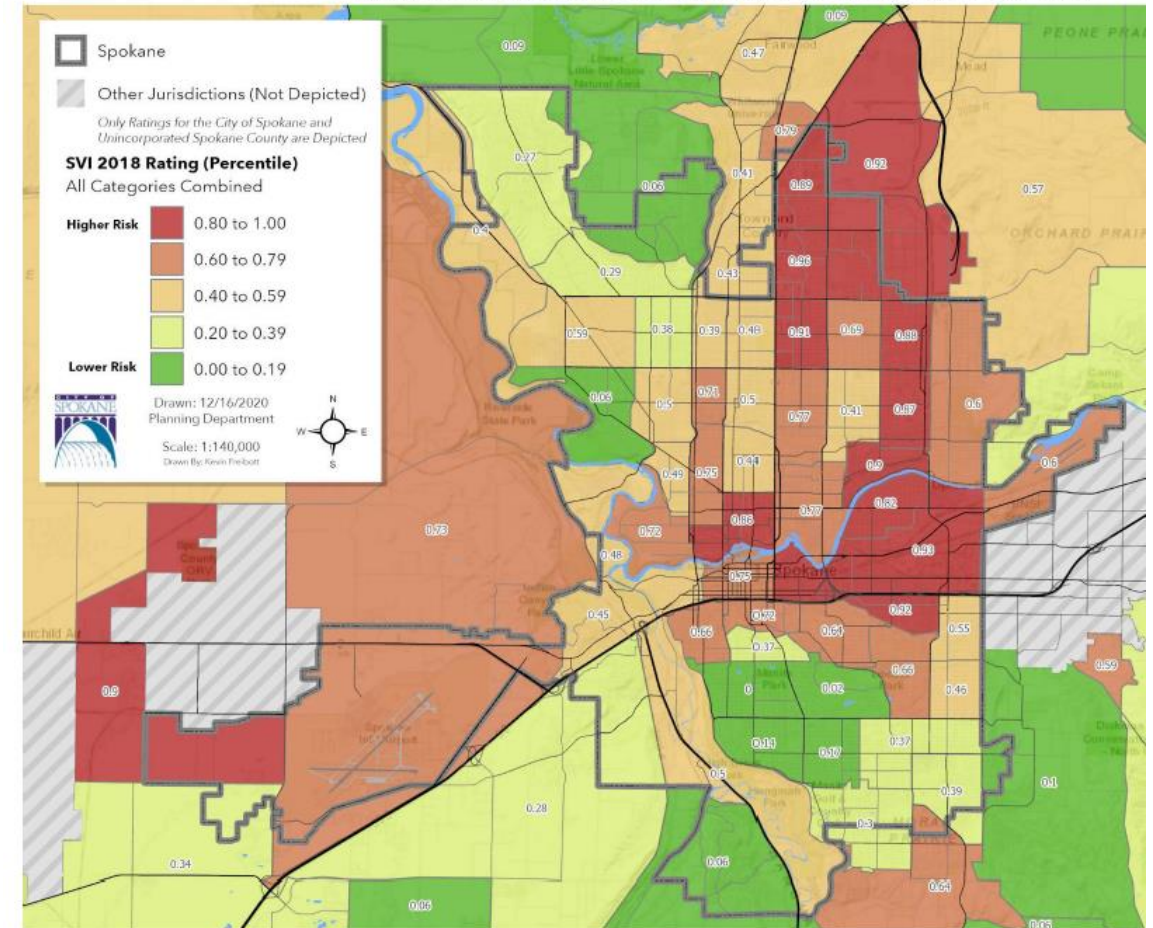
- Identify sufficient capacity of land for identified housing needs, including the number of units and types provided by Commerce
- Within urban growth areas (UGAs), provide moderate density housing options (such as townhomes, duplexes, and triplexes)
- Document barriers to housing availability, such as gaps in local funding, development regulations, etc.
- Make adequate provisions for housing needs for all economic segments, with consideration for:
 - Low, very low, extremely low, and moderate-income households
 - Housing locations in relation to employment locations
 - Role of accessory dwelling units (ADUs)

HB 1220: More changes...

Disparate impacts, displacement and exclusion

- Identify local policies and regulations (including zoning, disinvestment, and infrastructure availability) that result in racially disparate impacts, displacement, and exclusion in housing
- Begin to undo these impacts through policies and regulations
- Identify areas at higher risk of displacement and establish anti-displacement policies

Figure 5: Overall SVI Value, Combined Value for All Categories by Tract



Commerce has projected housing needs

1 million more homes needed statewide over next 20 years



King County

Population Target = 2,872,263

Affordability Level (% of Area Median Income)

	Total	0-30%		100-120%+					Emergency Housing/Shelter Beds
		Non-PSH	PSH	30-50%	50-80%	80-100%	120%	120%+	
Total Future Housing Needed (2044 (PSRC))	1,290,335	148,049	54,994	141,771	179,082	197,191	137,488	464,364	65,657
Baseline Housing Supply (2020)	960,951	32,115	6,266	91,505	155,214	181,009	119,133	375,709	8,330
Net New Housing Needed (2020-2044 (PSRC))	329,384	83,330	48,728	50,266	23,867	16,182	18,355	88,656	57,327

*PSH = permanent supportive housing

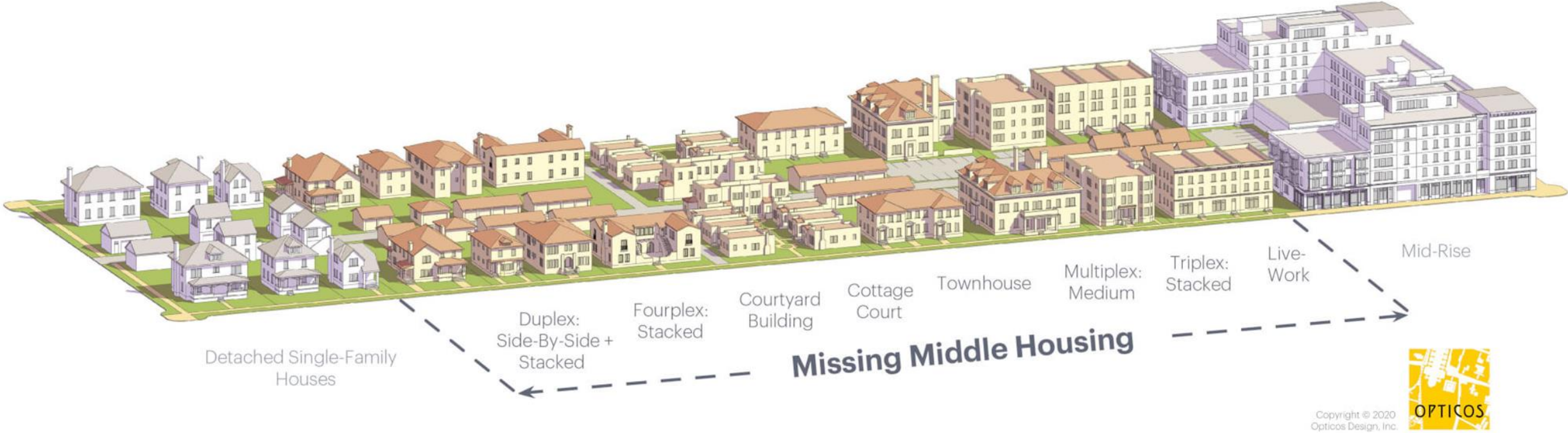
King County Area in 2021

- Area Median Household Income: \$110,556
- 30% = approximate \$33,167
- 50% = approximate \$55,225
- 80% = approximate \$88,445
- More and different types of housing will be needed.
- Housing for people with incomes below 50% AMI may only be possible with subsidies (from governments or non-profits).
 - City's role is to allow or encourage it, not necessarily to build it.
- Some types of market-rate housing may be able to serve households with incomes at moderate and higher incomes.

What housing options to consider?

- Mixed use areas with mix of multi-unit housing & commercial
- Opportunities for people with special needs (disabled, seniors, veterans, etc.)
- Opportunities for people with lower incomes
- ADUs (attached & detached)
- Small-scale “middle housing” mixed in with detached houses
- Other traditional & innovative ideas

So what is middle housing?



. . . and why is it sometimes called “missing”?

Local governments will allocate & plan for housing

Allocate countywide housing needs by income bracket

- Commerce will provide allocation tool and countywide housing needs
- Counties & cities should agree on housing needs allocation that sums to total countywide need

Plan for housing needs

- Review and update policies
- Review zoning assumptions and identify land capacity
- Make adjustments to zoning & any other regulations to have sufficient capacity for housing needs
- Review other regulations, fee structures, incentives, etc. which influence housing & identify actions to address barriers
- Authorize and use available local funding tools

2022

Joint Housing Opinion Survey



Puget Sound Regional Council



Washington State
Department of
Commerce

Housing costs and homelessness are the top two issues throughout Washington state

4,329 people surveyed across 12 counties in English, Chinese, Spanish, and Vietnamese

[Link to full survey report](#)



77% say rents are too high

75% say it costs too much to buy a home

83% say more reasonably priced housing is needed in their communities



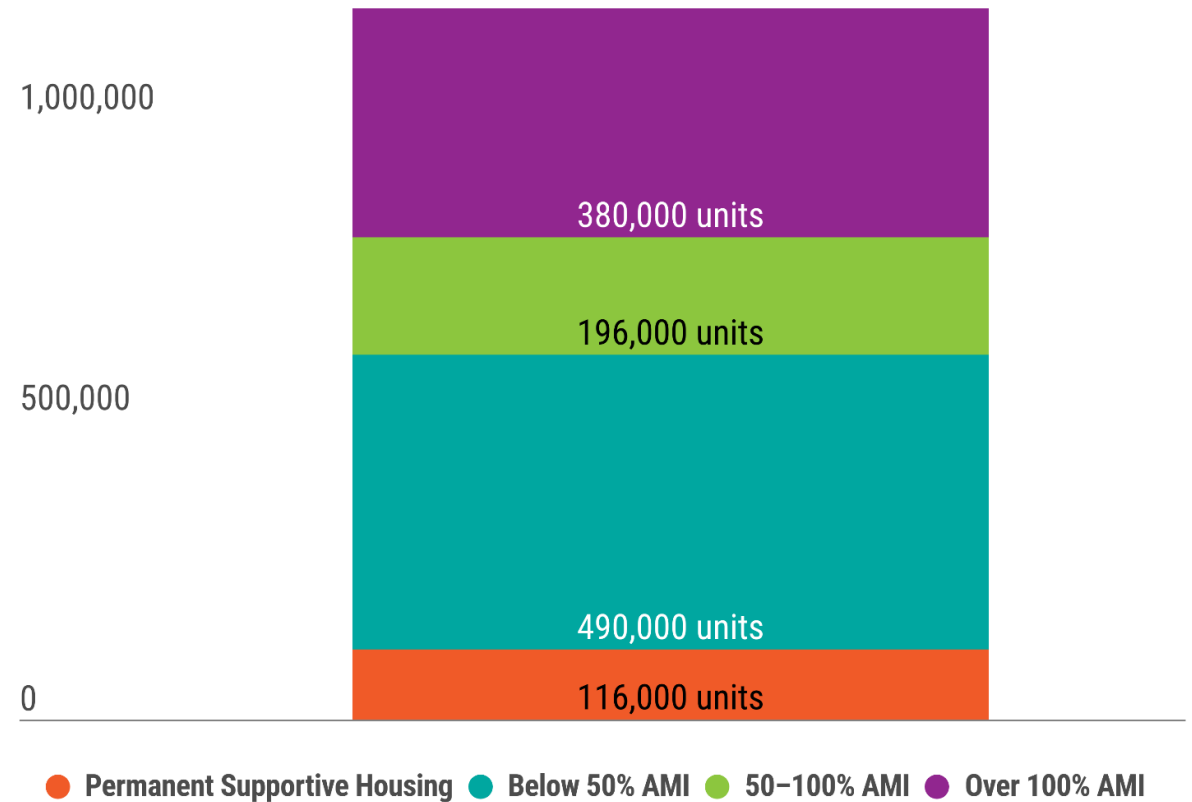
Respondents Want More Housing Options

78% say they want more housing options for seniors, teachers, firefighters, childcare workers, and health care workers

74% prefer most new housing to be in walkable neighborhoods

64% agree that their community needs more diverse and affordable types of housing

Commerce projects we need 1 million more homes needed by 2044



Strong Statewide Support for More Diverse Housing

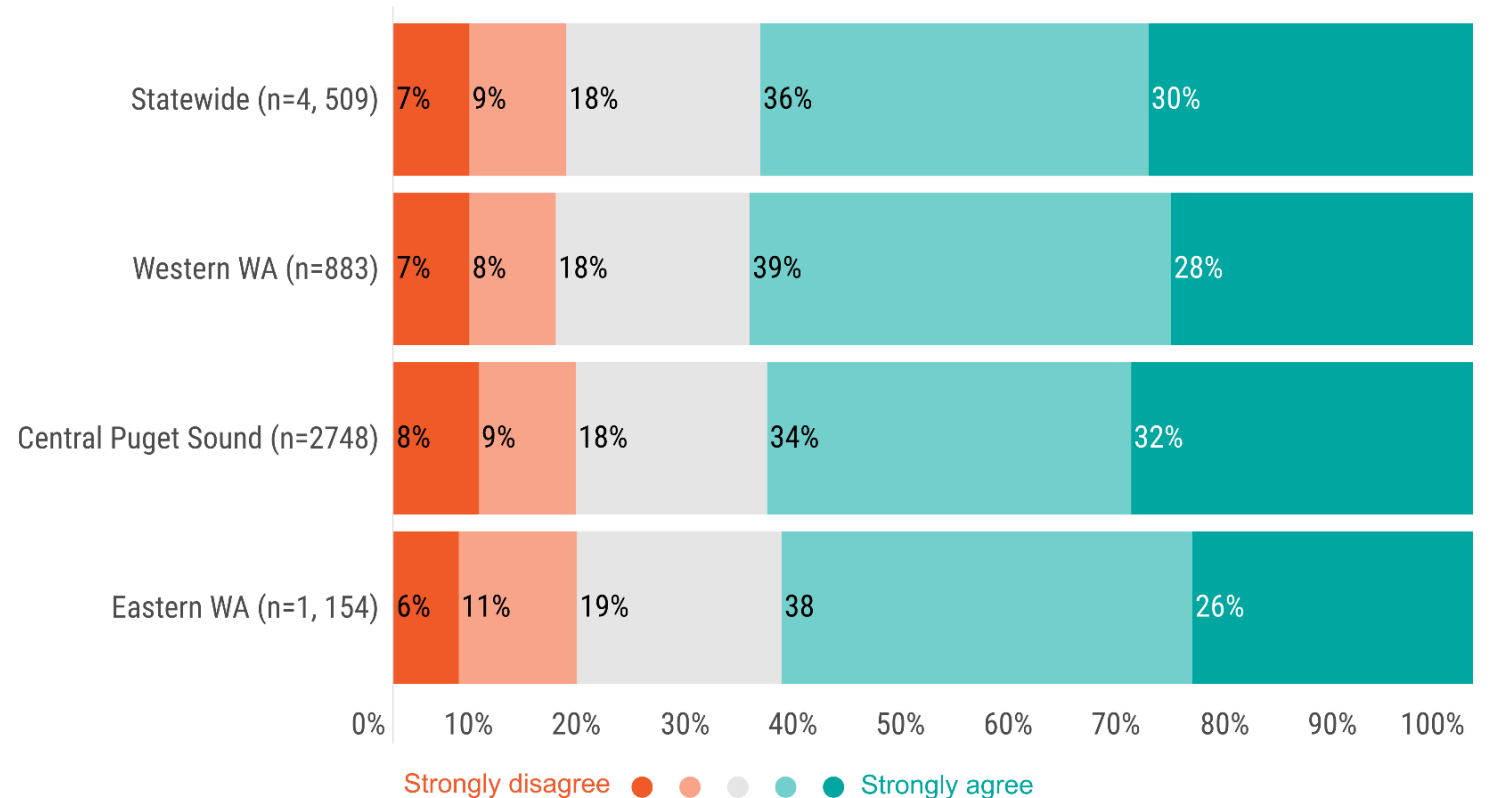
Communities need more diverse & affordable housing types, such as duplexes, cottages, courtyard apartments, townhomes and mixed developments.

66% Agree

Multi-family housing, like triplexes, should be allowed in single-family zones all standards the zone are met, such as heights, setbacks, and parking.

58% Agree

WASHINGTON STATE DEPARTMENT OF COMMERCE



Government Should Address Urgent Need to Tackle Housing Supply

Residents want government to do more

83% say government agencies should work together to address the need for housing

64% say government agencies should do more to provide housing not being delivered by the market



Statewide Interest in Investments to Support Quality Communities

Western WA	Central Puget Sound	Eastern WA
<ul style="list-style-type: none">• Infrastructure• Transit-oriented development• Access to schools, work, and resources• Affordable housing near jobs and transportation• Walkability• Open spaces	<ul style="list-style-type: none">• Walkability• Understand traffic and transportation needs• Quality of life	<ul style="list-style-type: none">• Infrastructure• More mass transit options• Focus on sustainability• Zoning includes rec spaces children• Walkability• Green spaces



Wrap-up

What is City's responsibility?

- Consider what is needed for comprehensive plan & development regulations to provide enough housing
- Consider whether incentives or other programs & partnerships can help
- Coordinate at regional level with King County & PSRC
- Get broad public input on needs & opportunities
- Consider what can be done to reduce past racial impacts
- Propose changes, as needed to comp plan & development regulations by December 2024

Commerce Assistance Specific to City of Tukwila

Grants:

- **Periodic Update grant**
- **HAPI grant**
- **Middle Housing grant (including outreach to community based organizations)**



Technical:

Peer meetings

Data for assessing racially disparate impacts



Commerce assistance

Grants:

<https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-grants/>

Main Housing Web Page (picture at right)

<https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/>

Growth Management: HB 1220 Guidance

www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/

Middle Housing Technical Team

New 3-person team (experienced directors) hired in 2022

Growth Management: Periodic Updates web page

www.commerce.wa.gov/serving-communities/growth-management/periodic-update/

Short Course on Local Planning

<https://www.commerce.wa.gov/serving-communities/growth-management/short-course/>

Planning for Housing



Jump to

[Updating GMA Housing Elements \(HB 1220\)](#)

[Multi-Family Housing Property Tax Exemption program](#)

[Housing EZView website](#)

Upcoming assistance from Commerce

Including:

- Accessory dwellings guidance
- Land capacity guidance
- Guidance to reduce disparate impacts
- Photo Library (middle housing images)
- Middle housing toolkit of housing types & menu of standards that can be adjusted/adopted to update local development regulations



Questions?



Washington State
Department of
Commerce

<https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/>

www.commerce.wa.gov



Dave Osaki

GROWTH MANAGEMENT SERVICES—MIDDLE HOUSING TEAM