



Washington State  
Department of  
**Commerce**

We strengthen communities

# Guidance for Developing a Housing Action Plan - Public Review Draft

Defining strategies that promote more housing,  
more housing diversity and affordability

Local Government Division  
**GROWTH MANAGEMENT  
SERVICES**

# Acknowledgments

## Washington State Department of Commerce

Director: Lisa Brown

Local Government Division: Mark Barkley, Assistant Director

Growth Management Services: Dave Andersen, AICP, Managing Director

Editors:

Anne Aurelia Fritzel, AICP, Senior Planner

Laura Hodgson, Associate Planner

## Content Development

BERK Consulting:

Lisa Grueter, AICP      Kevin Ramsey, PhD

Lisa Johnson            Andrew Bjorn, AICP, PhD

MAKERS Architecture and Urban Design:

Bob Bengford, AICP      Rachel Miller

Ian Crozier, AICP        Scott Bonjukian, AICP

## Advisory Committee

Steve Butler, FAICP; Laura Crandall, MPA - Municipal Research and Services Center

Paul Inghram, FAICP; Laura Benjamin; Charles Patton - Puget Sound Regional Council

Emily Grossman - Commerce

This draft document was produced for communities developing housing action plans under RCW 36.70A.600, and for communities that are reviewing their housing policies, regulations and programs in support of housing diversity and affordability.

**Commerce is accepting comments on this document until Sept. 30, 2020. Please provide comments by email to [Anne.Fritzel@commerce.wa.gov](mailto:Anne.Fritzel@commerce.wa.gov).**

Public review draft published June 2020 at:

[www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/](http://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/)

Housing action plan (HAP) resource page:

[www.ezview.wa.gov/site/alias\\_\\_1976/37657/housing\\_action\\_plans.aspx](http://www.ezview.wa.gov/site/alias__1976/37657/housing_action_plans.aspx)

Washington State Department of Commerce

P.O. Box 42525

Olympia, WA 98504-2525

[www.commerce.wa.gov](http://www.commerce.wa.gov)

For people with disabilities, this report is available on request in other formats. To submit a request, please call 360.725.4000 (TTY 360.586.0772).



# Table of Contents

<b>Acknowledgments</b> .....	<b>2</b>
<b>Chapter 1: Getting Started</b> .....	<b>5</b>
How a HAP Relates to Other Planning Activities .....	5
Requirements for a Housing Action Plan .....	6
How Local Governments Influence the Housing Market .....	9
How is Housing Policy Related to Race and Inequality? .....	11
Developing Strategic Objectives .....	12
Sample Outline for a HAP .....	13
Process of Developing and Adopting a HAP .....	14
<b>Chapter 2: Community and Stakeholder Engagement</b> .....	<b>16</b>
Why Do Public Engagement?.....	16
Develop an Engagement Plan .....	18
Identify and Prioritize Your Audiences .....	19
Prioritize At-Risk Communities .....	21
Match Audiences to Appropriate Activities.....	23
Engagement Activities .....	23
Set Activities to a Timeline .....	28
Sample Engagement Plan .....	28
Tips for Success.....	30
<b>Chapter 3: Housing Policy Framework Review</b> .....	<b>33</b>
Relationship of HAP to Comprehensive Plan and Development Regulations .....	33
Washington State Requirements for Housing Planning.....	34
Conducting a Housing Policy Framework Review .....	37
Identifying Strategies to Overcome Barriers .....	51
<b>Chapter 4: Strategies for Increasing Housing Supply and Diversity</b> .....	<b>52</b>

Organization of this Chapter .....	53
Housing Strategy Matrix .....	54
Community Typologies .....	58
Strategy Considerations for Distinct Housing Needs.....	62
Housing Strategy Descriptions.....	64
Revising Zoning Standards.....	65
Additional Regulatory Strategies.....	99
Process Improvements.....	115
Affordable Housing Incentives.....	127
Funding Options for Affordable Housing Development .....	137
Other Strategies.....	144
<b>Chapter 5: Strategies for Minimizing and Mitigating Displacement .....</b>	<b>149</b>
What is Displacement? .....	149
Types of Displacement .....	150
Displacement Risk Assessment.....	151
Proactively Addressing Displacement.....	153
Strategy Descriptions.....	155
<b>Chapter 6: Implementation and Monitoring.....</b>	<b>165</b>
Develop an Implementation Plan .....	165
Develop a Monitoring Program .....	169
<b>Chapter 7: Adopting Your Plan .....</b>	<b>173</b>
Integrating SEPA and Planning .....	176
Amending Your HAP .....	177
<b>Appendices</b>	
Appendix 1: Acronyms	
Appendix 2: Complete List of HAP Strategies	
Appendix 3: Statewide Housing Requirements and Tools	
Appendix 4: Resources for Funding Affordable Housing in Washington State	



# Chapter 1: Getting Started

## What is a Housing Action Plan?

A housing action plan (HAP) defines strategies and implementing actions that promote greater housing diversity, affordability and access to opportunity for residents of all income levels. The planning process includes a review of a jurisdiction's system of policies, programs and regulations that shape local opportunities for housing development. The purpose of this review is to identify ways to encourage construction of both affordable and market-rate housing in a greater variety of types, densities and cost levels. The priorities for your HAP should also be informed by a housing needs assessment, as well as community and stakeholder engagement.

For each action, the HAP should identify responsible parties, timelines, steps for implementation and potential funding sources. However, the plan itself does not enact changes – it identifies changes to be made. Existing policies and regulations have their own rules and schedules for updates that should be identified in the HAP implementation plan. New issues will continue to arise, creating competing pressures; therefore the value of the HAP lies in its ability to focus attention, build community support and promote accountability for enacting change.

## How a HAP Relates to Other Planning Activities

The HAP informs policies in a community's comprehensive plan and guides implementation of those policies by identifying strategies to achieve a community's housing needs and objectives. The HAP provides an evaluation of existing policies, plans and regulations in relation to identified needs or gaps. HAP strategies may include new or amended policies, plans, regulations, fee structures, funding opportunities or programs. See Exhibit 1 for a conceptual diagram of the HAP and comprehensive plan relationship including implementing actions. See [Chapter 3: Housing Policy Framework Review](#) for additional description of these relationships.

## Reader's Guide

**This document provides guidance on developing a housing action plan (HAP), with a focus on the legal and policy framework in Washington state. It includes seven chapters:**

[Chapter 1: Getting Started](#): Planning, required topics and factors that shape housing production in your community.

[Chapter 2: Community and Stakeholder Engagement](#): Guidance for designing and implementing a community and stakeholder engagement program for your HAP.

[Chapter 3: Housing Policy Framework Review](#): Information about how a HAP fits within, and supports, your broader housing policy framework. This includes guidance on reviewing your housing element.

[Chapter 4: Strategies for Increasing Housing Supply and Diversity](#): A catalogue of strategies (or potential actions) to support and encourage new housing production and diversity of unit types for all income levels. Also, guidance for selecting strategies that are most likely to be effective given local conditions.

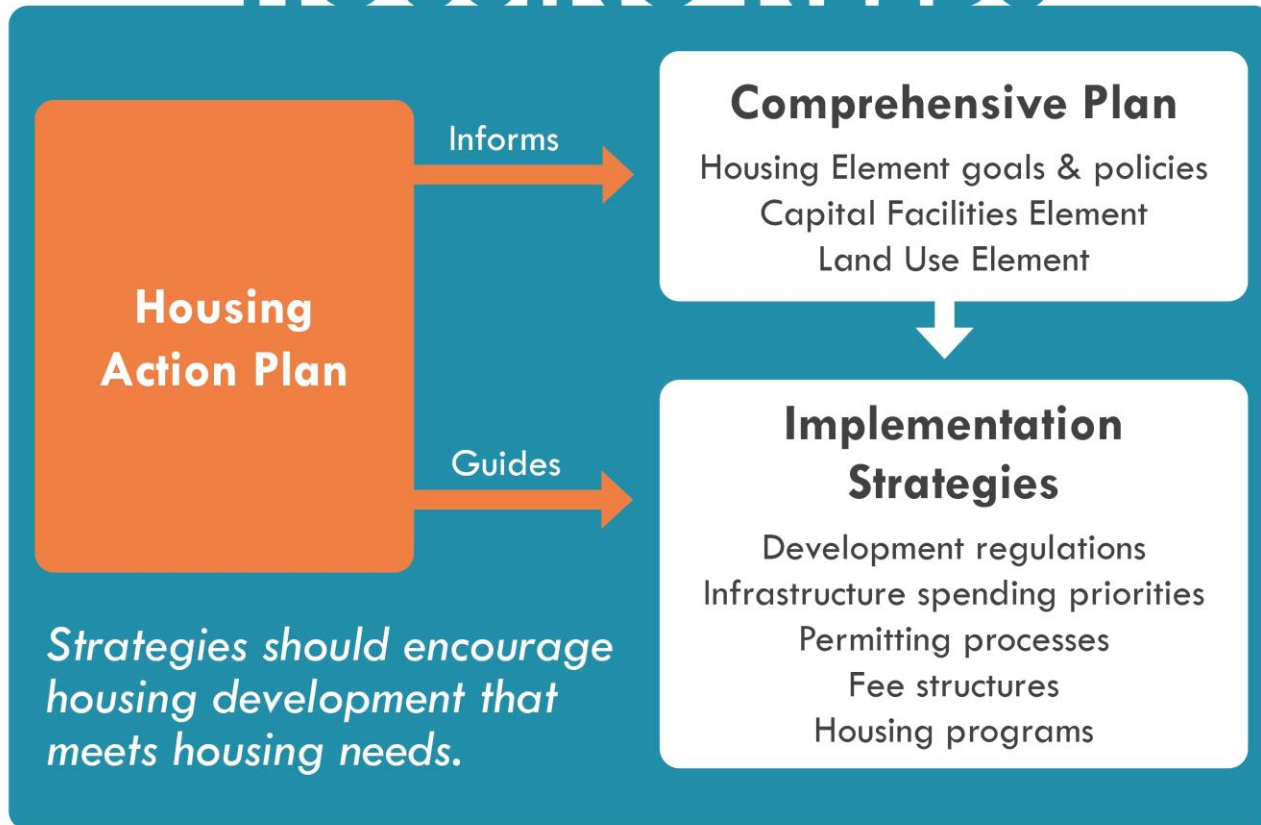
[Chapter 5: Strategies for Minimizing and Mitigating Displacement](#): Guidance for selecting strategies that reduce displacement risk as an unintended effect of housing actions.

[Chapter 6: Implementation and Monitoring](#): Guidance for developing an effective implementation plan and monitoring program.

[Chapter 7: Adopting Your Plan](#): Recommendations for managing a successful plan adoption process.

## Exhibit 1. Relationship between your HAP and Comprehensive Plan

# HOUSING NEEDS



Source: Commerce, 2020; BERK, 2020

## Requirements for a Housing Action Plan

Cities developing a HAP with grant funding from the Department of Commerce must include several topics required in Revised Code of Washington ([RCW 36.70A.600\(2\)](#)). Exhibit 2 outlines all required topics, as well as recommended ones. Many of these same topics are also required or recommended in a comprehensive plan housing element update, and therefore Exhibit 2 compares the two. Covering these topics in your HAP can expedite the process of updating your housing element.

### Housing Action Plans and E2SHB 1923

Several cities have received grants from the Washington State Department of Commerce to create HAPs. This grant program is the result of legislation passed in 2019 (engrossed second substitute house bill (E2SHB) 1923) to encourage Washington cities to increase residential building capacity in areas that have supportive infrastructure. Requirements for a HAP are in [RCW 36.70A.600\(2\)](#), and outlined below in Exhibit 2. This guidance document provides additional details and recommendations for developing the action plan.

E2SHB 1923 is exclusively focused on actions within cities and urban growth areas (UGAs). Therefore, this guidance focuses on strategies that are most relevant within urban areas, but also may be applicable in small cities and UGAs in mostly rural counties.

## Exhibit 2. Required and Recommended Topics in a Housing Action Plan (HAP) and Housing Element (HE) Update

Required: ● Recommended: ○	HAP (RCW 36.70A.600)	HE Update (RCW 36.70A.070(2), WAC 365-196-410)
<b>Housing Needs Assessment</b>	(For details, see <a href="#">Guidance for Developing a Housing Needs Assessment</a> , p. 16)	
Existing and projected housing needs for all income levels	●	●
Population trends	●	●
Employment trends	●	○ (if not included in Econ. Dev. Element)
Land capacity analysis	○	●
<b>Community and Stakeholder Engagement</b>		
Public engagement plan	○	● RCW 36.70A.130(2)
Broad public/community engagement	●	●
Participation and input from community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups	●	
Engagement with communities at risk of displacement	○	
Stakeholder advisory group	○	
<b>Housing Policy Framework Review</b>		
Evaluate progress to meet housing targets (including types and units)	●	○
Evaluate achievement of housing element goals and policies	●	○
Evaluate implementation of the schedule of programs and actions	●	○
Evaluate barriers to achieving goals and policies (development regulations, permitting processes, fee structures, etc.)	○	
Evaluate programs for influencing housing production/preservation (multifamily tax exemption [MFTE], inclusionary zoning, bonus densities, fee waivers, assistance programs, etc.)	○	



Required: ● Recommended: ○	HAP (RCW 36.70A.600)	HE Update (RCW 36.70A.070(2), WAC 365-196-410)
<b>Housing Strategy Development</b>		
Strategies to increase housing supply	●	●
Strategies to increase variety of housing types	●	○
Strategies to increase supply of housing affordable to all income levels	●	●
Evaluation of the potential efficacy of proposed strategies	○	
<b>Strategies to Minimize Displacement</b>		
Consider strategies to minimize displacement of low-income residents resulting from redevelopment	●	
Strategies to support preservation of existing housing	○	●
Consider broader role of housing strategies in addressing economic displacement pressures	○	
<b>Implementation and Monitoring</b>		
Schedule of programs and actions to implement recommendations	●	○
Identify party responsible for each action	○	
Funding sources for new programs and action implementation	○	
Monitoring plan to track outcomes of implemented actions	○	○
<b>Adoption</b>		
Integrated State Environmental Policy Act (SEPA)/planning and engagement process per Washington Administrative Code (WAC) 197-11-210 et seq.	○	○
Non-project SEPA analysis on HAP* and housing element	●	●
60-day review		●
Local public hearing / adoption process	●	●

\* Required prior to legislative action per RCW 43.21c.030 and WAC 197-11; there are limited exemptions from SEPA such as for information collection and research and certain administrative or governmental procedural actions at WAC 197-11-800, or selected amendments to development regulations that were already covered through prior environmental review or that increase environmental protection per RCW 43.21C.450, but a HAP does not appear to be exempt. See [Chapter 7: Adopting Your Plan](#) for more information.

Sources: [RCW 36.70A.600](#), [RCW 36.70A.070](#), [WAC 365-196-410](#), and others as noted

# How Local Governments Influence the Housing Market

Most of the housing supply in Washington state has been built by the private sector and sold in the private market, with some contributions by nonprofit and public sector organizations. Because housing is developed by different businesses that range from small local companies to large multinational firms, the role that governments can play in this system to achieve community goals for housing can be confusing and less direct than with other programs. Exhibit 3 provides a perspective of the components of a local real estate system.

- The **financial component** of the housing market includes parties that are involved with providing funding:
  - Lenders provide loans or mortgages to participants in the housing market
  - Investors provide capital funds in return for equity ownership in the property
- The **housing supply component** includes:
  - Developers and non-profit organizations that create new housing units in the market
  - The overall housing stock, including both new and existing housing units
  - Developable land and needed infrastructure
- **Housing demand component** includes needs from households, which can be divided between:
  - Renters occupying housing units
  - Homeowners living in their own housing units

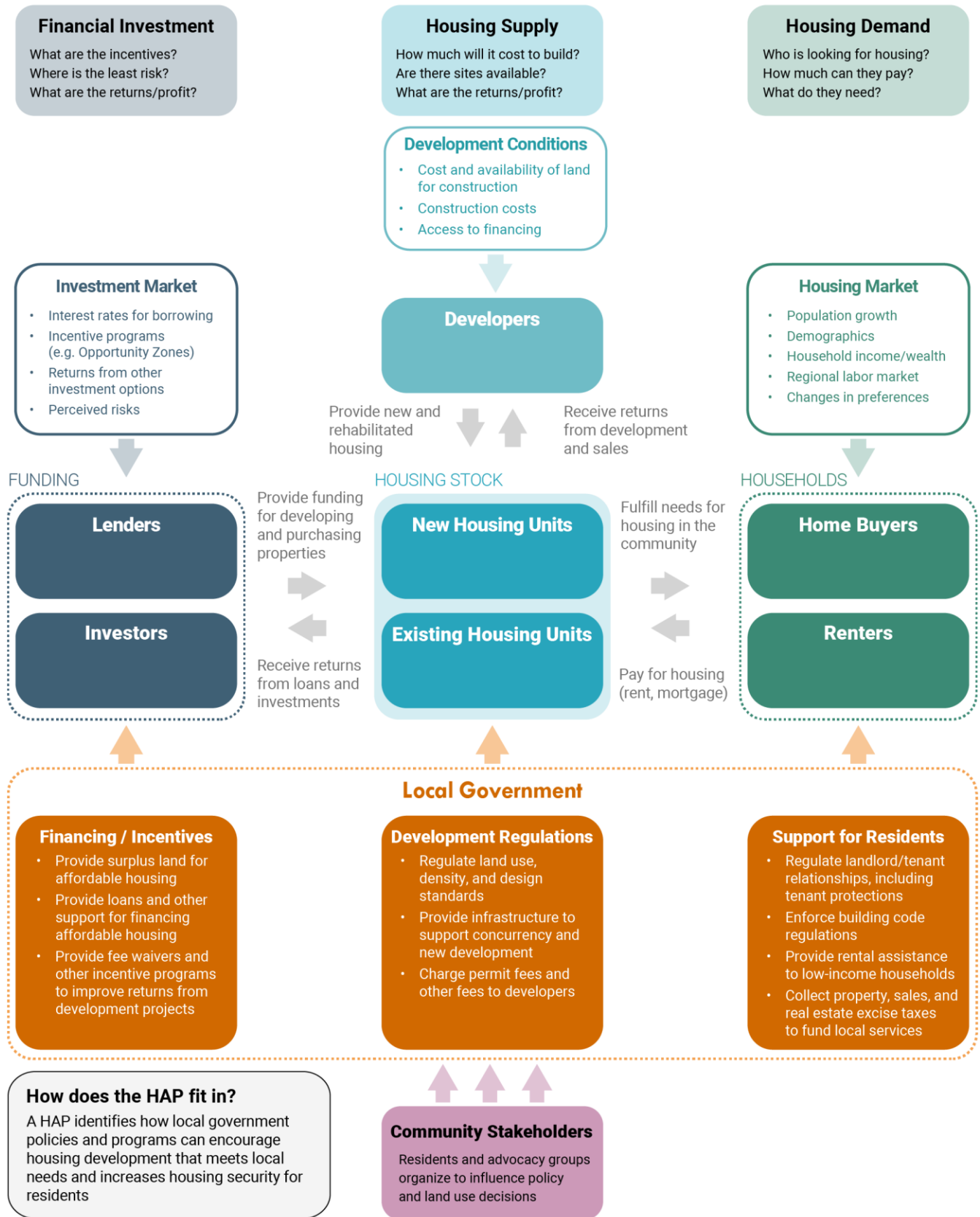
In this context, local governments can influence different components of the market through:

- **Development regulations** to manage the design and characteristics of new housing development
- **Development incentives** to promote investment in housing types that are in greatest need
- **Financial assistance** through direct funding support for lowest income segments
- **Support for residents** to assist households in need and provide broader services for the community

Many other dynamics and relationships are involved beyond those listed in Exhibit 3. For example, federal and state governments can have large roles in housing policies through grants or lending to non-profit housing developers or direct subsidies to tenants. Likewise, many aspects of the local housing market are outside the domain of local governments, such as large-scale lending or construction of new housing.

However, this diagram highlights many of the major elements that housing action plans identify to guide the housing market. Cities and counties have key roles in influencing housing development and encouraging new housing production that addresses housing needs. During the housing action plan process, jurisdictions should review how they are using available options and whether these actions effectively promote the types of new housing development that achieve local housing goals.

# Exhibit 3. The Housing Development System



Source: BERK, 2020.



# How is Housing Policy Related to Race and Inequality?

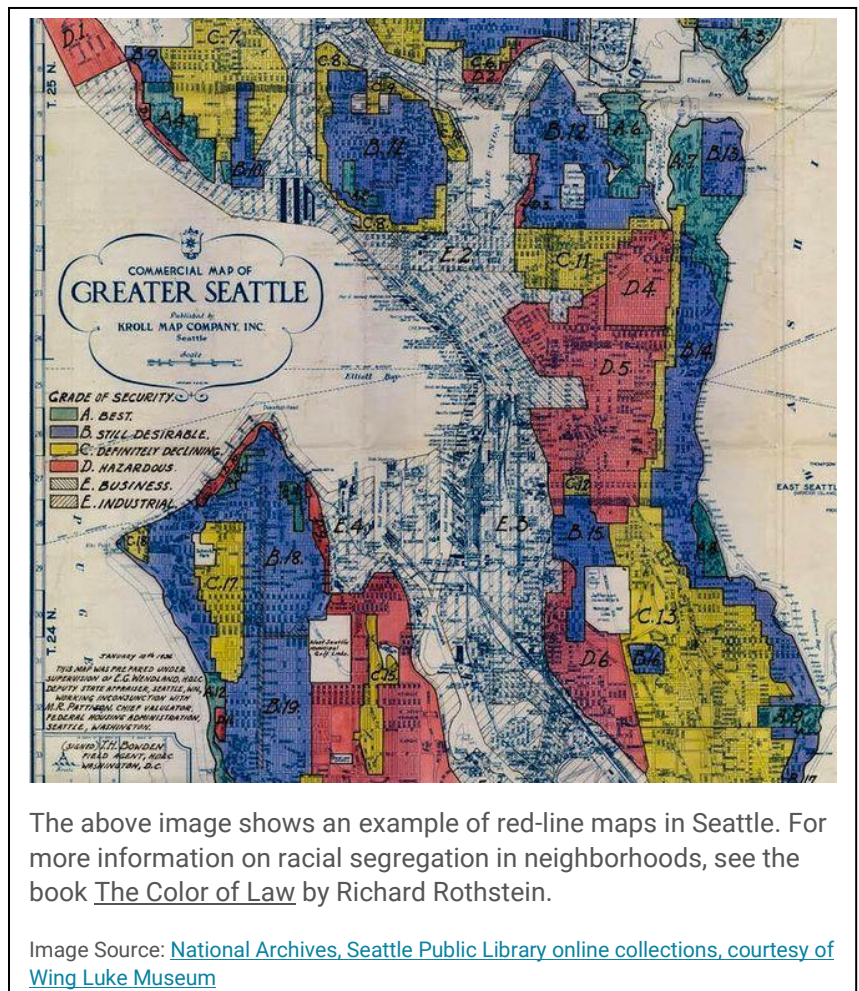
When considering actions that your jurisdiction can take to address housing needs and affordability challenges, it is important to understand and consider the historic context that has contributed to the patterns of inequity present in many communities. Before the U.S. Congress passed the Fair Housing Act (FHA) in 1968, realtors and property owners could legally discriminate against people of different races or national origin. The Puget Sound Regional Council's (PSRC) 2014 "[Fair Housing Equity Assessment](#)" summarizes historical practices that created segregation across the central Puget Sound region during the last century. As PSRC notes, "as in other parts of the country, the central Puget Sound region has a history of segregation based on race, national origin and other characteristics. Practices such as 'red lining' and restrictive covenants on property have had long-lasting impacts on neighborhoods," such as wealth inequality due to barriers to homeownership experienced by marginalized populations. These inequalities are reproduced across generations, leading to continued patterns of inequality today.

This problem of housing segregation by race is not limited to the central Puget Sound area. The [Racial Dot Map](#) project visualizes segregation by race in cities across the U.S. Other Washington cities and regions with clearly visible patterns of segregation include Yakima, the Tri-Cities, Walla Walla and Wenatchee.

Another major contributor to today's patterns of inequality is exclusionary zoning. This refers to the use of zoning to limit the production of new housing in middle- and upper-income neighborhoods by prohibiting multifamily dwellings or setting large minimum lot size requirements. Limiting the supply and diversity of housing in these areas pushes up the value of remaining units requiring all newcomers to have incomes high enough to afford that premium.

Meanwhile lower-income populations, often including racial and ethnic minorities, are forced to find housing in less desirable areas where such zoning practices are not in place. This can also limit the supply of "missing middle" housing opportunities for moderate- and middle-income households.

A housing action plan can and should proactively address the history of racial and income inequality. Planners can start by reviewing local zoning to identify where capacity for new housing development exists in their communities. Ask questions such as: What kinds of housing can be built there, and what are the likely price-points? How does this capacity compare to the location of amenities and resources that promote opportunity such as transportation, schools, and parks? [Chapter 3: Housing Policy Framework Review](#) will provide more guidance on how to answer these types of questions.



The above image shows an example of red-line maps in Seattle. For more information on racial segregation in neighborhoods, see the book [The Color of Law](#) by Richard Rothstein.

Image Source: [National Archives, Seattle Public Library online collections, courtesy of Wing Luke Museum](#)

Housing actions plans can also result in recommendations to encourage new housing production in areas of the city that have historically served as enclaves for ethnic and racial minorities. Such actions can encourage new investment and new housing options that may be welcomed. However, they can also increase the value of land and increase displacement pressure on existing residents. [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#) examines this problem in more depth.

## Developing Strategic Objectives

A strategic objective defines a problem that your HAP is trying to solve. The purpose of identifying strategic objectives for your HAP is to build broad community consensus around the core challenges that your HAP is designed to address. When everybody agrees on an objective, then it is much easier to evaluate whether a proposed strategy will help achieve the objective. A good example of strategic objectives is included in the Tacoma Affordable Housing Action Strategy (AHAS), as shown in

Exhibit 4.

### Exhibit 4. Strategic Objectives in the Tacoma Affordable Housing Action Strategy

1. Create more homes for more people.
2. Keep housing affordable and in good repair.
3. Help people stay in their homes and communities.
4. Reduce barriers for people who often encounter them.

Source: [City of Tacoma](#), 2018.

Tacoma's strategic objectives are clearly stated and comprehensively address the broad range of housing challenges identified in the city's housing needs assessment. These challenges ranged from accelerating housing market conditions and a limited rental supply, households experiencing significant housing cost burden, and community members experiencing barriers accessing housing or staying in housing. The city then identified a series of actions to address each strategic objective – 34 actions in all! The AHAS also includes an implementation plan that prioritizes the actions for immediate, short-term, medium-term and long-term implementation.

When selecting strategic objectives for your own HAP, consider the following recommendations:

### Keep your Objectives Focused

A HAP can succeed only if the actions are eventually implemented. So, consider your jurisdiction's capacity for implementing housing actions. For communities with less capacity than Tacoma, it may make more sense to adopt fewer or more narrowly written objectives that can be achieved with a smaller set of actions to be tackled in the short- to medium-term. Keeping your objectives focused can also narrow the range of issues to consider in your policy review, as well as the range of issues to communicate with residents, stakeholders and elected officials. This can promote a smoother community engagement process (see [Chapter 2: Community and Stakeholder Engagement](#)).

## Tie Objectives to Housing Needs

The best source for strategic objectives is your assessment of housing needs. Conducting a housing needs assessment (HNA) should be the first step in your housing action planning process. For more information about this step, see "[Guidance for Developing a Housing Needs Assessment](#)" provided by Washington State Department of Commerce.

When reviewing the findings of your HNA, consider the major gaps between housing supply and housing demand. For example, your needs assessment may have identified a lack of smaller rental housing options near transit service that can serve the needs of your local workforce. A suitable strategic objective might be: "Increase rental housing supply in transit corridors." You can also create objectives that address the needs of a specific population. For example, the objective "Provide more housing options for seniors" identifies a population in need, but it doesn't presuppose the types of housing solutions that are most suitable. This approach allows for a broader conversation with residents and stakeholders to explore current needs, challenges and preferences.

## Listen to your Community

Your preliminary outreach and engagement work may provide some ideas on how to frame and communicate strategic objectives in ways that are most likely to resonate with local residents, elected officials and other community stakeholders. Every community is different, so objectives that work well in a city like Tacoma may not work well somewhere else. For more details on community and stakeholder engagement, see [Chapter 2: Community and Stakeholder Engagement](#).

## Sample Outline for a HAP

As you put the plan together, consider how the document's organization will serve the plan's action-oriented goals. Each section should logically flow to establish the problem, context, strategic objectives, actions and implementation. Detailed data from the housing needs assessment and documentation of public engagement efforts can be included in appendices. An example table of contents for a housing action plan is provided in Exhibit 5.



## Exhibit 5. Sample Outline for a HAP

<b>Introduction</b> <ul style="list-style-type: none"><li>○ Problem statement and highlights from the housing needs assessment</li><li>○ Strategic objectives</li><li>○ Overview of planning and community engagement process</li></ul>
<b>Housing Actions</b> <ul style="list-style-type: none"><li>○ Housing actions, organized by strategic objective, such as:<ul style="list-style-type: none"><li>● Comprehensive plan policy amendments</li><li>● Development regulations</li><li>● Permitting processes</li><li>● Fee structures</li><li>● Infrastructure priorities</li><li>● Housing programs</li></ul></li><li>○ Actions to minimize or mitigate displacement</li></ul>
<b>Implementation Plan</b>
<b>Monitoring Program</b>
<b>Appendices</b> <ul style="list-style-type: none"><li>○ Housing needs assessment</li><li>○ Summary of community engagement</li><li>○ Housing policy framework review</li></ul>

Source: BERK, 2020.

## Process of Developing and Adopting a HAP

This guidebook provides a step-by-step process for completing a HAP, as illustrated and summarized below.

### Exhibit 6. HAP Development Process



Source: BERK, 2020.

- 1) **Prepare Housing Needs Assessment (HNA):** This information is the foundation for the HAP. It guides all the review and evaluation of current policies, potential alternative strategies, and the formulation of a plan. The information can also guide the public participation plan to help identify residents and stakeholders whom the local government should engage in HAP development. See "[Guidance for Developing a Housing Needs Assessment](#)" under separate cover.
- 2) **Public Engagement and State Environmental Policy Act (SEPA) Process:** At the beginning of the HAP, each local government should create a public participation plan and identify a strategy to comply with the State Environmental Policy Act (SEPA). Through each HAP stage, public engagement and environmental review procedures should be conducted consistent with the strategy. See [Chapter 2: Community and Stakeholder Engagement](#) of this guidebook for public engagement and [Chapter 7: Adopting Your Plan](#) for more information on the SEPA process.
- 3) **Review Local Housing Policy Framework:** With the HNA findings, a jurisdiction can screen and evaluate policies and regulations that relate to housing, and identify approaches to housing needs. See [Chapter 3: Housing Policy Framework Review](#).
- 4) **Review Strategies and Displacement:** Each local government will consider a range of strategies offering solutions to overcome barriers. The strategies should be selected that have the greatest potential to address the community's housing gaps while minimizing displacement. See [Chapter 4: Strategies for Increasing Housing Supply and Diversity](#) and [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#) of this guidebook.
- 5) **Develop Implementation and Monitoring Program:** The HAP is best implemented with a clear schedule, responsibilities and prepared monitoring program. See [Chapter 6: Implementation and Monitoring](#).
- 6) **Adopt the Plan:** Through the public legislative process, the local government will develop a draft and final HAP and conduct public meetings and hearings. See [Chapter 7: Adopting Your Plan](#).
- 7) **Implement, Monitor and Adapt HAP:** A successfully adopted HAP requires ongoing implementation, monitoring of results and adaptive management to course correct the HAP over time. See [Chapter 6: Implementation and Monitoring](#) and [Chapter 7: Adopting Your Plan](#) of this guidebook, including how to amend the HAP in the future.

# Chapter 2: Community and Stakeholder Engagement

## Why Do Public Engagement?

When community members and stakeholders help shape a HAP, it reflects their interests and they become its advocates. At its core, public engagement is good for gathering on-the-ground information, highlighting and addressing inequities, and building support for an implementable plan.

## Understand Housing in Your Community

Community members' local knowledge is critical for understanding the on-the-ground housing situation. Though quantitative data paints much of the picture, community conversations fill it in and correct misinterpretations when needed.

Conversations with community members, vulnerable communities, housing industry professionals and stakeholders provide insight into:

### **Deeper understanding of local housing needs and affordability issues**

- Need for certain types of housing for singles, students, elderly, homeless or other unique population groups
- Qualitative knowledge that the numbers alone don't capture
- Personal stories that bolster the case for action by making the data real or showing how the data is out of date or misrepresenting the situation (for example, census data often lags behind the on-the-ground experience)

### **Local information about development potential**

- Neighborhood and site-specific characteristics affecting housing and zoning options, such as transit and infrastructure availability
- Local barriers and opportunities to housing production, especially related to development regulations, the real estate market and the construction industry
- How proposed zoning code changes may impact investment decisions for homebuilders

## Address Housing Inequities

Your public engagement process can bolster the HAP's social equity goals by speaking with those most impacted. Collaboration with people who have historically been left out can lead to more creative and productive problem-solving. Good practices and goals include:

- Identify communities at risk of displacement and other impacts
- Build capacity of disadvantaged communities to meaningfully participate and affect decisions, i.e., prioritize engagement with at-risk communities (see the [Prioritize At-Risk Communities](#) section)
- Identify potential unintended consequences of proposed strategies (e.g., displacement of vulnerable populations and/or affordable community spaces with redevelopment, construction impacts to local businesses, etc.)
- Jointly find housing solutions and strategies to prevent and/or mitigate negative impacts

## Build Ownership of the HAP by Bringing Viewpoints Together

A good engagement process will build community advocates and reduce political battles. Housing discussions can be divisive. A productive engagement process connects community members—or at least shares their stories—to build empathy and a sense that everyone's in this together. Ideally, participants will feel like they wrote the HAP with their neighbors. When people see themselves and their efforts reflected in the plan, they are more likely to shepherd actions through implementation.

**Identify feasible strategies and avoid political challenges**, by identifying and articulating the following:

- Local values, interests and priorities
- Where community preferences align with increasing housing supply and diversity, such as opportunity areas that have transit services and other amenities
- Limited geographic areas where change should be minimized due to cultural significance, historic preservation designation, critical areas or other shared community goals
- Ways to balance NIMBY and YIMBY viewpoints (see sidebar "Talking about Housing")

**Establish trust between community, stakeholders and local government.** Trust-building practices include:

- Set realistic expectations around the HAP's scope, clarifying what will and will not be included
- Hold an open, transparent process with no surprises
- Identify who has decision-making power at which points in the process
- Delineate the roles of city staff, elected officials, hired consultants and community members/stakeholders in plan development

**Build a base of support for plan actions:**

- When appropriate, share decision-making power with participants
- Share what you've heard, and if you stray from participants' advice, explain why
- Build advocates who help communicate and solve problems with their community
- Share information—data, local knowledge and stories—to increase shared understanding of housing issues and solutions

### Talking about Housing

Housing is deeply personal, and discussions can easily trigger a defensive "home turf" and "us versus them" mindset. "Not in my back yard" (NIMBY) sentiment—typically opposition to bigger, taller or lower-income development in someone's own neighborhood—and "Yes in my backyard" (YIMBY) groups can butt heads and stall action toward housing solutions. How can you bridge divides and bust myths about denser or lower-income housing?

*"The irony is that as data about the importance of housing piles up, our messages seem to be losing traction and actually making things worse. Facts, data, and vivid stories about individual troubles are not increasing public understanding, and some of our initial research suggests that they may in fact be both depressing public support for housing issues and reinvigorating misinformation."*

- [Tiffany Manuel and Nat Kendall-Taylor in "You Don't Have to Live Here: Why Housing Messages Are Backfiring and 10 Things We Can Do About It" \(2016\)](#)

**The following are some resources for framing conversations to bring people together around housing:**

- [Building Support for Affordable Housing](#)
- [Myths and Facts About Affordable and High Density Housing](#)
- [You Don't Have to Live Here](#)
- [Enterprise Housing Playbook](#)
- [Communication - We Tell the Housing Story](#)
- [Frameworks Institute - A Framing Playbook for Affordable Housing Advocates](#)
- [Using Media Advocacy to Talk About Affordable Housing](#)



# Develop an Engagement Plan

Step one is to draft an engagement plan. Though an early draft is necessary for setting the direction, be ready to revisit it throughout the process and update as needed to fill in emerging gaps.

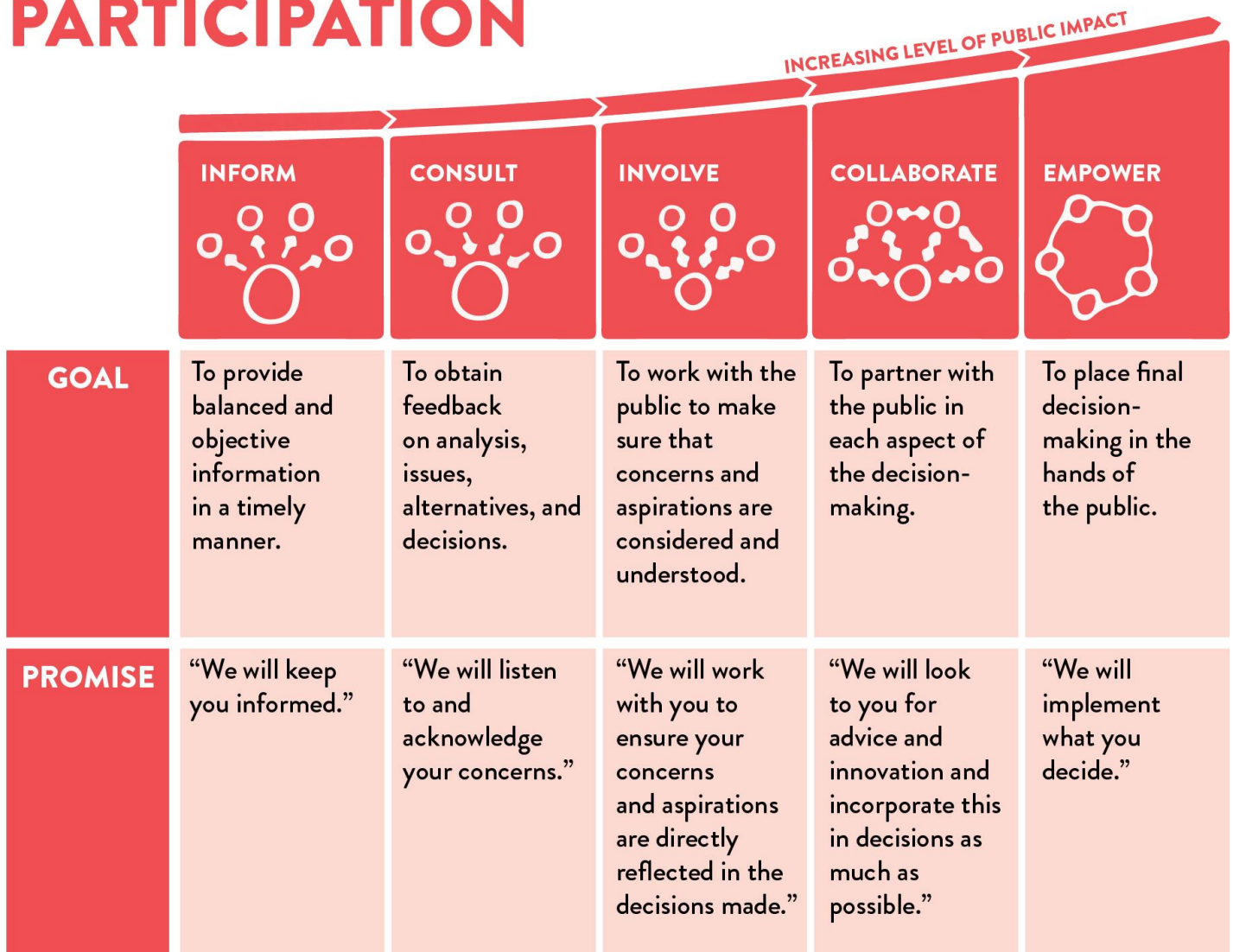
An engagement plan should identify:

- The HAP's engagement goals
- Audience(s) for engagement, including community members, stakeholders, staff, boards, commissions, council, any HAP committees and other parties involved (e.g., Commerce)
- Appropriate engagement activities, such as open houses, surveys, web-interface community meetings and web pages
- Rough engagement schedule with re-evaluation opportunity(ies)
- Media contacts and timelines for communication about the project

A useful tool for considering types of engagement is the International Association for Public Participation's (IAP2) "Spectrum of Public Participation," see Exhibit 7 below. All stages on the spectrum are valuable. Depending on whether you are educating about options ("informing"), extracting information about community preferences ("consulting"), or problem-solving together ("collaborating"), you will choose your venues and design your methods and activities for the right level of communication. Regardless of where you are on the spectrum, listening to community members with an open mind is an important skill.

## Exhibit 7: Spectrum of Public Participation

# IAP2 SPECTRUM OF PUBLIC PARTICIPATION

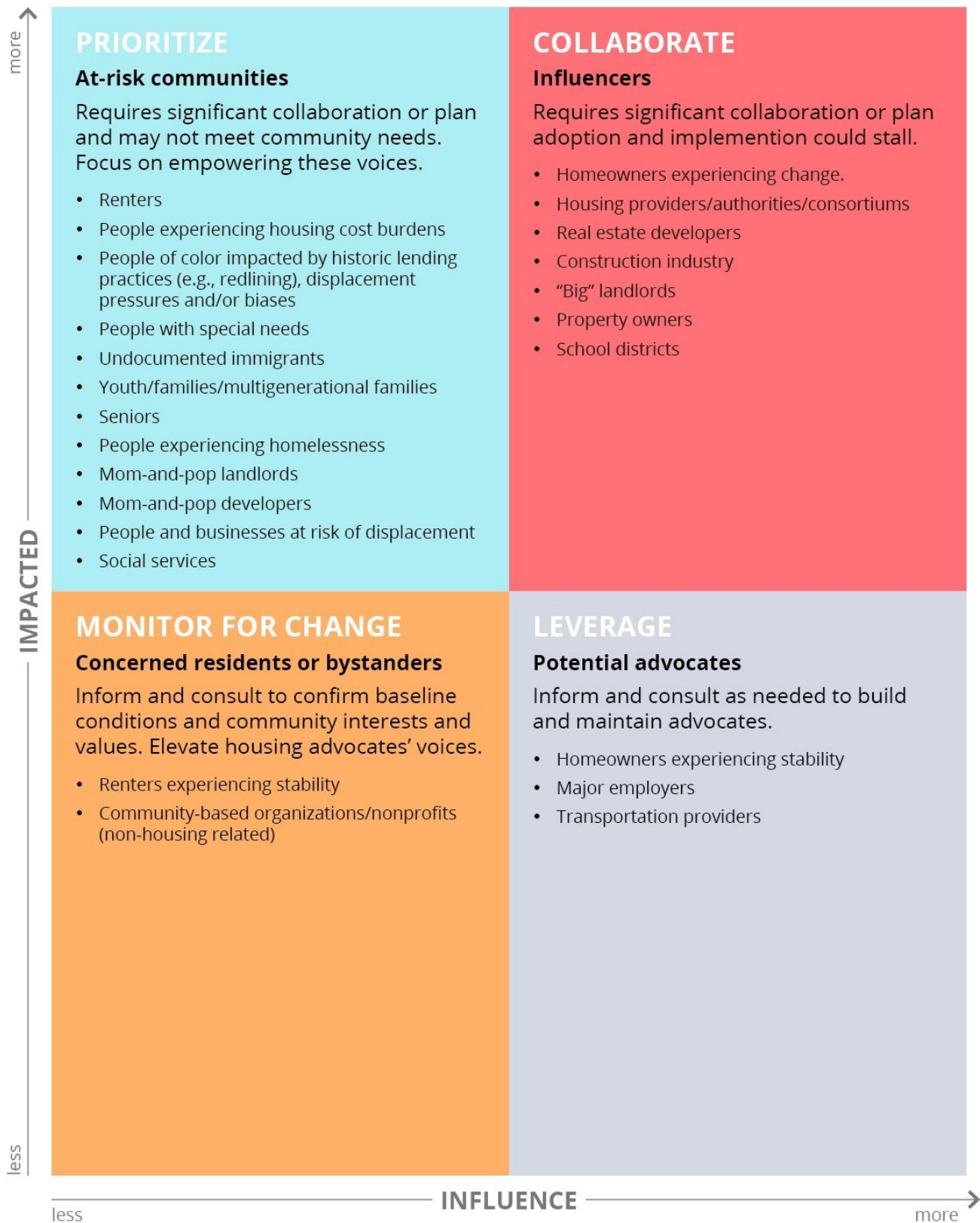


Source: International Association for Public Participation, [www.iap2.org](http://www.iap2.org)

## Identify and Prioritize Your Audiences

Though housing policy affects all members of a community, focusing your engagement efforts helps set a timely, budget-efficient and equitable process. The Stakeholder Prioritization Chart (Exhibit 8) offers a way to narrow your efforts by identifying important stakeholders and defining an approach to their engagement.

## Exhibit 8. Stakeholder Prioritization Chart



Source: MAKERS, 2020, adapted from multiple versions, including Kapwa Consulting’s emphasizing a social equity lens and the original “power-interest” matrix (Mendelow, A., “Stakeholder Mapping,” Proceedings of the 2nd International Conference on Information Systems,” Cambridge, MA 5, no. 2, 1991, p. 61).

The chart in Exhibit 8 defines stakeholder buckets based on their ability to influence housing outcomes (x-axis) and how much those outcomes impact them (y-axis). Focusing efforts with those most impacted—the top two quadrants—and engaging those in the bottom two quadrants to the extent needed to build plan advocates will lead to an equitable implementable plan.

Shifting decision-making power toward traditionally at-risk groups (the “prioritize” quadrant) and truly listening to their needs and interests is fundamental to creating a socially equitable HAP. These steps ensure that their needs are met and help the project team understand potential unintended consequences of HAP actions.

At the same time, powerful influencers (the “collaborate” quadrant) must also be heavily involved to ensure the HAP is feasible and implementable. This means higher levels of engagement and true collaboration is important with these two groups.

Those in the “monitor for change” and “leverage” quadrants are important for verifying data and building advocates, so informing and consulting are appropriate levels of engagement with these groups.

## Prioritize At-Risk Communities

The people most impacted by housing policies—the **at-risk communities** in the stakeholder prioritization chart—often have the most challenges to participating in traditional meetings and outreach methods. For that very reason, extra effort should be made to identify populations and stakeholders that could be most impacted by a HAP and potential barriers to participation.

### Value Participants’ Time and Expertise

Pay participants for their time and expertise, especially when they come from communities that have been systematically underserved.

Compensation can range from stipends (e.g., \$50 per meeting) for participating in a stakeholder work group, consultant funding for engaging their community, drawings and gift cards for attending an event, to providing food at events.

### Avoid Engagement Fatigue

Many cities/counties, to their credit, have been working with at-risk communities for a long time. Some community leaders and organizations feel they have been asked for their opinion in numerous processes, but often are not seeing how their input has been used or results from their efforts. This is leading to “engagement fatigue.” Some tips to prevent this are to:

- 1) **Do your homework.** Provide an overview of past related processes and their outcomes before asking for more time from participants.
- 2) **Set expectations.** Be clear about what the HAP will likely accomplish so that participants don’t expect greater results than it will achieve.

#### Why focus on renters?

Homeowners, who as a group are older, whiter and wealthier than the population at large, tend to be well represented in local government decision-making. Focusing on renters helps to fill in the full picture, avoid negative impacts on vulnerable populations and support a holistic housing system.

	Renter	Homeowner
<b>Washington State</b>		
Share of population	37.3%	62.6%
Median income	\$43,114	\$83,343
White non-Hispanic	67.5%	82.5%
Under 45 years old	59%	27%
Average household size	2.3	2.6
Graduated college	29.0%	41.8%
<b>USA</b>		
Median net worth	\$2,524	\$228,200

Source: U.S. Census American Community Survey 2013-2017 (population share, income, race/ethnicity, educational attainment), U.S. Census 2010 (age, household size), U.S. Census Survey of Income and Program Participation, 2014 (USA Net Worth)



- 3) **Ask for referrals.** Many tried, true and tired community leaders may be willing to pass on the torch to one of their colleagues to continue relationships with their community.
- 4) **Compensate for time.** As mentioned above, show that you value participants' time and expertise with payments or gifts.
- 5) **Report what you've heard and how it is being used.** Throughout the process, show how participants' needs, ideas, preferences and solutions are being incorporated in the HAP.
- 6) **Implement the HAP.** The best way to prevent future engagement fatigue is to show that participants' efforts were fruitful.

## Make Engagement Methods Accessible

When developing your plan, consider and plan for the various barriers to participation, including those in Exhibit 9.

### Exhibit 9: Barriers to Participation and Accessibility Tips

Common Barriers to Participation	Tips for Accessibility
<p><b>Distrust/lack of relationships with government</b></p> <p><b>Limited English proficiency</b></p> <p><b>Time constraints</b></p> <p><b>Lack of transportation to events</b></p> <p><b>Event venue in unfamiliar location</b></p> <p><b>Need for child care</b></p> <p><b>Intimidating jargon and perceived knowledge gaps</b></p> <p><b>Discomfort with institutional settings</b></p> <p><b>Lack of internet access</b></p>	<ul style="list-style-type: none"> <li>• Hire community liaisons to identify best practices and engagement opportunities with their communities.</li> <li>• Compensate participants, treating them as consultants for their expertise and time.</li> <li>• Select a range of engagement methods to ensure low-key, informal and culturally appropriate settings for meaningful conversations. This may mean holding meetings in the community's primary language or offering interpretation.</li> <li>• Translate materials in advance.</li> <li>• Offer child care, family-friendly events or reimburse participants for child care.</li> <li>• Hold events at locations accessible by multiple transportation modes and/or reimburse transportation costs.</li> <li>• Offer food and beverages. As an added benefit, food stimulates social interactions and a sense of community.</li> <li>• Select venues that are familiar, comfortable and considered to be community spaces.</li> <li>• Ensure accessibility (e.g., American's with Disability Act).</li> <li>• Consider religious holidays and needs (e.g., breaking fast during Ramadan).</li> <li>• Consider online or virtual engagement options for those with time constraints and health concerns.</li> <li>• Provide a glossary and basic background information, such as links to Commerce's short course on housing affordability.</li> <li>• Consider providing "hot spot" parking areas to allow people to access your information if they do not have web access at home.</li> </ul>

## Focus Your Efforts

Of course, the engagement approach needs to realistically fit within a project budget. Not every barrier can be mitigated, and regardless of how welcoming events are, people have competing demands on their time. To prioritize your efforts, consider what will help you meet these basic needs: gather the information needed to understand the full housing picture in your community, build HAP advocates and empower at-risk communities.

## Match Audiences to Appropriate Activities

How much you engage people will vary by audience and point in the process. The size and type of community, complexity of housing issues, and strategies under consideration will also factor into your engagement plan.

Think strategically about who will be involved, using what methods and at what times, while referring back to Exhibit 7 for which level of engagement to use for which purpose. Consider the most basic engagement needs—to gather information, build plan “authors”/advocates and empower underserved communities—and your more specific desired outcomes (such as those outlined in “Why Do Public Engagement?” above) to match stakeholders/community members with appropriate engagement activities, timing and level of effort.

***Some considerations for how to adapt the listed activities for social distancing are included in bold italics.***

### Broad Engagement—Inform/Consult/Involve

The left side of the spectrum is outreach that simply educates or informs. This kind of interaction is good for broad, community-wide engagement. Ideal activities are easy, not time intensive and don’t require self-selection or significant resources to participate. Piggybacking on popular events, well-publicized online surveys and open houses are good tools to achieve these results. ***Web pages with videos, blogs, photo essays and list serves can provide options when public meetings are not possible.***

### Focused “Deep Dives”—Empower/Collaborate/Involve

The further to the right on the spectrum, the more collaborative decision-making is. Focusing on people with important knowledge (e.g., local developers, employers, affordable housing providers, human service providers) or people who play other important roles within the community (e.g., trusted community leader) will build and maintain trust, ensure well-vetted strategies that fit the community and ease implementation. Focused, deep-diving engagement activities like stakeholder committees, focus groups and one-to-one or group interviews are good tools to achieve these results. ***Likewise, these can be held via online meetings, or telephone interviews, using networking to identify participants.***

## Engagement Activities

The methods listed below are ordered roughly from broadest to most in-depth and focused, corresponding with the left (least collaborative) to the right (most collaborative/empowering) of the public participation spectrum. The engagement plan should include a mix of engagement methods depending on the engagement goals for different audiences and phases of the project.

### Engagement during COVID-19

In early 2020, restrictions on social contact in response to the COVID-19 pandemic forced major changes to how engagement can be performed. These restrictions will be in place for an undetermined period. There are many options for performing remote engagement using online, telephone or printed and mailed media. Because many techniques are new for staff and stakeholders, take the time to trouble-shoot issues before

implementing your plan. For example, while these tools can replicate and offer some advantages over typical methods, it is important to consider how new techniques can create new and different barriers to participation, especially among those with limited access to a facility with computers and the internet. You should also be clear about how you will record engagement sessions, which ones are subject to the Open Public Meetings Act, and how to invite, engage, and maintain contact with participants.

### Online Presence

An online presence is useful for making the process accessible to people not typically engaged in government activities, pointing participants to surveys and events, providing project updates and inviting people to join a project listserv. At its simplest, a project website provides a clearinghouse for the HAP process’s goals, schedule and draft materials.<sup>1</sup>

### Social Media

Interactive platforms and/or social media (e.g., Facebook, Nextdoor, Instagram, Twitter, Snapchat, WeChat, WhatsApp) go beyond a simple website to allow online engagement. Social media can quickly extend the reach of your typical network. Facebook ads can be used effectively to “push” a survey link or event announcement to particular demographic segments. Nextdoor can be useful for geographic-specific outreach, although monitoring comments and knowing when to close a comment forum can be challenging. Tags can be used across social media platforms to broaden a post’s reach and better convey the intent of a message.

Community members will likely engage in online conversations regardless of your involvement, so taking an active online role may help improve the quality of the dialogue. However, managing comment forums requires dedicated time. One strategy for addressing incendiary comment forums is to build housing solution advocates—and prepare them with data and stories—who can more effectively engage with their neighbors online. This allows multiple sides to be represented and helps ensure that quieter voices/bystanders feel heard and represented.

### Online Engagement Platforms

Online engagement platforms like surveys and discussion forums can offer a broad and accessible opportunity to be involved. Communitywide surveys should be publicized widely with an intensive outreach effort to yield the most useable results (or paired with a scientific polling method). Incentives like prizes from local businesses can help increase response rates.

## Public Records and Online Engagement

Social media, discussion forums, survey data, crowd-sourced maps and other online data should be recorded to meet [Public Records Act \(PRA\)](#) requirements. Because of the dynamic and interactive nature of online content, you should have a [social media policy](#) to show how public records will be maintained and clarify appropriate uses for personal versus agency accounts. You may purchase an [archiving service](#), use built-in tools like Facebook Archiving and records-keeping provided by online engagement platforms, and/or develop your own system.

In addition, online meetings are becoming more common, and even legislative sessions are moving online during COVID-19-related social distancing. The [Municipal Resources and Services Center \(MRSC\) blog](#) addresses recent PRA considerations for these types of meetings.

---

<sup>1</sup> For jurisdictions with limited web capacity, the Governor’s Office for Regulatory Innovation and Assistance (ORIA) provides project websites for local governments. [www.oria.gov](http://www.oria.gov)

One effective approach to elicit more balanced survey responses is to build an information rich “online open house” prior to survey questions, ensuring that participants have access to the same information and providing an opportunity for reflection before responding to prompts.

Several companies offer online engagement platforms that in addition to typical surveys, also allow for interactive maps, visual preference surveys, ways to post and view ideas and comments, discussion among participants and responses by staff. This multilateral communication can produce more useful and nuanced feedback as common questions or sources of confusion can be addressed rapidly. For instance, Seattle’s Mandatory Housing Affordability (MHA) community engagement staff sponsored an “Ask Me Anything” on Reddit, a popular free online forum, in which more than 600 questions were answered.

## Public Open House

Open houses are primarily concerned with sharing information in an accessible way for community members and collecting simple feedback. Posters provide goals, background and key pieces of information, while staff are on hand to answer questions and document input. One option is to schedule a slide-show presentation to occur several times throughout the course of the event. Sign-in sheets should be used to collect contact information for future events and announcements. Several methods should be available for participants to leave feedback, such as comment sheets, surveys, large note paper, post-it notes on posters, sticky dots, etc.

Open houses offer more flexibility in timing and time commitment than a workshop and consequently lower barriers to access, but without the opportunity to contribute to addressing any issues, an open house can also be less compelling. A secondary objective of the open house is to build up the project contact list for future events and announcements.

***A remote option is to hold an “online open house,” which presents information about the project and can be combined with an online survey. While these can be even more accessible than an in-person open house, the participant loses the opportunity to interact with staff working on the project face-to-face. However, creative use of online engagement tools can preserve the open house experience.***

## Public Workshop

Public workshops are a classic public engagement event type that requires careful planning and consideration of the event’s goals. The most effective workshops tend to be planned for participant education, working through issues as a group and collecting input on the matters at hand. Contextual information and key issues should be conveyed efficiently so participants can quickly familiarize themselves enough to meaningfully participate.

A typical workshop agenda includes:

- A brief opening presentation
- One or more group activities (many of which may be charrette-style activities)
- A closing session for each group to share ideas explored

Optionally, the workshop can also include an open house session at the beginning, end or during a break for participants to peruse printed material on posters. Whenever possible, workshops should provide multiple ways in which participants can provide input; no one format will work well for everyone. Because of the time commitment of participating in a workshop, it is especially important to make every effort to make it easier for people to attend. See the strategies list in [Prioritize At-Risk Communities](#) for ideas appropriate across any culture.



**See the Online Engagement Platforms section below for ideas on attaining workshop-style engagement online.**

### **Pop-up at Community Hotspot**

Pop-ups are like mini-open houses: staff set up at a popular public location—a grocery store, farmers market, coffee shop or street corner—to share information with community members who may or may not have been aware the event would occur. This type of event broadens engagement considerably. Materials need to be heavily condensed and well-designed to convey information quickly. Pop-ups and piggybacking are most effective when leveraged to publicize upcoming or ongoing events like workshops and surveys.

***In social distancing times, ensure that options have multiple stations that are far enough apart, and have people to discourage groups from forming. Have “no touch” handouts where they can be handed out from a dispenser or use gloves.***

### **Piggyback on Public Events**

Similar to pop-ups, piggybacking integrates public engagement with the ongoing civic life of the community. A table and brief announcement at an event like a farmers market, street fair, outdoor movie or parade provides an excellent opportunity to engage with members of the public that might never choose to attend an open house or workshop. Tying engagement to fun, voluntary activities rather than creating extra “work” is a great way to reach residents who have demanding work schedules and/or family responsibilities.

### **Piggyback on Pre-existing Meeting/Community Conversations**

By attending a stakeholder group’s own meeting (e.g., religious institution board/committee, chamber of commerce, homeowners’ association, neighborhood council, business district advocate group, neighborhood potluck, community center event or interest group happy hour), you respect the participants’ time, avoid engagement fatigue and meet them in their comfort zone. These meetings are often best identified by community liaisons.

***A remote option is to reach out to these groups to send links and materials in their newsletters. Messages may be tailored by group.***

### **Walking Tours**

Walking tours can serve several needs; they can be useful early in the process to identify housing issues and opportunities and later to learn about successful outcomes in other communities. Tours are an opportunity to bring participants together for an experience of shared exploration, which is valuable for establishing in-group trust and opening up to creative solutions. The tour is also an opportunity for questions and answers with experts and a networking opportunity for participants.

***Virtual tours, with online maps and a slideshow can fulfill some of the same goals. In addition, virtual reality using participant’s smartphones could provide a more immersive and interactive experience than static photos or slides.***

### **Charrette**

A charrette is a focused type and/or series of workshop(s) that digs deeply into a set of issues. They can range from a single three-hour workshop to a multi-day event with a series of meetings and working sessions. Some require a higher level of working knowledge and are more effective with small groups, which is why they are often performed with staff, stakeholders and experts, not the general public. Charrettes work well with hands-on materials to stimulate discussion: large-format maps, tracing paper, markers, game pieces, stickers and the

like. Results from full-day or multi-day charrettes can be assembled and presented to the larger community for evaluation.

***Although they require a higher level of technical ability than video calls, charrettes can be performed online with the right real-time tools such as screen sharing, digital sketching and synchronous collaborative editing (e.g., online whiteboards and diagramming applications, Google Docs and Sheets, or Microsoft SharePoint files).***

## **Community Liaisons**

Community liaisons serve as a link between municipal governments and hard-to-reach communities. They are especially valuable for reaching communities with language barriers and/or hesitancy to trust public authorities. Liaisons advise on the best methods for gaining the community's insights. They may engage the group on their own, in their own language, and use familiar cultural norms through interviews, meetings or phone calls; invite a city representative to their event; or invite their communities to city events and act as interpreters and translate materials in advance.

***During uncertain and difficult times, gatekeepers like community liaisons are even more valuable for their ability to establish trust, keep open lines of communication with marginalized communities and recommend if/when discussing a long-term plan like the HAP is appropriate. Liaisons will know the most effective ways to engage with their community during mandated "social distancing" and have insight about how rapidly changing events are influencing opinions on and needs for housing action.***

## **Focus Groups and Interviews**

One-on-one or small group meetings with people who share a special knowledge base or identity can be a highly effective way of gathering information and identifying potential solutions. Meeting scheduling should prioritize the convenience of group members. Typical focus groups might include representatives from community, religious and service organizations; affordable housing developers; small business owners; and real estate developers.

***Remote video calls can work well with focus groups, given adequate preparation and advance troubleshooting.***

## **Advisory Committee**

An advisory committee or commission of knowledgeable local experts is a highly recommended engagement strategy for HAP development. An advisory group works closely with the project team to learn about different housing strategies, assess their appropriateness for the community and craft strategy recommendations. Consider inviting builders, affordable housing developers, human services providers, property owners, renters advocates and representatives of communities at risk of displacement to serve on the committee. The committee should meet regularly throughout the course of plan development. It is important at the beginning of the process to clarify the group's mission and scope. Cities have an important role in facilitating meetings and taking action when necessary to help keep the committee on task and within scope.

***Remote video calls can work well with advisory committees, given adequate preparation and advance troubleshooting, and consideration of open public meeting requirements.<sup>2</sup> We recommend that the public be able to view online meetings, but only participate via comments to the chair.***

---

<sup>2</sup> MRSC, P. Stephen DiJulio, "When is a Committee Not a Committee under the OPMA?" (2014), <http://mrsc.org/Home/Stay-Informed/MRSC-Insight/April-2014/When-is-a-Committee-Not-a-Committee-under-the-OPMA.aspx>

## Set Activities to a Timeline

To develop the schedule and select engagement activities, consider the sequencing of events relative to expected milestones. Sequencing considerations include:

### Get started:

- Identify likely groups and individuals to include in your process.
- Conduct interviews with key stakeholders, decision-makers and community liaisons to inform engagement strategies and expand the list of participants.
- Build awareness of the HAP process through broad outreach.
- Learn about key housing issues, i.e., verify accuracy of the HNA through focused conversations with impacted and knowledgeable parties.
- Identify likely members, designate and stand up an advisory group. Build camaraderie and the sense of “we’re all in this together” in early meeting(s).

### Identify issues and potential strategies:

- Engage broadly to build awareness about the project and learn from residents on how to best focus the discussion. Open houses, workshops, surveys, pop-ups and piggyback events, or their online counterparts, can be especially useful for these purposes.
- Build a deep knowledge base to identify and evaluate strategies through interviews and focus groups with experts and community members with specialized knowledge. Look for information about local housing markets, housing needs or impacts to specific populations.

### Evaluate strategies:

- Use advisory group meetings to test engagement activities and filter potential strategies.
- As potential strategies come into focus, hold events like charrettes or workshops to dive deep into the issues and potential outcomes and give community members ownership over the HAP.
- Continue dialogues with heavily impacted groups to develop strategies and understand potential unintended consequences.

### Set implementation plan/prioritize actions:

- Once an overall strategy has been selected, conduct broad engagement (mostly outreach at this point) with open-house style events, piggybacking and media hits to report back how participants’ ideas made it into the HAP, celebrate work completed and build momentum toward the implementation phase.
- Continue deep dives and dialogues to prioritize HAP actions.

### Throughout the process:

- Build in time to re-evaluate your engagement methods and fill in any information or advocacy gaps rising to the surface.
- Continue opportunistic piggybacking on pre-existing community meetings and popping up at events.
- Continue to provide information through websites.

## Sample Engagement Plan

Exhibit 10 features an example engagement plan from Olympia in 2017. This effort, resulting in a downtown strategy, included workshops, forums, online surveys, city council briefings and a stakeholder working group.

# Exhibit 10: Example Engagement Plan from Olympia

## Public Process | Downtown Strategy

Connecting People, Places & Spaces

**Key**

Public Involvement

City Council Briefings

Online Engagement

Stakeholder Work Group

*Last updated 04/19/2017*



Source: [City of Olympia](http://City of Olympia), 2017



## Tips for Success

The approaches below have been useful in developing housing action plans and apply to a range of audiences and engagement activities.

### **Inform and empower participants**

Complex rules, jargon and poorly presented information often make discussion about housing policy opaque and unwelcoming to the vast majority of those who will be affected by them. A priority throughout the development of a HAP should be to inform—with simple, legible graphics and narrative—and empower participants to critically assess the housing system.

### **Go on tours (real or virtual)**

Change can be threatening, more so in the abstract. Visiting nearby places that exhibit some of the strategies under consideration can provide a more concrete and less threatening image of possible future outcomes. In a pinch, a virtual tour with online maps and a slideshow can fulfill some of the same goals.

Walking tours with committee or community members can also be a great way to get a better sense of how different neighborhoods fit together and what some of the advantages and disadvantages of different housing strategies can be. We often think we're more aware of our surroundings than we really are until we take the time to intentionally look. See Engagement Activities above.

### **Test preferred concepts**

Does it pencil? Consider hiring a real estate or development professional to perform pro forma analysis on different types of desired development under current and proposed code. If the new plan results in code that isn't financially feasible, housing issues will go unaddressed.

### **Bring in experts to answer questions**

Consider inviting market-rate and affordable housing developers, urban designers, housing researchers or other knowledgeable experts to share their insights with stakeholders.

### **Be clear about what policy options will mean to people**

Presenting outcomes in a straightforward and honest way upfront can help build trust in the long run. When potentially challenging outcomes are presented early, stakeholders have time to get used to them, help staff communicate them to the public and develop mitigation strategies. Surprises late in the game for the public or elected officials can shut down progress.

Some potential outcomes of strategies may include:

- New development (show pictures)
- Construction impacts on rights-of-way (be clear about time of delay and city strategies for managing impacts)
- Demographic changes
- Taller buildings (use graphic tools to demonstrate what this might look like from different locations in the city)

Likewise, it's important to not be unreasonably optimistic about the outcomes of a preferred strategy. Many communities have pursued extensive processes to amend development code with minimal results due to overly burdensome stipulations and/or lack of market demand.

## Provide strong visual examples

Example images showing the types of desired outcomes of proposals will make conversations about housing strategies more accessible and focused.

The photo library of “missing middle” housing created by Sightline Institute, a sustainability research and communications nonprofit, is one source for compelling visuals. The crowd-sourced library includes images of multi-unit houses in a range of climates and architectural styles for public use and is licensed under Creative Commons ([https://www.flickr.com/photos/sightline\\_middle\\_housing/](https://www.flickr.com/photos/sightline_middle_housing/)).

Tips from Sightline Institute on visuals:

- Feature inviting homes of all shapes and sizes.
- Include a variety of homes – big and small, old and new. Familiarize people with gentle density and show that one size doesn’t fit all.
- Showcase friendly facades – entryways, doorways and porches (not roads and garages).
- Use photos from sunny days when possible.
- Capture community context: include sky, greenery, neighboring homes and shared spaces to show how the home fits into community.
- Celebrate character: details like art, bicycles, swings or gardens show how people live in these buildings and helps build an emotional connection.

## Tools for dealing with controversy

- Address the controversy before it gets ugly; actively seek conversations with people potentially affected by real or perceived impacts.
- Ensure diverse representation on stakeholder committees; especially sensitive and vulnerable communities.
- Be honest and upfront about the magnitude of changes proposed.
- Use attractive materials and photos.
- Don’t hide key information.
- Avoid jargon and complicated statistics, especially in public presentations. On the flip side, don’t water it down when your audience is asking for complex information; make it accessible.
- Use the planning process to cultivate advocates. Committee members, popular elected leaders and members of the community often have more credibility than staff or consultants.

## Case Studies

### Olympia Downtown Strategy

To develop Olympia’s Downtown Strategy (which includes a housing element), Olympia conducted robust public engagement through a series of stakeholder work group meetings, many focused discussions with specific stakeholder or interest groups, a business and developers forum, online surveys, and traditional community workshops with highly interactive games and activities. The range of activities led to a well-informed strategy and strong community backing.

The stakeholder work group was integral to the process. The city/consultant team identified and invited members representative of Olympia’s diverse demographics and viewpoints. Social service and housing advocacy organizations played a prominent role. The work group tackled complex topics, vetted engagement activities and materials before going to a wider audience, and submitted a plan that city leaders adopted. This led to an equitable strategy with implementable immediate actions.

## Seattle's Central District: Mandatory Housing Affordability (MHA) and Judkins Park Station Area Planning

The Central Area is the historical heart of Seattle's African American community due to redlining practices that barred Black people from buying houses elsewhere. However, gentrification and displacement caused the Black population to decrease from 73% in the 1970s to 18% in 2016.<sup>3</sup> During Seattle's MHA community vetting process, Seattle's Office of Planning and Community Development and Department of Transportation engaged community members in the Judkins Park station area (southern Central District) planning efforts. The city had engaged Central District community members for many plans prior, and participants were fatigued. Traditional community leaders expressed frustration about displacement and a perception that the city was not addressing the issue. To continue meaningful dialogue, the city tried a few strategies:

- Seattle's Office of Planning and Community Development hired a community liaison to reach traditional community leaders, identify new leaders and tap into existing networks. While long-time leaders continued to express frustration and were not interested in further meetings, the liaison leveraged a local African American church's activities so that project team members could hear about their interests.
- Many city-hosted events addressed multiple projects to streamline participants' interactions and respect their time. For example, a community open house in Washington Hall had booths about MHA, Central Area Neighborhood Design Guidelines, and Judkins Park Station Area planning.
- For the MHA community design workshops, the city offered child care and hosted the workshops in local venues. The Central District's audience still did not represent the local population, despite additional canvassing in the area. This points to the general engagement fatigue and suggests that very focused efforts were most effective (like meetings with church members on their turf).

Many other techniques and approaches—used across the city—are documented in Seattle's Housing Affordability and Livability Agenda MHA "[Community Input Summary](#)."

### Resources

- Policy Link and Kirwan Institute's [The Community Engagement Guide for Sustainable Communities](#) is a comprehensive guide that describes the benefits of community engagement, offers ways to make engagement more meaningful and inclusive, and includes case studies.
- Futurewise, InterIm CDA, One America and El Centro de la Raza's [Community Engagement Toolkit: Guidance and Resource for Engaging Community in Planning and Policy Development](#) is another comprehensive guide and organizes its recommendations by the IAP2 engagement spectrum in Exhibit 7.
- PSRC's [Community Engagement Guide](#) provides an overview of equitable community engagement strategies, links to Washington-based resources and programs, and draws heavily from the Growing Transit Communities process.
- PSRC's [HIP Tool: Community Outreach Plans](#) offers basic information about raising awareness about a project or issue and questions to consider when planning outreach.
- Municipal Research and Services Center's (MRSC) [Guidance and Resources for Public Participation](#) collects some Washington-specific resources, including legal guidance for required public participation, open meetings, etc.
- Seattle's [Inclusive Outreach and Public Engagement Guide](#) provides a useful worksheet and key considerations for developing a racially and culturally appropriate engagement plan.

---

<sup>3</sup>Beason, Tyrone, "Central District's shrinking black community wonders what's next," (2016, updated 2017), <https://www.seattletimes.com/seattle-news/central-districts-shrinking-black-community-wonders-whats-next/>

# Chapter 3: Housing Policy Framework Review

## Relationship of HAP to Comprehensive Plan and Development Regulations

As described in [Chapter 1: Getting Started](#), a HAP informs comprehensive plan policies and guides implementation strategies to help a community meet its housing needs and strategic objectives. To help inform these policies and strategies, the HAP must include a review and evaluation of the local government’s housing element.

A housing element is part of an internally consistent comprehensive plan that supports the future land use plan. Thus a community should consider intrinsically linked policies in all other elements of the plan including, but not limited to, land use, capital facilities, transportation and others. Development regulations must be consistent with and implement the comprehensive plan policies. Because of the interconnecting nature of comprehensive plan elements and regulations, we refer to this step of a HAP as a “housing policy framework review.”

Commerce recommends this review evaluate the development process and any systems the jurisdiction controls that may influence the development of housing. Consistent with RCW 36.70A.600(2)(e), a HAP must *review and evaluate the current housing element adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.*

In the remainder of this chapter we provide an overview of the housing planning process in Washington state and then address how a local government can conduct a housing policy framework review by asking the following questions:

### ○ Housing Policy Review

- How well do your housing element policies meet your community’s needs for housing?
- What is your progress in meeting housing targets or objectives for housing types and units?
- What opportunities have arisen that were not foreseen by the comprehensive plan?
- What related changes may be needed in other comprehensive plan elements to achieve the community’s housing goals?

### Using the HAP to Affirmatively Further Fair Housing

Housing policy can promote access to opportunity for residents and neighborhoods that suffer from discrimination.\* The development of diverse housing options that serve all income levels in areas with access to good schools, jobs and amenities can counter patterns of segregation and inequality. The HAP is an important opportunity to directly and proactively address inequality at the local, community level. Organizations such as the [Fair Housing Center of Washington](#) serve as a resource for jurisdictions implementing projects that use federal funds to affirmatively further fair housing (AFFH). [Local Housing Solutions](#) is another resource that connects housing strategies (including many of those found in this guidance) with AFFH.

\*The Federal Fair Housing Act prohibits housing discrimination based on race, color, national origin, religion, sex, familial status and disability. (Title VIII of the Civil Rights Act of 1968, as amended in 1988 ([42 U.S.C. §3601 et seq.](#)) and Civil Rights Act of 1866 (Title 42 of the United States Code sections 1981 and 1982))

## ○ Programs and Actions Implementation Review

- What are regulatory barriers to achieving goals and policies, such as development regulations, permitting processes or fee structures that may be at conflict with housing goals and policies?
- How are existing programs working to influence housing production, such as tax exemptions and density provisions?
- What are real estate market barriers that can be addressed by city policy and program changes to achieve housing objectives?

Case studies and examples are highlighted periodically.

The chapter concludes with a summary of how the findings of the housing policy framework review can inform housing strategy selection.

## Washington State Requirements for Housing Planning

The Growth Management Act (GMA) includes specific requirements for how cities and counties should plan for housing, including housing affordable to lower-income households. The requirements apply in the 29 “fully planning” counties that are required to plan under the GMA.

Implementation of the GMA is guided by 14 overlapping goals (Exhibit 11). The GMA housing goal is “*encourage the availability of affordable housing 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.*” RCW 36.70A.030 includes other goals that relate to affordable housing:

### **GMA Housing Goal**

The GMA housing goal is to “encourage the availability of affordable housing 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.” ([RCW 36.70A.020](#))

- *(1) Encourage development in urban areas where adequate public facilities and services exist, or can be provided in an efficient manner.*
- *(2) Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.*
- *(12) Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.*

## **Countywide Planning Policies**

All 29 fully planning counties and the cities within them must agree on how they will address issues of a countywide nature, such as transportation, siting of public facilities, growth and policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution. These countywide planning policies may include targets for affordable housing. The policies of cities and county comprehensive plans in Kitsap, King, Pierce and Snohomish counties must also be consistent with the multicounty planning policies currently established in Vision 2050 developed by the Puget Sound Regional Council.





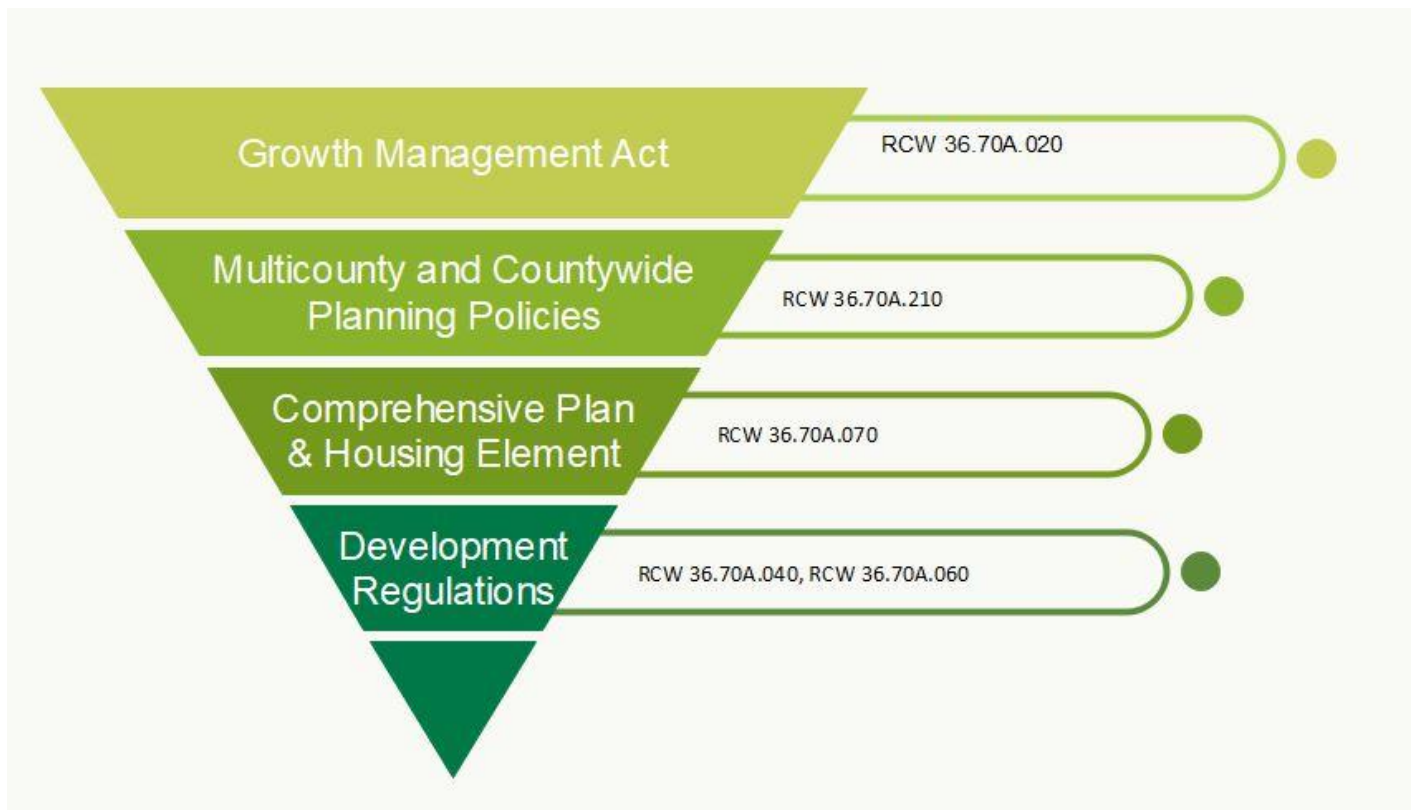
## The Housing Element

The housing element of the comprehensive plan should ensure the vitality and character of established residential neighborhoods while accommodating future housing needs. This does not mean neighborhoods should remain unchanged over time. They are expected to change and adapt as homes are remodeled or replaced, with the expectation that development will become more developed over time. The housing element should:

- Include an inventory and analysis of existing and projected housing needs that identify the number of housing units necessary to manage projected growth. Cities should consider both the new households within incorporated areas and those in any unincorporated areas intended to annex to that jurisdiction within the 20-year planning period.
- Include a statement of the goals, policies and objectives for the preservation, improvement and development of housing, including single family residences.
- Identify sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, group homes and foster care facilities.
- Make adequate provisions for existing and projected housing needs of all economic segments of the community.

The relationship of the state, regional, county and local requirements is illustrated in Exhibit 12.

### Exhibit 12: Hierarchy of State, Regional and Local Housing Policy Requirements



# Conducting a Housing Policy Framework Review

With the context of the state, regional and local planning hierarchy, here are some questions to consider in your housing policy framework review.

## Housing Policy Review

### How do your comprehensive plan policies meet your community's needs for housing?

A core area of housing policy is naturally located in the housing element of the comprehensive plan and is a starting place for the HAP housing policy framework evaluation. The following evaluation factors can help guide your housing element policy review. See Exhibit 13 below which includes an Auburn example.

- Does the housing element reflect the GMA goal for housing? Do policies reflect the GMA housing goal that discusses housing production; a variety of housing types, densities and price points; and housing preservation?
- Is the housing element updated consistent with GMA requirements (tip – see Commerce's [Periodic Update Webpage](#)). The GMA is frequently updated, and new requirements may present a need for policy updates. See sidebar for recent GMA housing law updates.

### Is the housing element consistent with countywide planning policies?

Review the latest version of the countywide (and multicounty) planning policies to see if your goals and policies are consistent with and implement those policies. Since housing action plans will be completed close to the time countywide planning policies (CWPPs) may be reviewed, does your HAP identify potential revisions to CWPPs? Auburn's response to a multicounty planning policy was to create a new housing policy; see Exhibit 13 below.

### Are the land use and housing elements aligned with and implementing the regional transportation plan, including any regional transit plan?

Does your comprehensive plan concentrate higher densities of housing in areas of opportunity such as designated centers and transit hubs? Are the land use, transportation, and capital facilities elements consistent with the regional plan? Does this analysis identify logical places for higher density housing with infrastructure or priorities for investment in capital facilities to further the regional and local land use plan?

## Recent GMA Housing Law Updates

**GMA updates to definitions** for "affordable housing," "low-income household," "very low-income household" and "extremely low-income household." [RCW 36.70A.030, Engrossed Second Substitute Housing Bill \(E2SHB\) 1923 \(2019\)](#)

**Accessory dwelling units:** New GMA definitions added and limitations on parking requirements. [Engrossed Substitute Senate Bill \(ESSB\) 6617 \(2020\)](#)

**Parking near transit:** A local government planning under the GMA is limited in the amount of parking it may require for certain types of development occurring within ¼ mile of a transit stop. [RCW 36.70A.620, E2SHB 1923 \(2019\)](#)

**Permanent supportive housing** must not be prohibited in areas zoned for multifamily housing. [E2SHB 1923 \(2019\)](#) and [Substitute House Bill \(SHB\) 2343 \(2020\)](#), [RCW 35A.21.305](#), [RCW 35.21.689](#)

**Manufactured homes:** Jurisdictions may not use setback limits to prohibit placement of a manufactured home on an existing lot. [ESSB 5183 \(2019\)](#)

**Manufactured home community:** Tiny homes and recreational vehicles must be allowed as a primary residence. [ESSB 5183 \(2019\)](#)

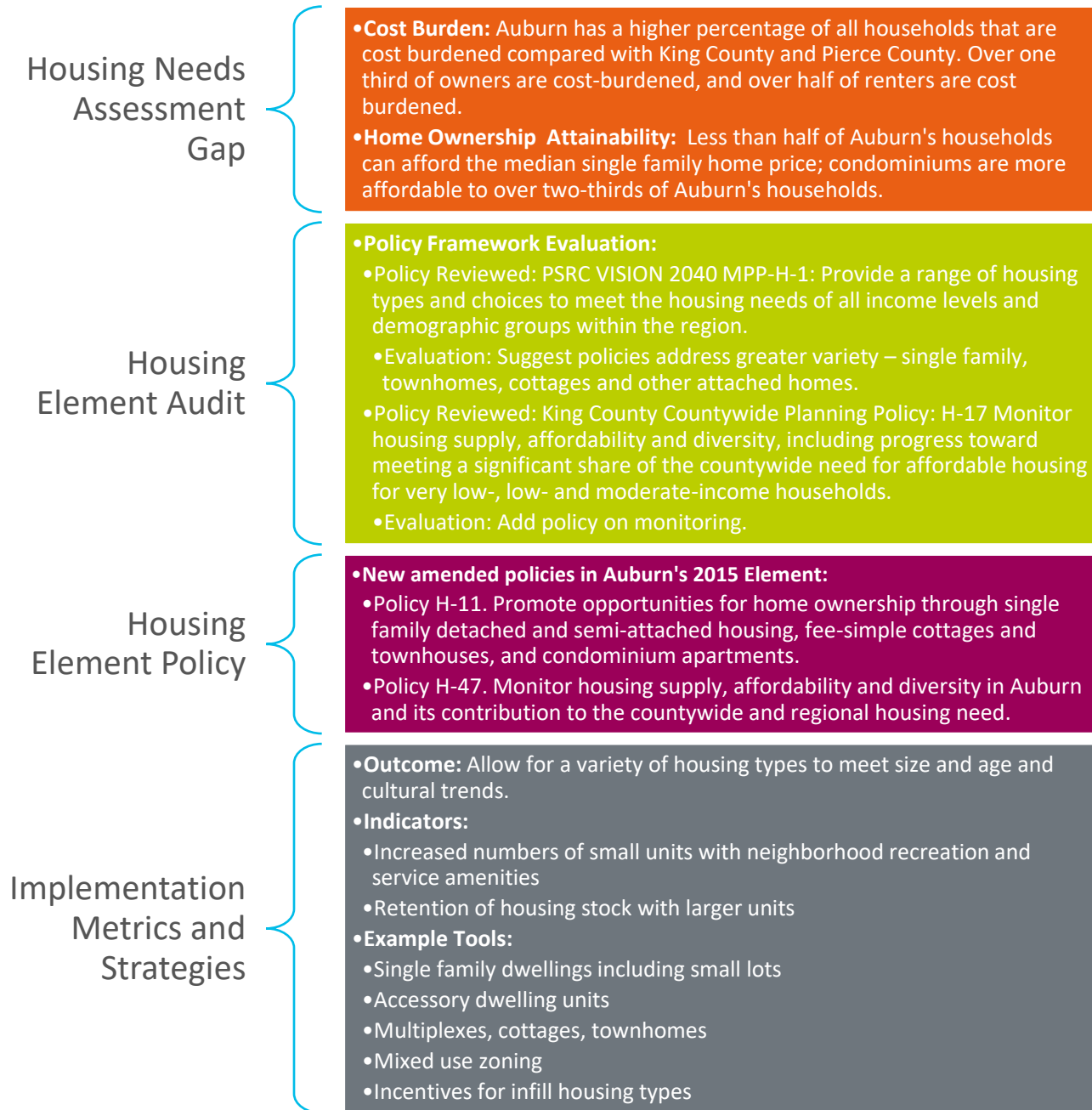
**Density bonuses for affordable housing** located on property owned by a religious organization. [SHB 1377 \(2019\)](#)

**Homeless encampments:** A city may regulate religious organizations that host temporary encampments for the homeless. [ESHB 1754 \(2020\)](#)

For a full listing of topics and references, see Commerce's Washington [2019/2020 housing laws](#) and Appendix 3.

## Exhibit 13: Example - Auburn HNA and Housing Element Update 2015

Auburn prepared a "Housing Needs and Characteristics Assessment and Summary of Community Outreach Objectives & Activities" to inform its [2015 Comprehensive Plan Update](#). Below is an excerpt of Auburn's needs assessment, housing element policy evaluation and resulting new policies and implementation strategies. Auburn's steps are similar to those in RCW 36.70A.600(2).



## Is the housing element aligned with recent demographic and housing trends?

A community's housing element policies will be most effective if they recognize the diverse housing needs of its population including affordability, life cycle, cultural desires and others. The housing needs assessment component of your HAP will be the primary way to identify these needs and gaps. These needs should also be reflected in the strategic objectives for your HAP (see discussion in [Chapter 1: Getting Started](#)). Review existing policies to see whether they authorize actions to address needs, or if they need updates to reflect changes in the community.

## Does the housing element align with community vision and public engagement results?

Through the public engagement process planners may find qualitative housing needs not seen in data, and the interrelationships of housing and services. For example, Auburn found in its [housing needs and characteristics assessment](#), a concern about the cost of assisted living with seniors, and a desire for improved safety and children's play areas affecting quality of life for a Latinx community. Also see [Chapter 2: Community and Stakeholder Engagement](#).

## Are housing-related comprehensive plan goals and policies clear?

Identify revisions to clarify meaning or to be more actionable. For example, Jefferson County screened its policies for a total fitness review; see sidebar on this page.

Once you have reviewed all the housing and related policies in the comprehensive plan, you may have a list of recommended changes to policies. These could become docketed changes to the comprehensive plan in the next amendment cycle, or they could become strategies in HAP to be updated later. See [Chapter 6: Implementation and Monitoring](#) for implementation planning. Commerce recommends that any identified plan changes be completed before the next periodic update cycle.

## What is your progress in meeting housing targets or objectives for housing types and units?

Some communities monitor their progress in meeting housing targets and objectives. The HAP is an opportunity to review trends to determine progress.

These targets or objectives may be found in countywide planning policies, the comprehensive plan or other programs. Course corrections can be made using HAP strategies to provide incentives or remove barriers to achieving the target. If your community does not have a monitoring strategy, this is an opportunity to identify what types of measures you could track. See [Chapter 6: Implementation and Monitoring](#).

For example, Snohomish County and cities have adopted [housing targets for the number of units to go into each community](#). Snohomish County has also committed to track the provision of affordable housing units in its [policy HO 4.B.1 to assess whether an adequate supply of housing affordable to the county's lower income and special needs residents is being provided](#). Snohomish County also tracks development of residential units

### Example: Jefferson County Comprehensive Plan Update Total Fitness Goal and Policy Review Criteria:

**Revise** – rewrite to be more accurate, concise, or up to date

**Retain** – it's still valid, relevant, feasible, achievable, and cost-effective

**Add New** – to reflect new information, law or the needs of the public

**Delete** – has been accomplished, combined with another goal or policy, no longer relevant, etc.

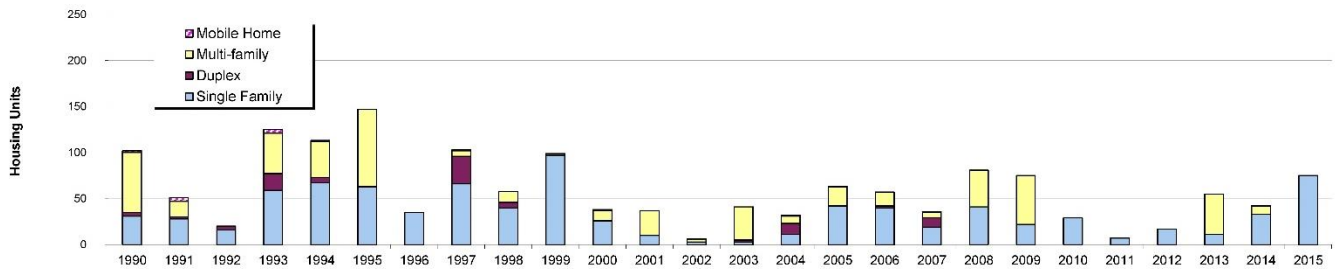
**Move** – more appropriate somewhere else, different goal or element, etc.

**Consolidate** – with another goal or policy



in its [Growth Monitoring Reports](#). The example from the Town of Snohomish and its UGA shows a range of duplex, multifamily and single family units built year to year (Exhibit 14).

## Exhibit 14. Snohomish UGA (City and Unincorporated UGA) – New Housing Units Permitted by Type 1990-2015



Source: Snohomish County Tomorrow, 2016

### What opportunities have arisen that were not foreseen by the comprehensive plan?

The HAP policy evaluation can highlight new opportunities for development including surplus public land, changing land needs and other trends that may have come about after the last comprehensive plan update. Land may no longer be needed for its original purpose, and new opportunities for housing can present themselves. For example, former military or institutional sites, power and utility properties, vacant commercial areas, and others can be locations for new housing opportunities. Major transportation investments may also bring opportunities for new transit-oriented development (TOD). See sidebar for examples.

### What related changes may be needed in other comprehensive plan elements?

Changes in a housing element may require changes in other related elements of the comprehensive plan.

The community's land use element sets the future land use designations and growth targets and is a key element to consider in tandem with the housing element. Housing growth is also supported by, and should be consistent with, capital facilities, utilities and transportation elements. The housing needs identified by a HAP may require another look at other elements in the comprehensive plan beyond the housing element. Some common scenarios could include:

- **Higher density land use designations and corresponding transportation investments:** Where the HNA and housing policy evaluation illustrate greater housing affordability is required, the land use element may need to be reconsidered to add higher density designations. In association, this higher density designation change may impact transportation systems and require different investments in transportation infrastructure.
- **Smaller dwelling units and opportunity for walkable districts with amenities:** A compact development with smaller housing units could increase population density and demand for services and amenities. This

### Examples of New Opportunities

Non-Residential Sites Converted to Mixed Use

- [Vista Field, Kennewick](#), former airport
- [Southport, Renton](#), former power plant

Major Transportation Investments and TOD

- Bothell, SR-522 and SR-527 Improvements and [Downtown Revitalization Plan](#)
- Seattle, Othello Station Light Rail station and [Transit Oriented Development](#)

change could be an opportunity to change the spatial pattern of parks, trails, and stores. These changes could support multiple goals across several elements including reducing sprawl, reducing greenhouse gas emissions, increasing walkability and supporting active living.

See Exhibit 15 illustrating how the housing policy framework is integrated in multiple elements of a comprehensive plan, a consideration when setting up a policy review.

### Exhibit 15. Example of Housing Policy Framework Integrated in Multiple Comprehensive Plan Elements – Jefferson County



Note: \*In 2020, the state of Washington's capital budget included funding for design and engineering of the Port Hadlock sewer project. Source: Jefferson County, 2018.

### Evaluating Development Regulations

Development regulations carry forward housing policies. A jurisdiction will need to review the regulations it currently has in place and identify if and where regulations prevent housing development that meets community needs.

#### What are regulatory obstacles to housing diversity and supply?

Development regulations are an expression of a local government's policies and help achieve a community's vision. Clear regulations give certainty to residents, property owners and developers. They provide for a consistent quality of development that helps promote private investment.

Over time development regulations may become out of date, or may interact with other new regulations and cause unintended barriers to housing production. As the comprehensive plan is periodically reviewed or amended, there may be conflicts or inconsistencies between the regulations and a community's goals for housing variety and affordability. An audit of existing plans and codes and engagement with for-profit and non-profit developers can help identify which regulations are important to carry forward to meet a community's goals or legal requirements, and which are unnecessary barriers to the production of housing and should be amended. Some considerations for updated or amended regulations include:

- Lack of developable land in appropriate locations and with appropriate zoning
- Allowed uses in zoning districts that do not match housing needs, e.g., "missing middle" housing, higher density single family or multifamily uses
- Overly large minimum lot sizes or lot widths, setbacks or off-street parking requirements
- Overly restrictive ground-level use requirements for mixed use development
- Burdensome and outdated lot coverage or impervious surface limits that may be inconsistent with stormwater regulations
- Inflexible subdivision standards

This section should identify which regulations are at odds with the comprehensive plan vision, policies and local housing needs, and which strategies from chapter 4 could be considered to bring what is allowed under code to match more closely to what is needed in the community.





- Are there regulations that could be added to help more diverse housing fit into the community, such as limited design standards or a form-based code?
- Does the code allow a diversity of housing forms? Are there permitting provisions for tiny homes, cottage housing, rowhomes or townhouses, etc.?
- If sewer is not yet available, are there provisions to require "shadow platting" to lay out current development in a way that does not preclude future development?
- Does the code allow clustering or lot size averaging?

Exhibit 16 is an example of comparing development regulations to comprehensive plan vision and potential strategies to address inconsistencies.

## Exhibit 16. Comparing Policy Guidance to Current Code

# Integrating Housing Diversity Current Issues & Preliminary Concepts

Over 80% of the existing housing in Anacortes is detached single family homes. The new comprehensive plan policies promote a wider variety of housing types to meet the full range of housing needs for the city's evolving population. The housing types listed below warrant special attention in this code update.

	Current Code	Comprehensive Plan Policy	Concepts for Consideration
<p><b>Accessory Dwelling Units (ADU)</b></p> 	<ul style="list-style-type: none"> <li>Allowed in all residential zones subject to standards</li> <li>May be within a single family home (attached) or detached</li> <li>May be up to 900sf in area</li> <li>A total of 3 off street parking spaces for the home &amp; ADU are required</li> <li>Height limit is 16' for detached ADUs</li> </ul>	<p>Allow for attached and detached ADUs in all residential districts provided size, design, and other provisions are included to promote compatibility with surrounding uses.</p>	<ul style="list-style-type: none"> <li>Adjust height limit to allow a gabled second floor for ADUs built over garages (but perhaps not a full 2nd floor)</li> <li>Limit ADU/garage structure to no more than 75% of the lot width</li> <li>Allow on-street parking to count for one required parking space</li> </ul>
<p><b>Small Lot Single Family Dwelling</b></p> 	<ul style="list-style-type: none"> <li>New lots smaller than 5,000sf are only allowed in the R4 zone</li> <li>There are no design standards for homes – other than setbacks and lot coverage and height limits</li> </ul>	<p>Allow for small lot single family development (lots smaller than 5,000 square feet) in the R3 zone provided design provisions that emphasize a pedestrian-oriented design and the inclusion of usable open space are included.</p>	<ul style="list-style-type: none"> <li>Limit garage faces to no more than 50% of house façade and set back garage entries behind front wall</li> <li>Require a covered entry for home visible from the street</li> <li>Require that at least 10% of the façade be transparent windows</li> <li>Require minimum usable open space = 10% min. of lot area with no dimension less than 15' (livability)</li> <li>Provide upper limit on the size (total floor area) of buildings</li> </ul>
<p><b>Cottage Housing</b></p> 	<ul style="list-style-type: none"> <li>Not addressed</li> </ul>	<p>Encourage the development of cottage housing (a cluster of small homes around a common open space) in single family zones as an increasingly popular housing type, provided special design provisions are included to ensure a pedestrian-oriented design, inclusion of common open space, and strict cottage size limitations.</p>	<ul style="list-style-type: none"> <li>Allow in all residential districts</li> <li>Limit cottages to 1½ stories and no more than 1,200sf floor area</li> <li>Suggest allowing two cottages for each standard house</li> <li>Add detailed design standards for cottage orientation, open space, and parking location/design</li> </ul>
<p><b>Townhouses</b></p> 	<p>Could be built under duplex, triplex, or apartment provisions</p> <ul style="list-style-type: none"> <li>R-4 is the only district where they could now be built</li> <li>C &amp; CBD zones require ground floor commercial – townhouses aren't allowed unless the first floor is for commercial use</li> </ul>	<p>Encourage the development of townhouses in the R-3, R-4 and on certain side streets in the C and CBD zones as an efficient and popular form of housing for a large demographic of the population. Design standards emphasizing pedestrian-oriented design, façade articulation, and usable open space are important.</p>	<ul style="list-style-type: none"> <li>Relax ground floor retail requirements</li> <li>Allow in R-4 and add flexibility on density limits</li> <li>Allow in R-3 with up to 4 units attached subject to lot size requirements</li> <li>Add design standards to limit building massing, improve the design character, address side yard privacy issues, minimize impacts of garages, and provide usable open space</li> </ul>

Source: Makers, 2016 (Note: This excerpt omits a row for apartments at the bottom)



## Development Review Process

The GMA intends that the majority of the hard work takes place during the development and review of the comprehensive plan. Once land use designations and zoning are established, project permitting is expected to be predictable and timely, and to implement the goals of the comprehensive plan.

Development consistent with well-designed regulations should move predictably through the development review process, which can reduce the cost of building new homes. Building permits and short plats should be able to quickly move through the development process because they are generally simpler in nature. For subdivisions and more complex developments, the review process may involve public comment on land use permits and environmental documents, which can improve proposals but lengthen the approval process. Since individual projects can be a focus of public opposition, a concerted public engagement effort during the preparation of a housing element and HAP can identify and address community concerns about a city's or county's overall housing program.

When a development project involves an approval that is highly discretionary, such as a multifamily project requesting variances or other considerations, there is a higher degree of project risk. In these conditions, projects may need higher returns on investment, which can drive up the cost of that project. This can sometimes lead to larger projects in order to spread costs across more units.<sup>4</sup> When examining your approval process, make sure your development procedures provide appropriate levels of discretionary review while furthering housing production and affordability goals.

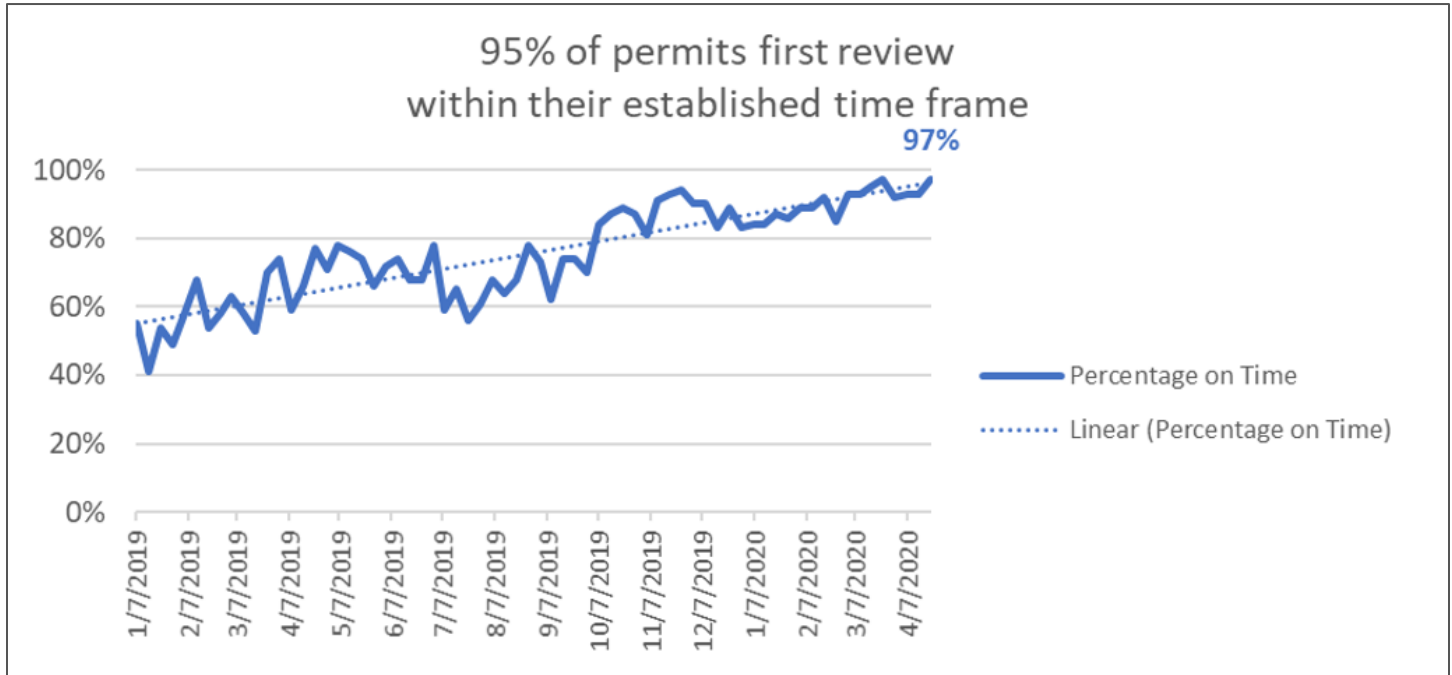
Some jurisdictions collect customer feedback over time to gauge how the developers are perceiving predictability of the permit process. The city of Bellevue collects customer feedback on its development services because faster and more predictable review time is a top priority. Some communities may set performance metrics and measure their progress. For example, see Seattle's tracking of permits on-time over 2019-2020 (Exhibit 17). Quantitative evaluation of permit timeliness can be compared to qualitative surveys to consider progress and perception.

---

<sup>4</sup> Schuetz, Jenny, Brookings, "Who's to blame for high housing costs? It's more complicated than you think," (January 17, 2020), <https://www.brookings.edu/research/whos-to-blame-for-high-housing-costs-its-more-complicated-than-you-think/>



## Exhibit 17. City of Seattle Performance Metrics for Seattle Department of Construction and Inspections: 2019-2020



Source: City of Seattle, 2020, <https://performance.seattle.gov/stories/s/Basic-City-Services/yjcm-bfwx>; BERK, 2020.

Over time local governments have adopted sophisticated codes designed to protect the environment (e.g., critical areas), quality of infrastructure and levels of service (e.g., concurrency, stormwater management, system development charges), which means that land use and environmental review procedures may be unnecessarily long or expensive. Consider auditing the development review process including:

- Land use permit types and levels of review
- Environmental review procedures that affect the length of a permit review
- Fees for application and studies

Exhibit 18 presents a checklist of development review process improvement opportunities and corresponding strategies described in more detail in [Chapter 4: Strategies for Increasing Housing Supply and Diversity](#).

## Exhibit 18. Checklist of Development Review Process Improvement Opportunities

Category	Potential Opportunities
Land Use Permit Types and Levels of Review	<p><b>Conditional Use Permits and Lower Levels of Review:</b></p> <ul style="list-style-type: none"> <li>○ Are there residential land uses that require hearing examiner conditional use permits?</li> <li>○ Can common conditions of approval be placed in the code instead of through a discretionary process?</li> <li>○ Can the level of review be moved to an administrative conditional use permit or other lower level of review provided noticing, criteria, conditions and standards are in the code?</li> </ul> <p><b>Variations and Lower Levels of Review:</b></p> <ul style="list-style-type: none"> <li>○ Do developers often request greater heights or reductions in setbacks to increase density or make feasible projects on challenging infill sites? Can the request be made an administrative approval through improved decision criteria, design guidelines or application submittal materials?</li> </ul> <p><b>Subdivisions:</b></p> <ul style="list-style-type: none"> <li>○ Has your jurisdiction allowed a short-plat application to be approved with up to nine lots instead of four lots? (<a href="#">RCW 58.17.020(6)</a>)</li> <li>○ Has your jurisdiction allowed administrative review of a preliminary plat without a hearing? (<a href="#">RCW 58.17.095</a>)</li> <li>○ Does your local government allow administrative approval of final plats? (<a href="#">RCW 58.17.100</a>)</li> </ul> <p><b>Shoreline Permits:</b></p> <ul style="list-style-type: none"> <li>○ Are there shoreline conditional use permits or shoreline variances that could be converted to shoreline substantial development permits that require less process if standards are more detailed in the community's shoreline master program? Through shoreline master program periodic reviews, communities can identify these opportunities.</li> </ul> <p>See also Chapter 4, Strategies <a href="#">P-6 Permitting Process Streamlining</a> and <a href="#">P-7 Subdivision Process Streamlining</a>.</p>
Environmental Review Procedures	<p><b>Categorical Exemptions:</b></p> <ul style="list-style-type: none"> <li>○ Have you increased the threshold for SEPA review? With the regulatory backstop in local government regulations, local governments can consider flexible thresholds for greater single family and multifamily units, parking and others. See Chapter 4, Strategy <a href="#">P-1 State Environmental Policy Act (SEPA) Threshold Exemptions</a>.</li> </ul> <p><b>Areawide SEPA Streamlining:</b></p> <ul style="list-style-type: none"> <li>○ Are there districts where your community desires to attract more development and higher densities? As part of a plan, a community can streamline the SEPA process and reduce the potential for appeals with an infill exemption or planned action (respectively Strategies <a href="#">P-2 SEPA Infill Exemption</a> and <a href="#">P-4 Planned Action</a>).</li> </ul>

Category	Potential Opportunities
Fees for Applications and Studies	<p><b>Fees:</b></p> <ul style="list-style-type: none"> <li>○ Would waiving or reducing fees entice development and additional investment? Some fees can be partially or fully reduced, e.g., impact fees and affordable housing exemptions. See Chapter 4, Strategy <a href="#">A-4 Fee Waivers for Affordable Housing</a>.</li> <li>○ Fees can also be waived to incentivize redevelopment, such as waiving application fees for boundary line adjustments to consolidate lots in redevelopment areas.</li> </ul> <p><b>Studies and Plans:</b></p> <ul style="list-style-type: none"> <li>○ Are there alternative sources for studies and plans that can reduce cost and time and still retain development quality? Application procedures often require studies and detailed plans; these are important to ensuring public health and safety, environmental quality, infrastructure durability, etc. Sometimes the requirements for studies or plans could be met in different ways. For example, (1) allowing the use of area-wide critical area studies prepared by experts in lieu of a site-specific study, (2) allowing simple self-prepared vegetation planting plans for minor projects, or (3) allowing submittal of pre-approved design plans for accessory dwelling units to reduce cost and time.</li> <li>○ Have you considered engaging the State of Washington Department of Transportation to obtain a letter of no significant adverse impact to “transportation elements of the environment” for development projects to reduce SEPA appeals of permit decisions? See Chapter 4, Strategy <a href="#">P-5 Protection from SEPA Appeals on Transportation Impacts</a>.</li> </ul>

Notes on Exhibit 18, Studies and Plans: (1) See Clallam County Code CCC 27.12.050, allowing for published reports from agencies as well as critical area reports by a qualified professional. (2) See City of Chelan Shoreline Master Program Appendix E: Guidance for Development of Vegetation Mitigation Plans. (3) For example, see [City of Lacey](#). See also Chapter 4, Strategy [Z-8 Revise ADU Standards](#).

Source: BERK, 2020.

## Evaluating Fees and Infrastructure Costs

New residents can increase demand for transportation, parks, schools and public safety. A critical part of a community's growth strategy is assessing what infrastructure is needed to support the growth strategy and estimating the cost. Communities then must decide how to allocate those costs between new development and existing residents and rate payers. Impact fees, system development charges, certificates of concurrency or SEPA mitigation are all different strategies to link the financing and construction of needed infrastructure to the pace of new development driving the need. Local governments and special districts are required to develop system plans and system development or connection charges for improvements to water, stormwater, sewer and other infrastructure designed to address increased demand.

### Impact Fees

Any discussion about impact fees should start with a conversation about what infrastructure is needed and what it costs. Impact fees are authorized under RCW 82.02, and are an optional tool that cities required or that choose to plan under the GMA may use to pay for the costs of growth. Impact fees and other charges are a means of allocating those costs between new development and the community as a whole.<sup>5</sup>

### When Can Impact Fees be Collected

Local governments have some choices about how to manage impact fee collection. The earlier in the development process the fee is due, the longer the time between when the impact fee is paid to the city and when the unit is eventually sold. This will add to the carrying costs for new development and affect project financing. [RCW 82.02.050\(3\)](#) requires that local governments develop a system for deferring the collection of impact fees to later in the development process. This is required for the first 20 single family residential development permits per jurisdiction, though the jurisdiction may expand this number, or may choose to expand this to missing middle housing forms.

### Accurately Assessing the Impact of Impact Fees

For the sake of simplicity, communities tend to base impact fees on average impacts of a residential unit when the marginal impact of a particular unit can vary greatly. The structure of how these charges are assigned to duplexes, triplexes and accessory dwelling units (ADUs) can influence the development of these types of units.

A new unit on an existing lot near the center of town with good transit access can generate significantly less demand for infrastructure than a new unit on a relatively large lot on the edge of town. Lower average trip distance, compact development patterns and use of existing infrastructure all tend to reduce marginal cost of serving infill development.

A system reliant on average costs will tend to subsidize expensive development types (such as large single-family homes at the periphery) and overcharge less expensive development types (such as infill ADUs), creating an incentive to build more costly housing types.

Carefully examining how you calculate the charge for different housing types in different parts of the community can help identify when you are sending signals to the market at cross purposes with your community goals. This same type of review can be applied to connection fees as well.

---

<sup>5</sup> [RCW 82.02.050 \(2\)](#): "Counties, cities, and towns that are required or choose to plan under RCW 36.70A.040 are authorized to impose impact fees on development activity as part of the financing for public facilities, provided that the financing for system improvements to serve new development must provide for a balance between impact fees and other sources of public funds and cannot rely solely on impact fees."

## Jurisdictions May Waive or Reduce Impact Fees

Jurisdictions are authorized to waive or reduce impact fees for affordable or senior housing, based on the public benefit of a project, hardship or if impacts to public facilities and services are less than considered in rate studies or plans, etc.<sup>6,7</sup>

## Permit Fees

Permit fees are charged by the local government to cover the cost of plan review. A local government may choose to waive these according to [RCW 36.70A.540](#) to implement affordable housing incentive programs.

## System Development Charges


System development charges are collected when a home is connected to utility systems. They are one-time fees paid by new development to pay a portion of the costs of the capital improvements that add capacity to the system. A city or town may waive or delay collection of tap-in charges, connection fees or hookup fees for low-income persons connecting to water, sanitary or storm sewer service, electricity, gas, and other means of power and heat. See [RCW 35.92.380](#) and [RCW 35.92.020\(5\)](#).

See also Chapter 4, Strategy [A-4 Fee Waivers for Affordable Housing](#).

## Exhibit 19. Example Fee Waiver Strategy – Tacoma Affordable Housing Action Strategy

**ACTION**

### 1.5 Create consistent standards for fee waiver eligibility and resources to offset waived fees.



The Planning and Development Services Department helps offset the cost of new affordable housing development by waiving some or all the fees associated with development review. Today, these decisions occur in an informal way, as there is no established process to support fee waiver policies.

This action creates standard guidelines that identify which affordable housing properties are eligible for fee waivers; a schedule to determine what portion of fees can be waived; and a formal application process for interested developers to request these funds. This action will also maintain the existing funding that already exists to offset fees for affordable housing development within Tacoma today and increase this resource over time.

<b>Income Levels Served:</b>	80% AMI and below
<b>Geographic Scale:</b>	Citywide
<b>Local Policy Action:</b>	None
<b>Public Funding:</b>	Existing and new
<b>Renters, Homeowners, or Both:</b>	Both

Source: [Tacoma Affordable Housing Action Strategy](#), 2018.

<sup>6</sup> Lane, Andy, "It's Time to Implement Your Affordable Housing Policies," (March 2016), <http://mrsc.org/Home/Stay-Informed/MRSC-Insight/March-2016/It-s-Time-to-Implement-Your-Affordable-Housing-Pol.aspx>

<sup>7</sup> [RCW 82.02.060\(3\)](#) authorizes cities, counties and towns to grant impact fee exemptions for affordable housing.



## Housing Programs

Other tools to support housing affordability can be implemented outside of development regulations and comprehensive plan elements. Housing programs, such as density bonuses, multifamily tax exemption (MFTE) programs and housing funds, can provide additional ways to encourage development of diverse and affordable housing options. If you have these programs, now is an ideal time to evaluate how they are working for you. If you do not have these programs, would they work in your community?

- Density bonuses are options for developers to build additional density in return for community benefit. Many communities use bonus densities to encourage the development of additional density for units used for seniors or affordable housing. See Strategies [A-2 Density Bonuses for Affordable Housing](#) and [Z-9 Offer Density and/or Height Incentives for Desired Unit Types](#).
- A multifamily tax exemption (MFTE) program provides a property owner tax exemption for eight or twelve years on the value of residential improvements. See Strategy [A-1 Multifamily Tax Exemption](#) for more details on the program.
- Housing funds may be established as a mechanism to collect and distribute funding for housing purposes. If you have such a fund, how is it being used? If not, see [Funding Options for Affordable Housing Development](#) in Chapter 4.
- Short-term rentals remove housing units from the inventory for long-term use. Regulation may help to identify how many there are and use local tools to manage impacts and potentially collect fees. See the last page of [Strategies to Address Physical Displacement](#) for more information on this topic.

## Real Estate Market Barriers and Pro Forma Analysis

Even with flexible land use and zoning and low fees and other incentives, it still may be difficult to attract the kind of dense housing development you seek. If a developer can make its desired return at lower densities, it may not be interested in density incentives for vertical mixed use, structured parking or affordable housing since the increased construction costs for higher density development exceeds expected returns. Or it may simply be that local builders in your area specialize in a particular kind of housing development, such as custom-built single family homes, or focus only on the most lucrative opportunities in that housing type. If that is the case, marketing and engagement with developers from other parts of the state may be more important than adjusting your regulations and incentives.

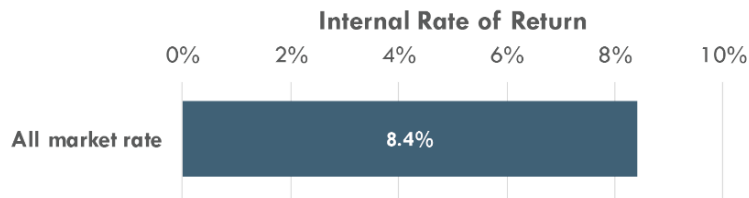
An effective way to evaluate whether the type of housing you desire is financially feasible to develop is conducting a pro forma analysis. When deciding whether to move forward on a project, developers often use pro forma calculations to estimate the potential return on investment. Exhibit 20 provides an example of the use of pro forma analysis to evaluate a set of affordable housing incentives adopted by Pierce County in 2010. Similar techniques can be used to compare what type of housing (such as single-family homes vs. low-rise apartments) would likely provide the greatest return on investment for a hypothetical project in your community.

Planners in Pierce County wished to understand why profit-motivated developers were not taking advantage of a package of incentives to include income-restricted affordable housing in new developments. To help answer this question, BERK Consulting used pro forma analysis (see sidebar below and Exhibit 20). The first step was estimating the internal rate of return (IRR) for a typical market-rate multifamily development in the area. The next step was estimating the rate of return assuming that 20% of units are affordable to households with incomes at 80% of area median income (AMI). This reduced the IRR from 8.4% down to 4.4%. The final step was layering on each affordable housing incentive one by one to calculate the incremental benefit to IRR. When all incentives (including a density bonus) were added to the pro forma model, the IRR only reached 7.6%. This is still lower than the IRR for a purely market-rate project. Therefore, BERK found that the incentive

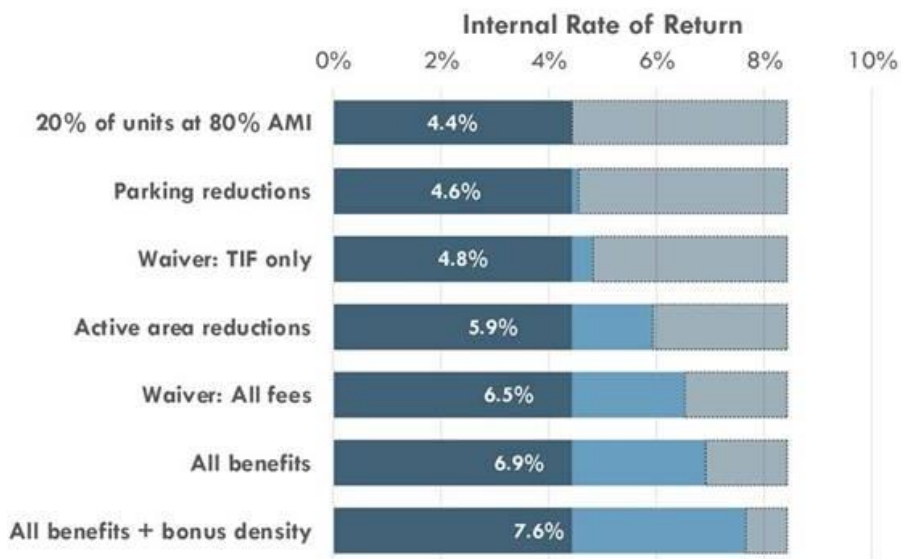
package was not likely to entice profit-motivated developers to participate without a significant change in market conditions.

## Exhibit 20. Evaluating Affordable Housing Incentives Using Pro Forma Analysis

### Step 1 – Estimate IRR for a typical market-rate multifamily project



### Step 2 – Test the cumulative effect of affordable housing incentives to evaluate their impact on project financials



Note: TIF = transportation impact fee.

Source: [Pierce County Affordable Housing Incentives](#), BERK, 2019.

## Identifying Strategies to Overcome Barriers

Following completion of your housing policy evaluation and development regulation review, you will have a better understanding of the current barriers to achieving your housing production goals. The next step is to identify the most appropriate set of strategies to overcome these barriers. [Chapter 4: Strategies for Increasing Housing Supply and Diversity](#) includes a catalog of housing strategies related to housing types, policy and code changes, permit procedures, fee reductions and other topics. It also provides guidance for selecting strategies that are most likely to be effective for your type of community and housing goals.

### Pro forma analysis

Pro forma analysis is used to compare financial risk and return for real estate projects. A simple analysis will evaluate expected rental income and operating costs over time. More complete spreadsheets integrate acquisition and construction costs, financing terms, tax rates, fees, incentives and an estimated future sale value. These inputs generate expected rates of return for capital investment, used to make project feasibility decisions.

This analysis is not an exact science, but it provides useful insights for evaluating the potential market response to policy decisions. Some project variables are predictable while others rely on forecasting assumptions, such as the annual rate of growth in rental income or a future sale price.

The U.S. Department of Housing and Urban Development (HUD) provides a [pro forma Excel template](#) for download that models multifamily development incorporating a mix of uses. Sightline Institute offers a breakdown of variables used to estimate housing costs in this [2018 article](#) “What Makes Portland’s New Apartments So Expensive?”

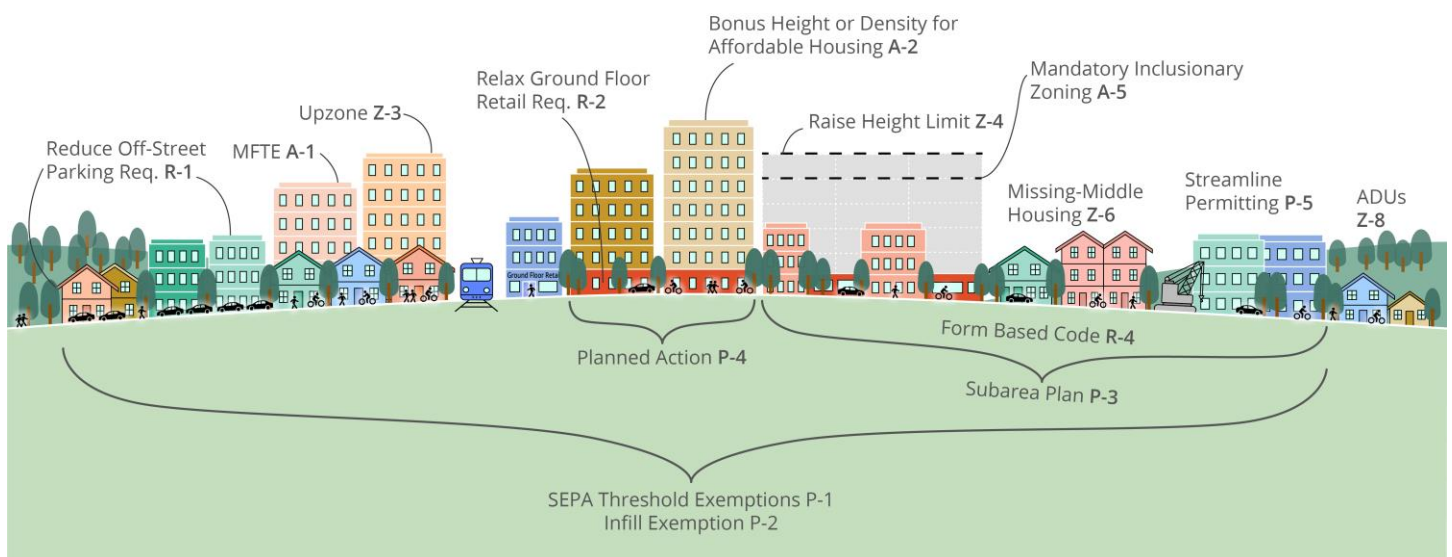
The Turner Center for Housing Innovation at University of California Berkeley provides an [interactive tool for visualizing the impacts of housing policy choices](#) in the Oakland area. It also provides a detailed summary of pro forma [methodology](#).

# Chapter 4: Strategies for Increasing Housing Supply and Diversity

Housing strategies are individual actions, such as regulatory policies, tools or programs, that jurisdictions can take to help achieve the strategic objectives of their HAP. This chapter provides guidance on how to identify and select strategies that have the greatest potential given the unique characteristics of your community. It presents a wide range of possible strategies that jurisdictions can use to achieve housing supply, diversity and affordability goals. It also shares case studies and tips for most effective implementation.

As you review the housing strategies in this chapter, keep in mind that no single housing strategy is a silver bullet. Housing strategies don't generally work in isolation. Multiple strategies can work together to shape opportunities for development and encourage the kinds of housing production that are in greatest need. Due to the unique size, demographic, physical and political context of each community, the most effective combination of strategies will also be unique. Exhibit 21 shows how multiple housing strategies can encourage the kinds of development needed to reach a community's housing goals. The letters and numbers alongside each individual strategy correspond to descriptions in this chapter, as explained in the following section.

## Exhibit 21: A Mix of Interrelated Housing Strategies



Source: MAKERS, 2020.

# Organization of this Chapter

This chapter is organized into five sections:

[Housing Strategy Matrix](#): A matrix listing different strategies and affordable housing funding options. Each strategy links to a detailed description later in the chapter. The matrix also provides guidance for identifying strategies that are most likely to be relevant and effective given the unique built environment characteristics (“community typology”) or distinct housing need you are trying to address.

[Community Typologies](#): Recognizing that some strategies might work for some community types, but not others, this section defines six common community typologies (from metro center to low-density neighborhood). These typologies correspond to the range of built environments observed across Washington state. Your jurisdiction may include multiple typologies.

[Strategy Considerations for Distinct Housing Needs](#): This section provides additional guidance for selecting strategies that may be most appropriate for addressing some distinct housing needs.

[Housing Strategy Descriptions](#): This section presents a detailed description of each individual strategy, including housing needs addressed, when and where applicable (including community typologies), potential drawbacks, tips for success, time/capacity/skill needed and resources.

[Funding Options for Affordable Housing Development](#): Here we present options available to communities or affordable housing developers for directly funding or subsidizing affordable housing production. These include grants, loans, land donation and options for new revenue generation.

# Housing Strategy Matrix

Exhibit 22 presents a matrix of recommended strategies to increase the supply, diversity and affordability of housing in Washington communities. The strategies are grouped by type. Each individual strategy is associated with a unique letter-number label (such as “Z-1”).

The matrix includes several columns to help readers quickly identify which strategies are most likely to be effective given their unique circumstances and needs.

The “community typology” columns correspond to six different community types described in the [Community Typologies](#) section later in the chapter. The symbols of each typology are used to indicate whether a given strategy is likely to be relevant in that community. “Typically relevant” means the particular strategy is often appropriate or relevant in the context of the particular typology. For example, if you’re updating the zoning for an arterial corridor, you might consider increasing or eliminating any existing density limits (maximum number of dwelling units per acre) to help accomplish your housing goals. “Occasionally relevant” means the strategy might be relevant to the typology, depending on the details of a proposed strategy and/or the community’s physical or regulatory context. Where there’s no symbol in the cell, it means the strategy typically would not apply to the community typology.

The right columns of the matrix link strategies with overall potential for increasing housing supply, as well as distinct housing needs. These correspond to descriptions in the [Strategy Considerations for Distinct Housing Needs](#) section later in the chapter. In some places in the chapter, we include other housing needs such as family-sized rental housing. Solid stars indicate those strategies that have potential for making a strong impact in meeting distinct housing needs. Since the local context, market conditions and details of the specific strategy in communities can be highly variable, it is impossible to quantify the precise benefit of individual strategies across the full spectrum of Washington communities. However, the matrix emphasizes the “potential” that each strategy has to support or encourage housing development that can meet those specific needs, often when used in combination with other compatible strategies.

Strategies that don’t feature a circle or star in some or all cells doesn’t mean the strategy isn’t important. Such strategies are often smart actions that when working in concert with other strategies, can make a significant impact in meeting a community’s specific housing needs.



## Exhibit 22: Housing Strategy Matrix

Matrix Legend: ● Typically relevant ○ Occasionally relevant ★ Potential high impact ☆ Potential moderate impact  Strategy number and name	Community Typology						Increase housing supply	Distinct Housing Needs				
	Metro center	Outer suburb	Arterial corridor	Small cities & towns	Compact neighborhood	Low-density neighborhood		Housing diversity	Affordable homeownership	Middle-income rental housing	Senior housing	Very low income housing
Revise Zoning Standards												
<a href="#">Z-1 Reduce Minimum Lot Sizes</a>		●	○	●	●	●	☆	☆	★	☆		
<a href="#">Z-2 Require a Minimum Density</a>	●	○	○		○	●	☆		☆			
<a href="#">Z-3 Upzone</a>	●	○	●	○	○	○	★	☆	☆	☆		
<a href="#">Z-4 Increase Building Height</a>	●	○	○	○	○		☆			☆		
<a href="#">Z-5 Integrate or Adjust Floor Area Ratio Standards</a>	●	○	○	○	○		☆	☆		☆		
<a href="#">Z-6 Increase Allowed Housing Types in Existing Zones</a> (cottages; 2, 3, 4-plexes; townhouses; micro-housing)	○	●	○	●	●	●	☆	★	★	★	★	
<a href="#">Z-7 Increase or Remove Density Limits</a>	●	●	●	●	○		★	☆	☆	★		
<a href="#">Z-8 Revise ADU Standards</a>		●		●	●	●	☆	☆	☆	★	★	
<a href="#">Z-9 Offer Density and/or Height Incentives for Desired Unit Types</a>		○		●			☆		☆	★	☆	☆
Additional Regulatory Strategies												
<a href="#">R-1 Reduce Off-Street Parking Requirements</a>	●	●	●	●	●	○	☆	☆		★	★	
<a href="#">R-2 Relax Ground Floor Retail Requirements</a>	●	●	●	●			☆			☆		

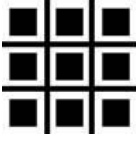


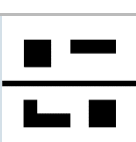

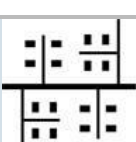
Matrix Legend: ● Typically relevant ○ Occasionally relevant ★ Potential high impact ☆ Potential moderate impact  Strategy number and name	Community Typology						Increase housing supply	Distinct Housing Needs				
	Metro center	Outer suburb	Arterial corridor	Small cities & towns	Compact neighborhood	Low-density neighborhood		Housing diversity	Affordable homeownership	Middle-income rental housing	Senior housing	Very low income housing
<a href="#">R-3 Reduce Setbacks, Lot Coverage and/or Impervious Area Standards</a>	●	●	●	●	●	●	☆	☆	☆	☆		
<a href="#">R-4 Adopt Design Standards</a>	●	●	●	●		○		☆				
<a href="#">R-5 Use a Form-Based Approach</a>	●	●	●	●	●	○	☆			☆		
<a href="#">R-6 PUD/PRD and Cluster Subdivisions</a>		●		●	●	●	☆	☆				
<a href="#">R-7 Manufactured Home and Tiny House Communities</a>		●	○	●			☆	☆	☆	☆	☆	★
Process Improvements												
<a href="#">P-1 SEPA Threshold Exemptions</a>	●	●	●	○	●	○	☆	☆	☆	☆	☆	☆
<a href="#">P-2 SEPA Infill Exemption</a>	●	●	●	●	●	●	☆	☆	☆	☆		
<a href="#">P-3 Subarea Plan with Non-Project EIS</a>	●	○	●	○	○			☆	☆	☆		
<a href="#">P-4 Planned Action</a>	●	●	●	●	●	●	☆☆	☆	☆	☆		
<a href="#">P-5 Protection from SEPA Appeals on Transportation Impacts</a>	●		○	○	●	○	☆		☆	☆		
<a href="#">P-6 Permitting Process Streamlining</a>	●	●	●	●	●	●	☆	☆	☆	☆	☆	☆
<a href="#">P-7 Subdivision Process Streamlining</a>		●		●	●	●	☆		☆			
Affordable Housing Incentives												
<a href="#">A-1 Multifamily Tax Exemption</a>	●	●	●	●	○		★		☆	★	★	☆

Matrix Legend: ● Typically relevant ○ Occasionally relevant ★ Potential high impact ☆ Potential moderate impact  Strategy number and name	Community Typology						Increase housing supply	Distinct Housing Needs				
	Metro center	Outer suburb	Arterial corridor	Small cities & towns	Compact neighborhood	Low-density neighborhood		Housing diversity	Affordable homeownership	Middle-income rental housing	Senior housing	Very low income housing
<a href="#">A-2 Density Bonuses for Affordable Housing</a>	●		●				★	☆	☆	☆	☆	☆
<a href="#">A-3 Alternative Development Standards for Affordable Housing</a>	●			●		●		☆	☆	☆		☆
<a href="#">A-4 Fee Waivers for Affordable Housing</a>	●	●	●	●	●	●			★	☆	☆	★
<a href="#">A-5 Inclusionary Zoning</a>	●		○	○			☆		☆	★		☆
Funding Options												
<a href="#">F-1 Local Option Taxes, Fees and Levies</a>	●	●	●	●	●	●	☆		☆	☆	☆	☆
<a href="#">F-2 Local Housing Trust Fund</a>	●	●	●	●	●	●	☆		☆	☆	☆	☆
<a href="#">F-3 "Found Land": Surplus Land and Other Opportunities</a>	●	○	●	●	●	○	☆		☆	☆	☆	★
<a href="#">F-4 Partner with Local Housing Providers</a>	●	●	●	●	●	●	☆		☆	★	★	★
Other Strategies												
<a href="#">O-1 Strategic Infrastructure Investments</a>	○	○	○	●	●	○	☆		☆	☆		☆
<a href="#">O-2 Simplify Land Use Designation Maps</a>	○	○	○	○	○	○	☆	☆	☆	☆		☆
<a href="#">O-3 Local Programs to Help Build Missing Middle Housing</a>		○	○	○	○	○	☆	☆	☆	☆	☆	☆
<a href="#">O-4 Strategic Marketing of Housing Incentives</a>	○	○	○	○	○	○	☆	☆	☆	☆	☆	☆
<a href="#">O-5 Temporary Emergency Housing</a>	○	○	○	○	○	○						☆

# Community Typologies

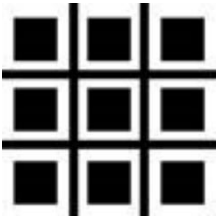
Housing strategies don't come in a "one-size-fits-all" package. This section identifies six community typologies common to Washington state to help you assess which types of strategies are most appropriate for your community. These typologies have distinct attributes and needs, including density level, mixture of uses, primary housing types, extent of pedestrian-orientation and connectivity, and parking needs.

## Exhibit 23: Community Typologies

Typology/Icon	Current Attributes and Needs*					Examples
	Density	Mix of Uses	Primary housing Type(s)	Pedestrian-Orientation/Connectivity	Parking Needs (for Housing)	
Metro Center 	High	High	Multifamily/ Mixed-Use	Medium to High	Low	Downtown Bellevue
Outer Suburb 	Low to Medium	Low	Single Family & Multifamily	Low to medium	High	Covington and Monroe
Small Cities and Towns 	Medium	Medium	Single Family with Multifamily/ Mixed-Use	Medium to High	Medium	Prosser and Anacortes
Arterial Corridor 	Low to medium	Low to medium	Multifamily	Low to Medium	Medium to High	Seattle - Lake City Way and Spokane – Division Street
Compact Neighbor- hood 	Low to medium	Medium	Single Family with Missing Middle types	Medium to High	Medium to High	Tacoma North End and Issaquah Highlands
Low Density Neighbor- hood 	Low	Low	Single Family	Low to Medium	High	Sahalee - Sammamish and Cascade Valley – Moses Lake

\*Future conditions could be significantly different from the current conditions described in this chart.

It's important to note that the categories below are not mutually exclusive. City boundaries can include an urban core, suburban shopping centers, historic neighborhoods and recently built subdivisions. Consider which "community type" describes parts of your community where you are considering housing strategies.



### **Metro Center**

Metro centers are the "downtowns" of major cities. They have a high-intensity mix of jobs and housing. They typically have a grid of blocks and a mix of lot sizes that vary by center. Good transit service links the core to outlying residential areas, and many people can walk or bike to destinations within the center, reducing the need for vehicle ownership and parking.

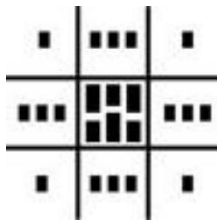
*Housing opportunities and constraints.* Small older buildings and parking lots present opportunities for redevelopment and infill. High land and construction costs can be a barrier. Reduced parking requirements can reduce construction cost per unit.



### **Outer Suburb**

An outer suburb is a community located on the outer edge of a metropolitan area that is generally lower in density and automobile-dependent. This typology may have a traditional pedestrian-friendly downtown, or may not have a clearly defined center. Outer suburbs often function as bedroom communities for the larger central cities in the metropolitan areas. Single family is the dominant form of housing.

*Housing opportunities and constraints.* Missing middle housing types (duplexes, triplexes, cottage housing and townhouses) are typically a good match for the demographic needs and scale of outer suburbs. Higher density multifamily development within downtowns and adjacent to or integrated with transit stations is another opportunity. Finding appropriate areas and willing developers often proves to be a challenge to developing these housing types in outer suburbs.



### **Small Cities and Towns**

This typology refers to small cities located outside metropolitan areas and rural towns. They come in a mixture of sizes, physical contexts, use-mixes and configurations. Due to their smaller relative size and freestanding nature, they are likely to be lower in density and more automobile dependent. Single family is the dominant form of housing.

*Housing opportunities and constraints.* Like outer suburbs, missing middle housing types are typically a good match for the demographic needs and scale of small cities and towns. Another opportunity in small towns is the potential for housing on the upper floors of downtown buildings. Many small cities and towns may lack basic design standards for missing middle and multifamily housing types. Fewer local developers have the experience and willingness to try townhouses or other missing middle housing despite the need and efficient construction form.

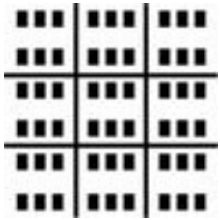


### **Arterial Corridor**

This typology refers to automobile-oriented corridors within central cities and suburbs. Such arterials have developed in a hodge-podge manner with a mixture of small- and large-scale retail, personal and general service uses, and walk-up apartment complexes. While these corridors had long suffered from poor pedestrian infrastructure, many of these arterials have become major transit corridors (some including bus rapid transit (BRT) service), allowing the potential for increased density, reduced parking ratios and increased land values.



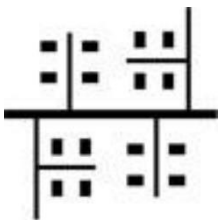
*Housing opportunities and constraints.* Large parcels, underperforming commercial uses, transit access and development-friendly zoning often all work together to encourage new housing construction. Disconnected, dated and ugly commercial development; poor streetscape and walking conditions; lack of amenities; and the potential for brownfields, however, are some common constraints to housing development.



### **Compact Neighborhood**

Residential neighborhoods developed before World War II tended to have relatively small lots and block sizes. Many such neighborhoods are more likely to integrate missing middle housing types and occasional corner retail spaces. Contemporary master-planned communities often try to integrate these attributes that make such neighborhoods walkable and desirable.

*Housing opportunities and constraints.* Compact neighborhood forms with a walkable grid of streets can facilitate transition to higher density residential uses. Infill with missing middle or small multifamily housing types can integrate well, particularly when these types are already mixed in the existing neighborhood. Potential barriers to development include lack of developable land, parking costs and land-assembly challenges.



### **Low Density Neighborhood**

This typology includes areas and neighborhoods that are developed predominately with low density single-family homes. These neighborhoods were often developed as a single tract and integrated with parks and schools. Many feature an irregular street grid and poor pedestrian connectivity. The large lots and low densities lead to high infrastructure cost per unit and low economic productivity.

*Housing opportunities and constraints.* The opportunities vary greatly depending on the context of the neighborhood. Tract homes in stable communities are likely to have little to no infill redevelopment opportunity. Private streets, gated communities and restrictive covenants create an additional layer of barriers to new infill housing development. Many older subdivided areas (pre-1950), however, are likely to have greater opportunities for integrating accessory dwelling units and missing middle housing types.

## What is the “Missing Middle”?

The term “Missing Middle” refers to a range of small to modest-scale housing types that bridge the gap between detached single family homes and urban-scaled multifamily development. This gap includes duplexes, triplexes, cottage housing, townhouses, courtyard apartments and other small-scale apartment buildings that provide diverse housing options to support walkable communities. They are called “missing” because they have either been illegal or discouraged by zoning ordinances and/or overlooked by the applicable development community.

These housing types, however, were much more common in neighborhoods developed before World War II. They are beloved by those who have lived in them and fit in seamlessly into the neighborhood context. They also represent a housing option that’s more affordable than detached single-family homes and fit within a walkable neighborhood context. Shifting demographics with smaller households also make these housing types a great option for the full range of communities in Washington.



Source: Opticos, 2005

# Strategy Considerations for Distinct Housing Needs

The [Housing Strategy Matrix](#) references six distinct housing needs that are common in communities. This section provides more details about each of these types of needs, as well as considerations for selecting housing strategies to address them. Of course, this is not a complete list of all the kinds of housing needs that can be identified in your housing needs assessment. But they represent a range of common issues encountered in different kinds of communities across Washington state.

## Increase Housing Supply

Each community has its own unique target, goal and/or projection for accommodating new housing units over its comprehensive planning horizon. Some housing strategies will have a greater impact than others in helping to meet those targets. The matrix attempts to highlight those strategies that have “high impact” potential in helping to achieve those targets. However, the ultimate success of specific strategies depends on the community’s context, the detailed execution of the strategy and its integration with other strategies.

Increasing or removing density limits (Z-7) and upzones (Z-3) are two obvious strategies with potential to increase housing supply. Several other Z- and R- strategies are also good tools to help promote additional housing development in communities.

## Housing Diversity

Housing diversity refers primarily to the mix of housing types and unit sizes that meet the unique demographic needs of each community. In many communities the housing supply is dominated by just single-family homes, or by single-family and apartment homes only. For example, if the housing needs assessment shows a mismatch between small household size and large housing units, an increase in housing diversity can help provide housing that more closely matches household need. For the purposes of the matrix, the high and moderate impact star symbols emphasize those strategies that have high or moderate potential to increase the diversity of housing types and sizes available in the community. Strategies that can effectively promote the development of the missing middle housing types are particularly important.

The most impactful strategy to achieve this goal is to make sure that the missing middle housing types are allowed (Z-6 and Z-8) in key zones and that detailed development standards support their development (Z-1, Z-5, Z-7, R-1, and R-3).

## Affordable Homeownership

In many communities, home sales prices are rising faster than local incomes. This can put homeownership out of reach for lower-, moderate- and even middle-income households, denying the stability and wealth-building opportunities that come with it. If your housing needs assessment shows a significant cost burden, particularly at the lower end of the spectrum, strategies to encourage the development of more affordable types of for-sale housing is needed. These places can benefit from strategies to promote the production of a greater diversity of ownership housing types that can be constructed at lower cost per unit than traditional single family homes. This may include adding flexibility to allow smaller cottage-style single family homes, attached houses like townhomes, or condominiums in residential zones. Communities can also address regulations that increase the cost of housing construction, such as addressing off-street parking requirements (R-1) and fee waivers for affordable housing (A-4). Finally, many communities also partner with organizations like Habitat for Humanity or community land trusts to support subsidized ownership housing opportunities for qualified low-income residents (F-4).

## Middle-Income Rental Housing

Middle-income rental housing, also referred to as workforce housing, typically refers to housing that is affordable to people who are fully employed, but whose incomes may be lower than those of many area residents. These middle-income people work in the community as retail or food service workers, teachers, firefighters, police, nurses or office support staff. Many of these workers either cannot afford or are not ready for homeownership. Areas with a lack of rental housing options affordable to moderate- and middle-income households can benefit from strategies focused on increasing the quantity or density of apartments, particularly in areas with access to transit, services and amenities.

Many of the same strategies used to increase multifamily housing supply can be relevant to middle-income rental housing (see housing supply above). In some communities, additional incentives are required to encourage developers to provide new units at price-points affordable to moderate-income households, such as multifamily tax exemption (MFTE) (A-1) and inclusionary zoning (A-5).

## Senior Housing

Seniors have special housing needs due to increasing mobility challenges and a greater risk of disability and chronic diseases. Due to demographic trends, many communities in Washington are expected to see a rapid increase in the number of elderly residents in the coming decade. While some seniors will choose to “age in place” (stay in their current residence), others may wish to downsize to smaller units within the same community. Many others will choose to live with younger family members or will require specialized housing solutions, such as senior apartments (independent living), assisted living facilities, memory care facilities and nursing homes.

In many communities, there is a need for additional market-rate senior housing facilities, as well as subsidized facilities for seniors with little or no savings and fixed incomes. Those seeking to “age in place” will eventually require additional support services such as home modification, transportation, recreation and socialization, yard care, care management and/or counseling. These kinds of services can also be considered as part of a holistic senior housing strategy.

Strategies to encourage the production of senior housing solutions include special incentives or alternative development standards that reduce the cost of developing senior housing, such as fee waivers (A-4) and senior bonus densities (Z-9). Some communities in rural areas have different standards for accessory dwelling units (Z-8) to allow seniors to live close to family, or allow a home health aide to live near a senior in the primary unit. [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#) includes additional strategies to reduce housing costs, and therefore displacement pressures, for seniors and elderly residents.

## Very Low-Income Housing

For households with incomes below 50% of median family income, new housing cannot be provided at an affordable price-point without public subsidy. As a result, very low-income residents often struggle with severe cost-burden and even homelessness. Fortunately, cities and counties can support and encourage the development of income-restricted housing through funding contributions, donation of surplus public land, reducing costs to build new affordable housing projects and incentives to include affordable units in new market-rate developments. Most often it takes a combination of coordinated strategies to most effectively support affordable housing development, as well as partnerships with local housing authorities, nonprofits or faith-based institutions. Some strategies for this housing need include:

- Allow for the development of low-cost “tiny homes” (R-7), including “villages” with several homes and common space<sup>8</sup>.
- Allow for development of manufactured home communities, particularly cooperatively owned.
- Donate surplus public land for affordable housing development or reuse underutilized land (F-3).
- Seek new funding options to support affordable housing development (F-1, F-2, F-4).
- Permit fee waivers for affordable housing projects (A-4).
- Reduce parking requirements for affordable housing projects (A-3).
- Allow temporary emergency housing (O-5).

For more information on Washington's homelessness planning system, see the sidebar titled [Homeless Housing System in Washington State](#) in Chapter 4.

## Housing Strategy Descriptions

### Organization of Each Strategy

Each housing strategy on the following pages is organized in the following manner:

- **Introduction** – describes the strategy and some of its components
- **Gaps addressed** – identifies the type of housing gaps that can be typically addressed via this strategy
- **When and where applicable** – clarifies the community typology or specific type of zoning or situation the strategy applies to
- **Potential drawbacks** – highlights potential downsides to consider in implementation
- **Tips for success** – identifies the details and/or supporting actions that will improve chances for success based on experience with the strategy in other communities
- **Time/capacity/skill needed** – notes situations where additional expertise or capacity may be required to develop and implement elements of a strategy, which may influence its feasibility
- **Resources** – provides additional external resources that can give further assistance with the development and implementation of the strategy

---

<sup>8</sup> A new Washington state law, RCW 35.21.684, allows for tiny homes in manufactured home parks, and allows local jurisdictions more flexibility to authorize them in other zones. Additional information about tiny home villages can be found in Alexander, Lisa T., Texas A&M University School of Law, "Community in Property: Lessons from Tiny Homes Villages," (2019), <https://scholarship.law.tamu.edu/cgi/viewcontent.cgi?article=2332&context=facscholar>



# Revising Zoning Standards

The strategies below relate to overarching zoning elements involving the intensity of development, permitted uses and strategies for regulating these elements.

## Z-1 Reduce Minimum Lot Sizes

Reducing minimum lot sizes is a key strategy to make efficient use of public infrastructure and increase affordability. It increases a community's capacity by allowing a greater number of dwelling units, particularly in areas close to transit and other amenities. It also provides ways to develop lots with smaller yards that do not require a lot of time or effort to maintain. In growing communities with significant vacant tracts of land, reductions in the minimum lot size carry one of the best opportunities to accommodate growth needs within compact areas. This can limit the need to expand the urban growth area, and expand infrastructure to serve it. Such changes also increase opportunities for homeownership.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing

### When and Where Applicable

- Any residential zone with a minimum lot size. The best opportunities for this strategy:
  - Older residential areas where the original platted lot size is smaller than the zoning district's minimum lot size
  - Residential areas within walking distance of transit, public and commercial services, and park land
  - Residential zones with undeveloped tracts capable of subdivision
- May be particularly helpful in areas that are difficult to develop

### Potential Drawbacks

Reducing lot sizes in zones that are already developed will not have immediate effect on housing supply and affordability.

### Tips for Success

- It's critical to closely examine the mix of lot sizes and opportunities for new development and redevelopment.
- Design standards for lots smaller than 5,000 square feet become increasingly important to ensure layouts that create an attractive streetscape and provide for usable private open space for residents.
- Allow more flexibility in subdivision design with small lots by allowing zero lot line development and shared-access lots (see Exhibit 24 below for examples).
- Minimum lot sizes intended for detached single family dwellings smaller than 2,500 square feet are problematic in terms of accommodating buildable envelope, vehicle access, and usable private yard space.

### Time/Capacity/Skill Needed

Simple reduction in development standards can be completed by staff in-house. Hiring outside services may be beneficial if the changes merit additional design standards.

## Exhibit 24: Accommodating Small Lot Development - Examples



Lot size: 2,250sf. Bainbridge Island small lot development. Source: MAKERS

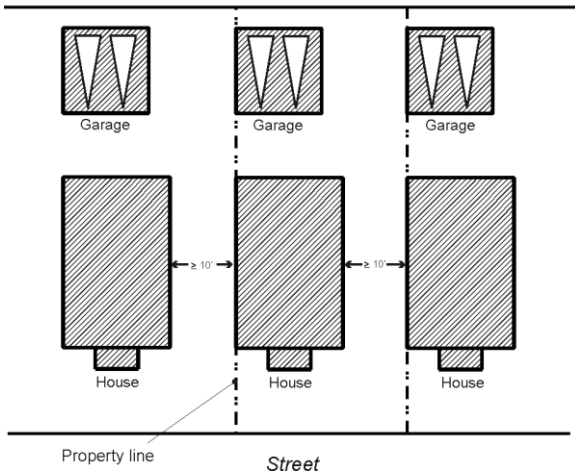


Lot size: 2,500sf. Small lot single family homes in Greenbrier neighborhood in Woodinville. Source: MAKERS

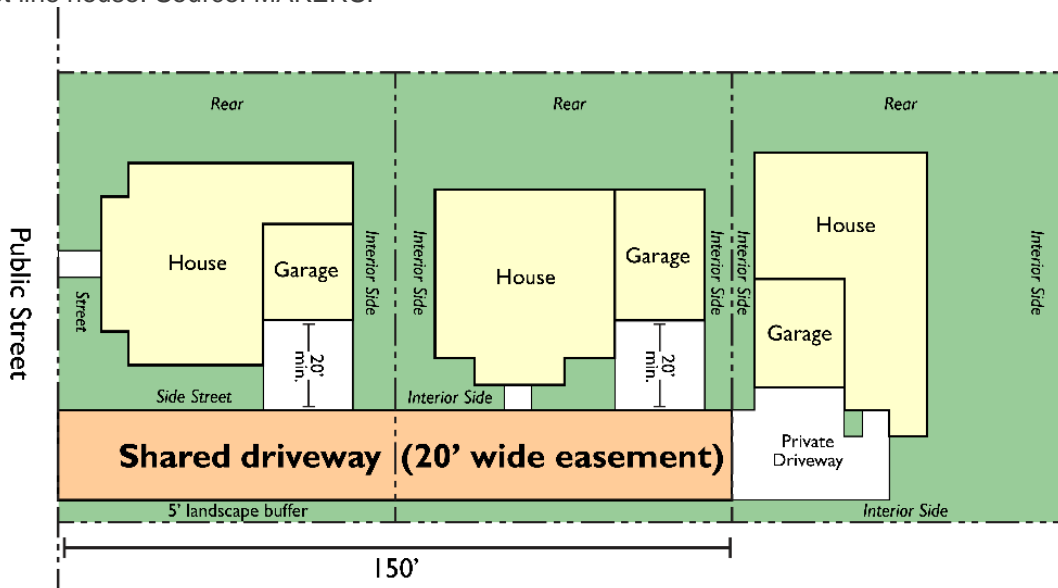


Lot size: 3,500sf. Small lot single family home in Issaquah Highlands. Source: MAKERS

Alley



Zero lot line layout example (left). The right image shows the side setback and privacy wall for a zero lot line house. Source: MAKERS.



Shared access lot configuration. The 150-foot dimension refers to the typical maximum length of length of such shared driveways (fire safety). Source: MAKERS.

## Resources

- [Small-Lot Subdivision Design - APA Advisory Services](#)
- [Affordable Housing - MRSC](#) (see the “Small-lot development” Section)

## Z-2 Require a Minimum Density

Washington’s Growth Management Act (GMA) requires that communities within designated urban growth areas allow for urban densities. While a specific density isn’t specified by GMA, veteran Washington planners often mention four dwelling units per acre as the minimum urban density, though closer to seven units has been shown to support transit service. Nevertheless, growing municipalities recognize higher densities reduce the per-household cost of providing urban service. While the real estate development market will in many cases render minimum residential densities unnecessary, setting a minimum density can be critical to achieving growth and community development goals and policies.

The purpose of establishing minimum densities in zoning is to ensure that a sufficient level of development occurs to support transit use, walkability, infrastructure investments, local retail or other goals. Applying minimum density standards around high-capacity transit stations and other well-served transit nodes or corridors has gained traction over the past decade.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Housing near transit, amenities and/or jobs

### When and Where Applicable

Increasing or removing density limits could apply to any of the community typologies, especially in:

- Greenfield/subdivisions to encourage an efficient use of land, and a means to help meet specific community growth targets.
- Transit station areas or corridors to ensure that developments maximize transit investments or plans and to create vibrant pedestrian-friendly communities.
- Within or adjacent to business districts to provide complementary development that supports the business district and to promote land use efficiency and walkability.

### Potential Drawbacks

- Real estate market conditions in some, but not all, areas may make this unnecessary.

### Tips for Success

- Communicate link to the need for such change, such as information from the housing needs assessment.
- Communicate the benefits of strategy and links to community goals and policies.
- Illustrate case studies and example development scenarios to show how proposed changes would work on a key site.
- Consider and clarify community infrastructure and service implications on proposal.
- Couple with other tools to mitigate negative impacts and enhance the design of development. Effectively communicate those tools to community participants. Notable examples:
  - Design standards and/or guidelines
  - Height limit, setbacks and minimum open space standards
  - Floor area ratio caps
  - Streetscape improvements



## Visualizing Compatible Density

Density is a controversial subject in just about every Washington community. Most planners equate “density” to the number of dwelling units per acre. While many cities have recently increased densities in efforts to accommodate growth and help to encourage more affordable housing, such increases can be extremely difficult and divisive. The MRSC Insight Blog post titled “Visualizing Compatible Density” is a great resource for planners, public officials and interested community members to see examples of developments built to densities ranging from four to 205 units per acre.

The post ultimately draws some conclusions about what makes particular examples appear more livable and “compatible” than others: (1) good streetscape design with street trees and welcoming sidewalks, (2) design that deemphasizes the automobile, and (3) attractive buildings with human-scale design elements. Below are three examples of density illustrations from the website, but additional examples are provided between and above these density levels.

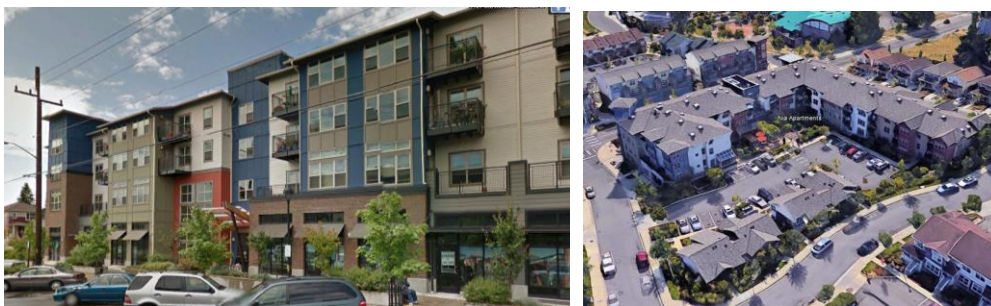
**4 dwelling units per acre (gross) - Relatively new single family subdivision in Ellensburg**



**9.3 dwelling units per acre (gross) - Mixed-housing-type subdivision within the master-planned Issaquah Highlands development in Issaquah**



**59 dwelling units per acre (net) - Nia Apartments and townhouses in White Center, King County**



Source: [MRSC: Visualizing Compatible Density](#) by Bob Bengford, 2017

## Time/Capacity/Skill Needed

May be completed by in-house staff. Hiring outside services may be desirable for related urban design, community engagement, real estate market and/or related transportation or infrastructure implications associated with the proposal.

## Resources

- [Minimum Density Guidance - Puget Sound Regional Council \(PSRC\) Housing Innovations Program \(HIP\) Complete Housing Toolkit](#)
- [Transit-Supportive Densities and Land Uses - PSRC Guidance Paper](#)
- [Minimum Residential Density in Portland Metro - Oregon Public Law](#)
- [Minimum Densities - Los Angeles Metro Transit-oriented Development \(TOD\) Toolkit Best Practice](#)
- [Density and Activity Near Transit - Twin Cities Metropolitan Council Local Planning Handbook](#)
- [Minimum Density Rules - The Urbanist \(minimum FAR case study\)](#)
- [It's Time to Talk About National Minimum Urban Density Standards - Planetizen](#)

## Case Study: Minneapolis Metro – Minimum Residential Densities Near Transit

The 2040 Transportation Policy Plan (TPP) requires that areas planned for new development or redevelopment near transit meet average minimum residential densities. Density requirements vary by transit type and community designation set forth in Thrive Minneapolis/St. Paul 2040 (Minneapolis/St. Paul region vision). The TPP has residential density requirements for station areas along fixed or dedicated transit-ways, as well as highway bus rapid transit (BRT). In addition, there are residential density requirements for areas near arterial BRT, as well as along local bus routes that are part of the high-frequency network.

### Average Minimum Residential Density Requirements in 2040 TPP

Right-of-Way Type	Transit Type	Geography	Urban Center	Urban	Suburban	Suburban Edge
			Dwelling Units per Acre			
Fixed or Dedicated Transit-way	Light Rail Transit	half-mile radius	50	25	20	15
	Commuter Rail					
	Dedicated BRT					
Highway Transitway (MnPass / high occupancy vehicle)	Highway BRT	half-mile radius	25	12	10	8
Shared Rights-of-Way	Arterial BRT	half-mile radius	15	15	15	15
	Local Bus Routes on High Frequency Network	half-mile radius	10	10	10	10

Source: [Metropolitan Council](#), 2020.



## Z-3 Upzone

Strategic rezones to a higher intensity zone have long been another obvious strategy to expand the capacity for residential development in municipalities. Such upzones can be undertaken for areas large and small by a municipality, or they can be applied for by individuals or groups of property owners. Some may be accomplished within the framework of an existing comprehensive plan, though many will necessitate an update to the comprehensive plan. This strategy should be considered if there is a deficit of development capacity relative to ongoing population growth, minimal activity in areas desired for development or redevelopment, or a lack of residential development near public infrastructure.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

Upzones could apply to any of the community typologies, though their application in low-density built-out neighborhoods may be less relevant. Key issues include the amount of vacant and under-developed land, market demand, access to transit, public amenities and infrastructure, lot sizes and ownership, and the extent to which an upzone changes the on-site density. Potential upzone opportunities:

- Areas where the context has changed, such as areas with transit investments, new sewer systems, substantial public improvements and/or areas with significant private investments and property value increases
- Opportunity areas that may have infrastructure, locational attributes and/or investment plans that make it a good candidate for higher residential intensity zoning
- Where housing needs/demand is strong and the zone's context along with existing and/or proposed design provisions support increased density
- Where the use mix and zoning parameters of the proposed zone are compatible with the area's context (existing and planned) and supported by the community
- For those areas where redevelopment is desired, the upzone will typically need to accommodate a significant increase in height and density (and the market demand to match) to realistically encourage redevelopment. Markets typically want densities at least four times greater than existing conditions to justify redevelopment.

### Potential Drawbacks

- Upzoning may cause the value of land to increase; therefore, if such a parcel is to be purchased by a developer, the landowner is likely to want a higher price based on the increased value of the rezoned land
- Use mix and/or development intensity may need to be carefully planned to fit existing context
- Transportation, infrastructure and community services implications
- Potential increase in demand for available on-street parking
- Increased displacement when upzones are in lower income areas
- Potential change in community character or potential loss of historic or older building stock

### Tips for Success

- Communicate the need for such change, such as information from the housing needs assessment.
- Communicate the benefits of strategy and links to community goals and policies.

- Consider and clarify community infrastructure and service implications of proposal.
- Illustrate case studies and example development scenarios to show how proposed changes would work on a key site.
- Couple with other tools to mitigate negative impacts and enhance the design of development. Effectively communicate those tools to community participants. Notable examples:
  - Design standards and/or guidelines
  - Height limits, setbacks and minimum open space standards
  - Floor area ratio caps
  - Streetscape improvements

## Other Considerations

- In strong markets, upzones may also be paired with a mandatory affordable housing program that requires a portion of new units to be affordable or that the developer pays into an affordable housing fund.
- Upzones in low-income areas must be carefully analyzed for displacement risk. If implemented, such actions should be accompanied by substantial investments in anti-displacement strategies, public infrastructure, and/or community/cultural assets. See [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#).
- Changes in land use designation and zones may be done at the same time in a comprehensive plan amendment cycle.

## Time/Capacity/Skill Needed

Rezoning is regularly completed in-house by city staff. Hiring outside services may be desirable for related illustrations, urban design, community engagement, real estate market and/or related transportation or infrastructure implications associated with the proposal.

## Resources

- [Inclusionary Zoning: One Approach to Create Affordable Housing - MRSC](#)
- [The Multiple Personalities of Site Specific Rezones - MRSC](#)
- [Exploring Upzoning as a Tool to Increase California's Housing Supply - Urban Displacement Project](#)

## Case Study: The University District, Seattle

Seattle's University District (U-District) has been the subject of vigorous planning debates about growth, design, transportation, and open space for more than 25 years. In 2012, the city of Seattle initiated an urban design framework conversation spurred by the ongoing growth of the University of Washington campus and ongoing construction of a light rail station set to open in 2021. Then, responding to a shortage of new housing citywide, the city council directed citywide upzones as part of a new Mandatory Housing Affordability (inclusionary zoning) program. The Seattle Comprehensive Plan anticipated 3,500 new homes in the U-District by 2035.

The urban design framework and street concept plans were published in 2015, and the first upzone was adopted in February 2017. The peripheral areas had modest changes, while the height limit around the light rail station changed from 65-85 feet to 320 feet. An update to the neighborhood's design guidelines followed in March 2019. Due to concerns about displacement of small businesses and low-income residents and an overall change in community character, the first upzone temporarily excluded changes to properties fronting several blocks of University Way, a lively commercial corridor that hosts dozens of small, independent businesses in older low-rise buildings.

In July 2019 the city continued the process to upzone the remaining areas. Alternatives under study include increased height limits of 1-2 stories across the board, or larger increase in select areas.



Left: Rendered image of buildings in The U-District, including taller buildings in the background. Source: City of Seattle/KIRO-7  
Right: University Way businesses. Source: MAKERS

## Z-4 Increase Building Height

Increasing building height is an obvious strategy to increase a community's zoned capacity. Ideally height limits for each community's zoning district are aligned with:

- Modern construction practices for permitted housing types, such as three-floor walk-up, or the five-over-two floors of wood frame building over concrete podium. Caps of four or five floors can limit potential housing units.
- Market demand within the applicable zone
- Community compatibility preferences
- Fire safety regulations and capabilities (e.g., fire truck ladder height)

### Gaps Addressed

- Increase housing supply
- Middle-income rental housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Commercial, mixed-use and high density multifamily zones, particularly within walking distance of high-capacity transit stations or other transit routes with headways of 30-minutes or less.
- Any location where existing height restriction limits the potential for housing types that are desired within the district or by the market.

### Potential Drawbacks

- May be challenging to accept in some communities, neighborhoods and/or particular zones
- Impacts to existing scale and character of development
- Increased shade and shadow impacts
- Challenges for integrating parking and potential increased demand for on-street parking
- Transportation, infrastructure and community services implications
- Increased displacement when in lower-income areas and/or areas occupied by small businesses

### Tips for Success

- Integrate and craft design guidelines to best ensure that such buildings can be well integrated into the existing and planned community context.
- Consider creating a three-dimensional (3-D) massing model to test any proposed height limits and help to communicate how potential development might be integrated into the community context. Use caution with such models, however, and clearly communicate that such models are for illustrative purposes only. Carefully consider the appropriate level of detail that might work best for your particular context (e.g., conceptual massing models will be less expensive to develop and may be more effective in some cases, while a more detailed photo-realistic model might be more appropriate where ground-level views are sought or in special situations).
- Check with the fire department regarding ability to serve taller buildings.
- For urbanized transit-served communities where midrise construction is allowed or under consideration, pay attention to International Building Code (IBC) changes that might allow for lower cost and more sustainable construction techniques that can accommodate taller buildings. For example, in 2019 the International Code Council approved a set of proposals that will allow tall wood buildings as part of the 2021IBC (up to 18 stories and 270 feet).

## Time/Capacity/Skill Needed

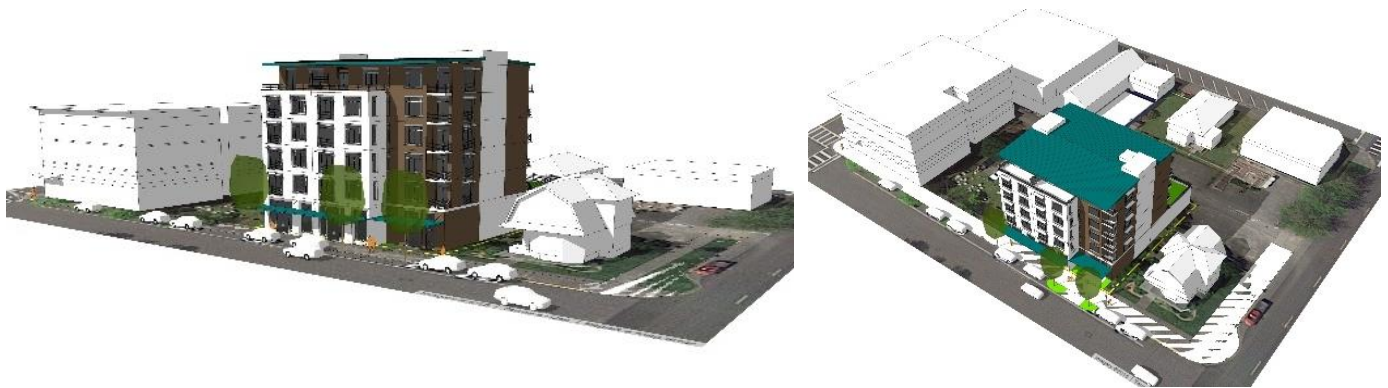
May be completed by in-house staff. Hiring outside services may be desirable for related illustrations, urban design, community engagement, real estate market and/or related transportation or infrastructure implications associated with the proposal.

## Resources

- [Maximizing Value with Mid-Rise Construction - Wood Products Council](#)
- [A Hidden Height Limit Holds Back Affordable Mid-rise Construction in DC - Greater Greater Washington](#) (includes information on per-square-foot construction costs)
- [Build Up: High Cost of Wood Brings New Opportunity for Developers - Multifamily Executive](#) (2013 article)
- [Cost-Effective Mid-Rise Podium Construction - Nishkian Structural Engineering Consulting](#)
- [Tall Buildings Out of Timber? - Seattle Times](#)
- [\(Seattle\) City Council Allows Taller Wood Buildings... - The Urbanist](#)

## Modeling Impacts of Building Height Increases

Providing visuals to help clarify the impacts of height limit changes is critical to planners, public officials, stakeholders and community members. Integrating 3-D models into Google Earth allows for views at the whole range of vantage points (although close-up images are less effective unless the model and specific views are detailed sufficiently to show more realistic integration within the context).



Images above illustrate a potential mixed-use building in downtown Anacortes using a proposed height increase. The building is on a site where property owners were interested in such a project. The model was developed quickly during the planning commission's review of the updated citywide code to help participants understand the visual implications of such a height increase.

Source: MAKERS



## Z-5 Integrate or Adjust Floor Area Ratio Standards

Floor area ratio (FAR) is the ratio of a building's total floor area (gross floor area) to the size of the piece of land upon which it is built. Since FAR focuses entirely on building massing, it's often seen as a good alternative to density regulations (maximum number of lots or dwelling units per acre) in multifamily and mixed-use zones. This option can allow for a greater number and mix of unit types and sizes since the number of units isn't regulated. FAR standards are also often used in addition to density regulations where there's a strong desire to limit the number of dwelling units and the size of buildings.

For the purpose of increasing housing supply and/or diversity in a community, this strategy refers to one or both options below:

- 1) Using FAR in place of density regulations
- 2) Increasing existing FAR regulations

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Middle-income rental housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

Use FAR in place of existing density regulations where regulating building mass is more important than the number of units. This might include residential zones emphasizing a mix of housing types, multifamily zones or mixed-use zones. FAR is a particularly good tool in areas with good transit access.

Increase existing FAR regulations where the community feels that some increase in allowed building massing is acceptable. Again, this could include residential zones emphasizing a mix of housing types, multifamily zones or mixed-use zones.

### Potential Drawbacks

- May be challenging to accept in some communities, neighborhoods and/or particular zones
- May increase the demand for on-street parking and may increase traffic impacts
- More complicated to calculate than density regulations
- Increased building massing and shade and shadow impacts (when increasing existing FAR)

### Tips for Success

- Use design guidelines to ensure that such buildings can be well integrated into the existing and planned community context.
- Consider creating a 3-D massing model to test FAR limits and help to communicate how potential development might be integrated into the community context. Use caution with such models, however, and clearly communicate that such models are for illustrative purposes only. Carefully consider the appropriate level of detail that might work best for your particular context (e.g., conceptual massing models will be less expensive to develop and may be more effective in some cases, while a more detailed photo-realistic model might be more appropriate where ground level views are sought).
- Carefully consider how FAR is calculated. The basic concept is to calculate all visible floor area (i.e., floor area above grade). The terms should clarify what's included in floor area calculations (e.g., partial floors?)

vaulted ceiling space? below-grade space?). Some communities don't count desired elements, such as structured parking, affordable units, community meeting rooms or other communal spaces.

- Where some neighborhood infill development is desired, but there is concern about the scale of new development, FAR can be a great tool. For example, examine the typical FARs of existing residential buildings and consider applying an FAR standard that's generally consistent with the established pattern. Then adjust the list of permitted housing types and/or density to match objectives. Additional setback, lot coverage and/or other site/building design standards might supplement the FAR limits to help meet community design and compatibility goals.
- Make sure that any FAR regulations are in sync with your height limits and other applicable dimensional standards. For example, if your height limit allows for buildings up to six floors, having a maximum FAR of 5.0 is going to be nearly impossible to achieve. Again, testing any FAR provisions through site plans and modeling will be particularly helpful.

### Time/Capacity/Skill Needed

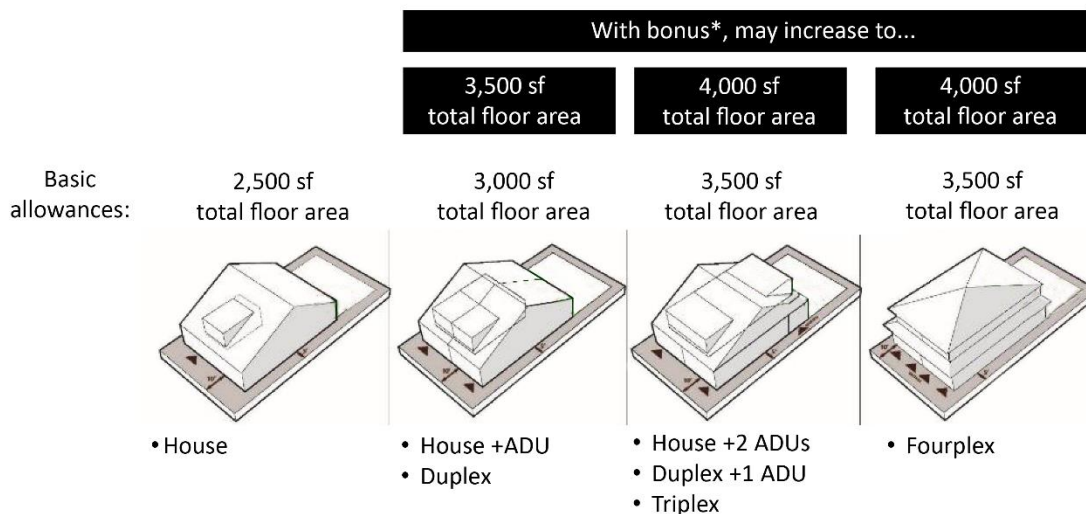
May be completed by in-house staff. Hiring outside services may be desirable for related illustrations, urban design, community engagement, real estate market and/or related transportation or infrastructure implications associated with the proposal.

### Resources

- [Flood Area Ratio - APA Planning Advisory Service](#)
- [Floor Area Ratio 101: This Obscure but Useful Planning Tool Shapes the City - MinnPost](#)

## Case Study: Portland Residential Infill Project

The city of Portland, Oregon is examining a variety of code changes to help encourage more infill housing development within neighborhoods. One of the key proposals includes applying sliding scale FARs depending on the number and type of units integrated into a structure. The proposal also allows bonus floor area where a development retains an existing house or provides an affordable dwelling unit



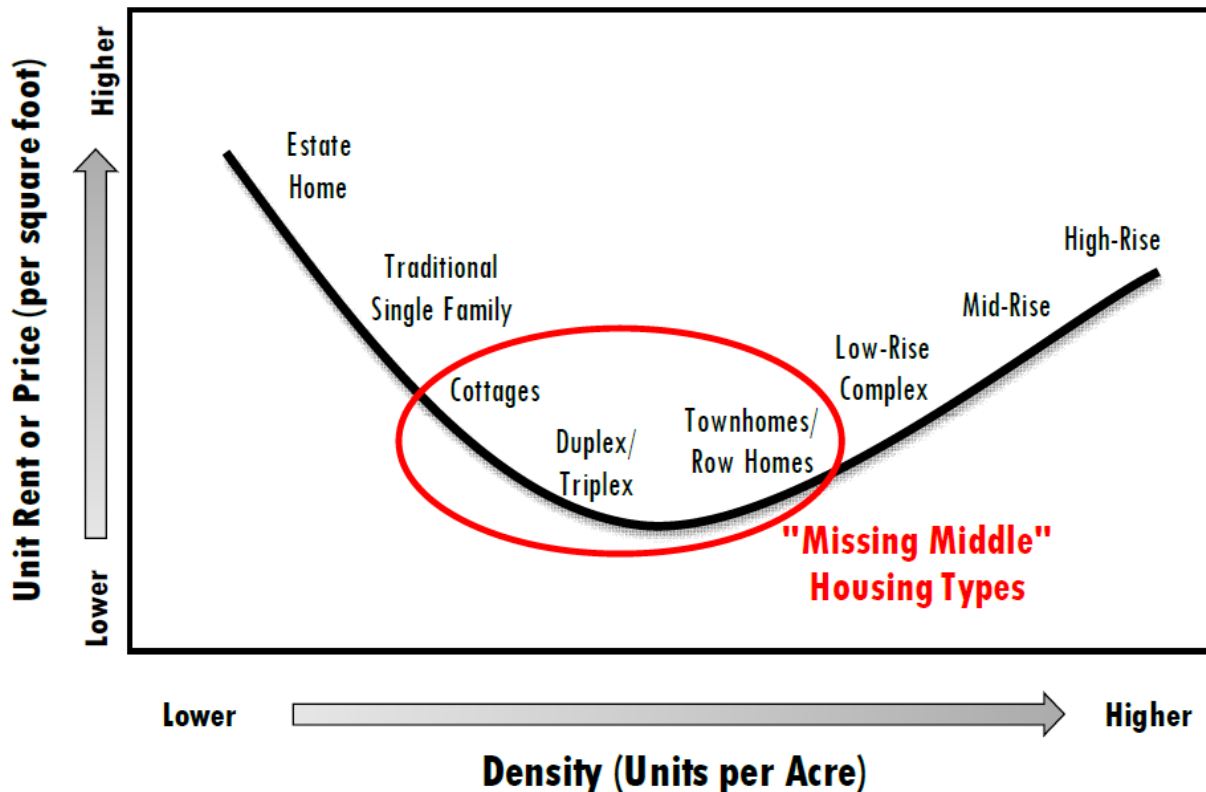
\*Extra FAR for retaining an existing house, OR providing 1 affordable unit (80% MFI)

Source: City of Portland, updated by MAKERS, 2020.

## Z-6 Increase Allowed Housing Types in Existing Zones

In many communities, the only housing choices are single-family homes on large lots or medium to large multifamily buildings. Such limited options do not reflect the wide range of needs of differing family sizes, household incomes and cultural groups. One solution is encouraging a larger variety of housing types, often referred to as the “missing middle” as they are middle-sized housing, aimed at people with middle-incomes. They are also some of the most affordable forms of housing on a cost-per-square-foot basis, as Exhibit 25 demonstrates. In general, these types are more affordable than detached single-family homes and offer a greater range of design and locational choices than apartment buildings can offer. They also offer more flexible ways for communities to add compatible density into established neighborhoods and provide more opportunities for residents to have stability and build wealth through homeownership.

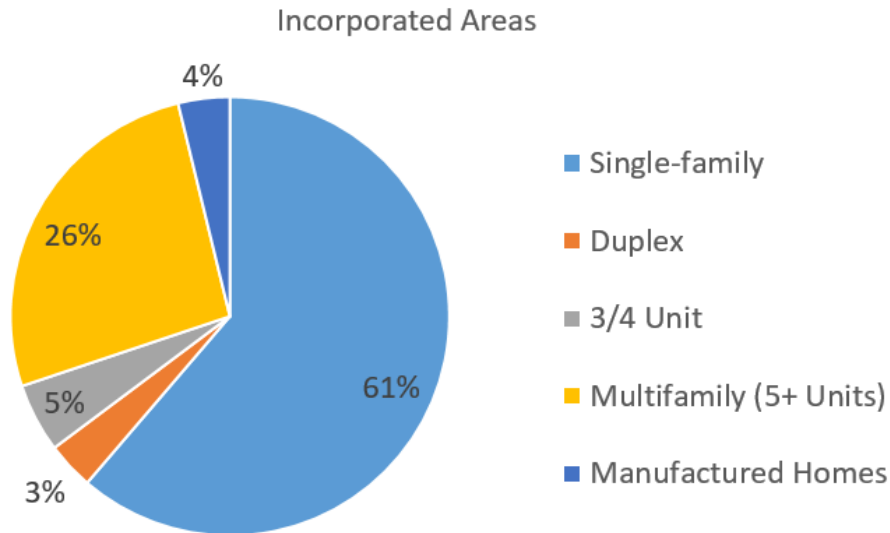
**Exhibit 25: Cost and Density of Different Housing Types**



Source: [Department of Commerce Housing Memorandum](#), 2019.

In some cases, such housing types and configurations may not be explicitly prohibited, but code standards such as density limits, lot size minimums, setbacks or parking requirements, along with a lack of code support, creates unpredictability and discourages their construction. Another factor in these housing types “missing” in communities is that local developers, particularly areas outside of the Puget Sound region, lack experience and interest in building these housing types due to greater uncertainty in the financial return. The 2000 Census of housing structures by type shows that 8% of units in incorporated areas in Washington state are two, three and four units (Exhibit 26).

## Exhibit 26: Housing Structure by Type in Washington State




Based on 2000 U.S. Census data for statewide occupied housing units in incorporated areas, [www.ofm.wa.gov](http://www.ofm.wa.gov).

This strategy includes detailed descriptions and guidance for integrating these “missing middle” housing types listed in Exhibit 27 below. For each housing type, the subsections below include a general description, information on gaps addressed, applicability, drawbacks, tips for success, time/capacity/skill needed and additional resources. Exhibit 27 also illustrates the typical range of net density that can be achieved with these housing types.

### Resources

- [Missing Middle Guide Part 1 and Part 2 - MRSC](#)
- [Encouraging Neighborhood-Friendly, Residential Infill Development - MRSC](#)
- [Missing Middle Housing Website - Opticos Design](#)
- [Housing Memorandum: Issues Affecting Housing Availability and Affordability - Washington State Department of Commerce](#)
- [Housing Choices Guide Book - Oregon State](#)
- [Housing Choices Background Report 2019 - City of Seattle](#)
- [Affordable Middle-Income Housing Advisory Council Policy Recommendations - City of Seattle](#)
- [Residential Infill Pilot Program and Report - City of Tacoma](#)

## Exhibit 27: Example “Missing Middle” Housing Types

Subsection	Housing Type	Examples	Density Range (net)
Z-6a	Cottage housing		6-20 du/acre
Z-6b	Duplex, triplex, four-plex		8-32 du/acre
Z-6c	Townhouse		12-40 du/acre
Z-6d	Courtyard Apartments		12-40 du/acre
Z-6e	Micro-housing		40-400+ du/acre

Note: du/acre = dwelling units per acre



## Z-6a Cottage Housing

Cottage housing typically refers to a cluster of small dwelling units (generally less than 1,200 square feet) around a common open space. The cluster arrangement around a common open space also offers a model that's been very attractive to empty nesters, singles, couples and even some small families. They offer a development approach that is appropriate and compatible with low-density residential neighborhoods. While the construction cost per square foot is often higher than a larger traditional single-family home, their smaller size makes them more affordable than a typical single family residence. While cottage clusters may be on a single lot and rented like an apartment complex or divided into separate condominiums, most cottages today are built on fee simple lots with common areas maintained by a homeowners' association.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Senior housing

### When and Where Applicable

- Single-family zones
- Applies best in areas with larger vacant or redevelopable properties or in neighborhoods built well below maximum density

### Potential Drawbacks

- The site design could break up the street frontage pattern of single family development.
- Increased demand for on-street parking could be an issue, depending on the amount of off-street parking and tenant mix; however, household size will generally be small.

### Tips for Success

Density/massing and review process:

- Some density increase is essential, as such units are smaller and usually more expensive to build on a cost-per-square-foot basis. The typical increase is two cottages per one traditional single-family home.
- As an alternative to density limits noted above, consider applying a maximum floor area ratio limit in tandem with other design standards to fit well into the applicable single-family context.
- Be sensitive to creating an overly burdensome approval process, which can discourage interest. For example, requiring a conditional use permit may discourage such developments as it tends to reduce the predictability for developers. A preferred approach is to allow cottage developments by right, provided there are strict but workable design standards to help ensure compatibility.
- Consider developing a trial period for cottages to ensure that the regulations and process are meeting the community vision for this development type. One bad project that is labeled a "cottage housing" development can stigmatize that product type for an entire community.

Design elements:

- Porches are a critical design component of successful cottage developments. Include standards to ensure that porches orient towards common open space(s) and are wide enough to be useful (seven feet wide or more is preferred).
- Provide design standards for both common open spaces and semi-private open spaces for individual cottages. Common open spaces should be the focal point of a development with at least half of the cottages in a cluster directly facing the space.

- Require areas for shared use. An open and flexible use lawn area should be paired with an adjacent hard surfaced patio area to provide space for shared dining. A shared community building could provide a space for gathering and sharing tools.
- Parking is typically provided in shared parking areas off to the side or rear. If attached storage garages are allowed, limit them to a single vehicle in size, and include design standards to minimize their visual and functional impact on the common open space.

### **Time/Capacity/Skill Needed**

Many cottage housing ordinances can be borrowed, allowing for time and cost savings. However, some extra research and analysis may be needed to tailor an ordinance to fit each community's needs and context.

### **Resources**

- [Cottage Housing Guide - MRSC](#)
- [Missing Middle Housing Website, Bungalow Court - Opticos Design](#)
- [Pocket Neighborhoods Website - Ross Chapin Architects](#)
- [2007 Courtyard Housing Design Competition Winners - City of Portland](#)

## Exhibit 28: Cottage Housing Examples and Illustrations



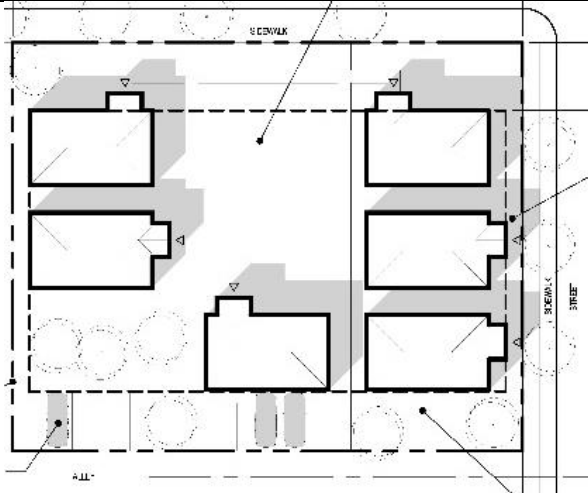
Danielson Grove Cottages in Kirkland, WA. Source: MAKERS



Greenwood Avenue Cottages in Shoreline, WA. Source: Ross Chapin



Cully Grove in Northeast Portland. Source: Communitecture

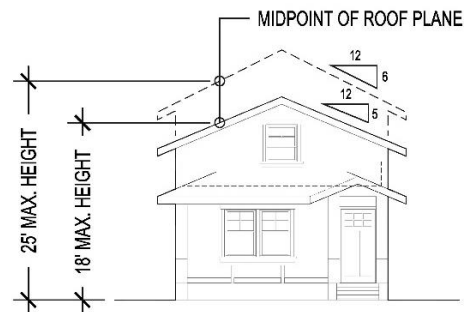


Cottage site plan for corner lot on an alley (above and below).

Source: Tacoma Residential Infill Pilot Program Handbook, MAKERS



Aerial perspective of Danielson Grove Cottages in Kirkland, WA. Source: Google Earth



Cottage section drawing with height limits. Source: Tacoma Residential Infill Pilot Program Handbook, MAKERS

## Z-6b Duplexes, Triplexes and Fourplexes

Duplexes are broadly defined as a building that includes two dwelling units. They can be side by side, stacked, or a combination of the two. They are an efficient form of housing often integrated into pre-war residential neighborhoods. Triplexes and fourplexes are similar with three or four units. With the rise of larger single-family housing tracts in the 1950s, duplexes became a rare form of new housing construction, except in some low-density multifamily or specific “duplex” zones. However, some communities are currently encouraging multi-unit residential construction in neighborhood settings as a source for more affordable housing and a tool to accommodate housing demand, provided they meet design standards to promote neighborhood compatibility.

RCW 36.70A.600(1) as amended by [SHB 2343 \(laws of 2020\)](#) encourages communities to authorize development of duplex, triplex, quadplex, sixplex, stacked flat, townhouse or courtyard apartments into their communities by exempting an authorizing ordinance from administrative or judicial appeal under GMA and SEPA through April 1, 2023.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing

### When and Where Applicable

- Compact neighborhoods and small cities and towns
- Neighborhoods near transit and amenities
- Denser detached house neighborhoods
- Corner lots in single-family neighborhoods

### Potential Drawbacks

- Potential increased demand for on-street parking
- Create auto-centric visual character
- May be difficult for market to build where development pattern is already established

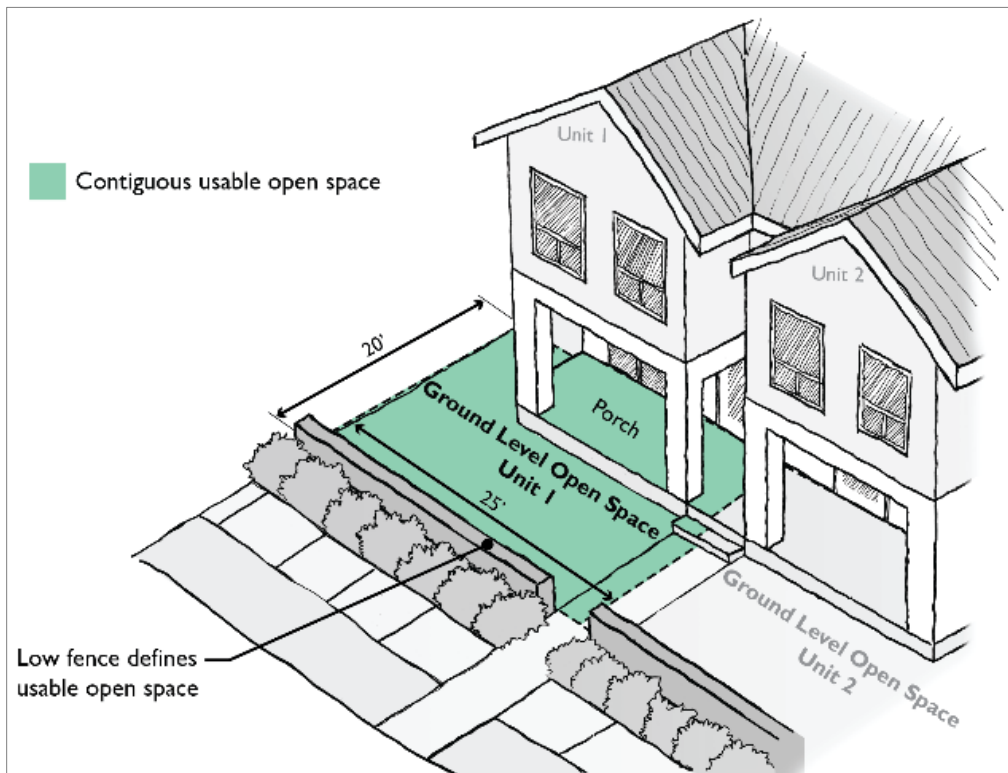
### Tips for Success

- Design guidance can help multi-unit housing fit into the neighborhood. Key design issues:
  - Emphasize unit entries and ensure windows towards the street.
  - Locate driveways and garages to the side if possible.
  - Encourage articulated facades/rooflines to promote neighborhood compatibility.
  - Ensure usable private open space.
- Consider allowing duplexes by right on corner lots in single-family zones, when they are designed to look more like single-family homes.
- Consider separate minimum setbacks for private garages to reduce their visual prominence on the building and to provide enough space for cars to park in driveways without obstructing pedestrians on the sidewalk. The minimum setback for garages should be at least 20 feet.
- Consider removing single-family designation from zoning and rename as low-density residential.

## Time/Capacity/Skill Needed

Integrating simple design standards and code changes can be completed by existing planning staff. Consultants can help with more ambitious permissions and/or design provisions for multi-unit construction.

## Exhibit 29: Open Space Solutions for Duplex Units



Illustrating when and how the front yard may be used to meet a community's usable duplex open space standards.  
Source: MAKERS

## Resources

- [Duplex Design Guidelines - City of Sumner \(PDF file\)](#)
- [Missing Middle Housing Website, Duplex - Opticos Design](#)
- [Missing Middle Housing Website, Stacked Duplex - Opticos Design](#)
- [Missing Middle Housing Website, Fourplex - Opticos Design](#)
- [This is what a street looks like 39 years after legalizing fourplexes - Sightline Institute](#)
- [Legalizing fourplexes could boost accessible housing - Sightline Institute](#)
- [One house, four homes: Project shows the potential of stacked flats - Medium](#)
- [Duplex design standards - Anacortes municipal code 19.43.010\(E\)](#)



## Exhibit 30: Duplex Examples



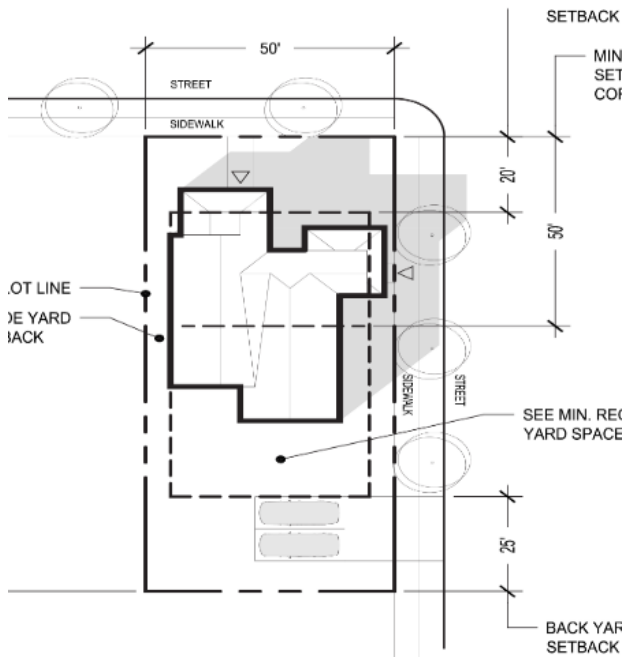
Recently constructed duplex.  
Source: Sightline Institute Modest Middle Homes Library; Licensed under Creative Commons



Older duplex in Wenatchee.  
Source: MAKERS



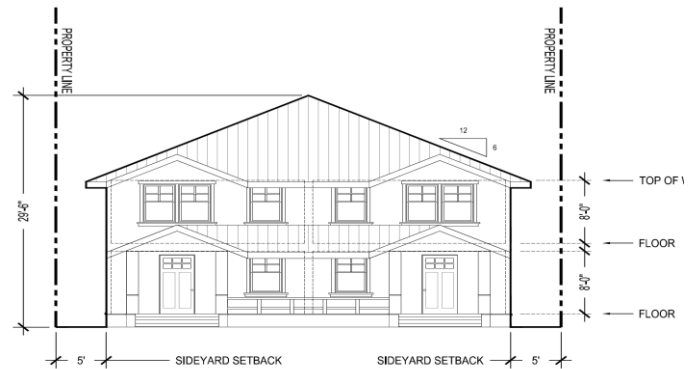
Newer duplex in Vancouver, BC.  
Source: City of Vancouver



Corner lot duplex with separate entries on opposite streets. Source: Tacoma Residential Infill Pilot Program Handbook, MAKERS



Corner lot duplex with separate entries on opposite streets. Source: Tacoma Residential Infill Pilot Program Handbook, MAKERS



Duplex with separate street entrances. Source: MAKERS

## Caution Examples

Numerous residential construction examples in Washington communities feature uninspiring design and may contribute to the stigma of duplexes as an undesirable housing type. As the photos in Exhibit 31 illustrate, the wide driveways and garages fronting the street result in a lack of façade transparency and corresponding “eyes on the street,” and a less safe pedestrian environment. Regulatory tools to avoid these designs include allowing tandem garages, integrating maximum driveway widths, garage setback minimums, regulating the maximum width of garages (e.g., garages occupy no more than 50% of façade), requiring covered porches or entries visible from the street, and minimum façade transparency standards.

## Exhibit 31: Poor Examples of Duplexes



Front entries around to the side and only two windows facing the street. Source: MAKERS



Front entries around to the right side and window-less blank wall facing the street. Source: MAKERS



A pair of two car garages dominate the duplex street frontage. Source: MAKERS

## Fourplexes and Accommodating Accessible Homes

There's a strategic reason for lumping fourplexes in with duplexes and triplexes in this discussion. Under the federal Fair Housing Act (FHA), the fourth home within any structure triggers a requirement that every new ground-floor home, and every home in buildings with elevators, be wheelchair-accessible. Among other things, that means “an accessible route into and through the dwelling” and “usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.”

This provision adds expense and complication to fourplex construction. Accommodating a bathroom large enough to maneuver a wheelchair requires floor space that can't be a bedroom, closet or another kitchen counter. This is generally why more duplexes and triplexes are built than fourplexes. An option to make up for the added expense and complication is to allow slightly more floor area for fourplexes. Fourplexes are great because they can create twice as many homes as duplexes in neighborhoods where more people would like to live. In the United States, every new fourplex also helps solve a whole different problem: preparing for our aging population.



Left Image: Stacked fourplex in Portland. Source: Michael Anderson.



Right image: An old Victorian house in Portland being internally divided into a fourplex. Source: Michael Anderson.

## Z-6c Townhouses

Townhouses are dwelling units that share walls with other residential units, but have their own front stoop or porch, yard or balcony, and are usually owner-occupied. Townhouse buildings typically contain between three to six units. Most units feature their own private garage, located underneath the dwelling unit. Most modern townhouses feature two bedrooms, though many integrate three or four bedrooms. Townhouse developments can be integrated into traditional neighborhood settings or can be incorporated in larger suburban complexes served by a network of private roads.

Their attached nature means that townhouses are more affordable than detached single family homes. Within urban and suburban communities, townhouses typically offer the most affordable form of home ownership. Their efficient form also can accommodate substantial density compared to detached single family homes and provide residents with small yards that allow personal space with minimal effort to maintain.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Family-sized rental housing

### When and Where Applicable

Townhouses are a great opportunity for areas around the perimeter of business districts, in multifamily zones, along transit corridors and along park and open space corridors. They offer a great transition between multifamily residential uses or commercial development and low-density neighborhoods. They may even be a good option for redevelopment of vacant or underperforming properties along arterial corridors if oriented carefully.

### Potential Drawbacks

- Townhouses require special attention to parking and access to ensure compatibility with the pedestrian environment.
- Their multi-level form makes them a challenge for seniors aging in place and other residents with accessibility challenges.

### Tips for Success

- Exempt townhouse developments from any lot size minimums to allow flexibility in the size and design of townhouses. If lot size standards are used, they should be sized to allow typical two-bedroom units, which typically have a footprint of around 500 square feet. Typical townhouse lots range from 14 feet for a unit with a single car-width garage to 30 feet for larger townhouses.
- Exempt townhouses from internal side yard setbacks to ensure that townhouses can actually be built.
- Like other multi-unit development, good design standards can ensure that townhouses fit into the existing or desired neighborhood context. Key design issues include:
  - Location and design of driveways and garages in relation to the sidewalk and pedestrian environment
  - Location and design of private internal roads or courts
  - Location and design of unit entries
  - Articulated facades/rooflines (to promote neighborhood compatibility)
  - Provisions for usable open space
  - Fire department access and service vehicle circulation



## Exhibit 32: Townhouse Examples



Townhouses in Issaquah Highlands. Source: MAKERS



Townhouses along a private internal drive in Redmond. Source: MAKERS



Townhouses in Issaquah Highlands. Source: MAKERS



Lionsgate townhouses in Redmond was the first large urban townhouse complex in the Seattle region and immediately became a model for its pedestrian-friendly design. Source: Google Earth



Large townhouse development with private internal roads in Bellevue. Source: Google Earth



Illustrating infill redevelopment with townhouses in Anacortes. Source: MAKERS

## Time/Capacity/Skill Needed

Consultant help is typically needed to integrate design standards for townhouses.

## Resources

- [Missing Middle Housing Website, Townhouses - Opticos Design](#)
- [Townhouse design standards - Anacortes municipal code 19.43.010\(G\)](#)
- [Townhouse design standards - City of Shoreline](#)
- [Townhouse design standards - Wenatchee City Code 10.47.130](#)
- [Townhouses-the problem - Seattle Urbanism Blog](#)

## Caution Examples

Like duplexes, there are plenty of townhouse examples to draw from in the “what not to do” category. Typical characteristics of these cautionary examples include low-quality streetscape design, units with little or no privacy and usable open space, and tunnel-like auto courts with poor maneuverability/usability for automobiles, as shown in Exhibit 33.

## Exhibit 33: Poor Examples of Townhomes

		
<p>Dark and narrow auto courts and limited privacy and solar access for units. Source: MAKERS</p>	<p>Tall fences create more privacy and usable open space for townhouse units, but create a stark unfriendly presence along the street. Source: MAKERS</p>	<p>Front-loaded townhouses create continuous driveways facing the street and reduce opportunities for on-street parking, while also contributing to a negative pedestrian environment. Source: MAKERS</p>



## Z-6d Courtyard Apartments

Courtyard apartments are small multifamily buildings surrounding a courtyard that opens onto a street. Courtyard apartments are typically up to three stories and consist of multiple side-by-side and/or stacked dwelling units accessed from a courtyard or series of courtyards. They were a relatively common housing form in the early 1900s and are becoming a sought-after housing form due to their small scale and courtyard orientation. The courtyards provide space for social connections among residents. Courtyard apartments are often not specifically referenced as a permitted housing type, but are simply considered as a type of multifamily building.

Parking is typically provided to the side and/or rear of the buildings, and there are no elevators.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Middle-income rental housing
- Senior housing (ground floor units)
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Multifamily zones
- Single-family neighborhoods that contain a mixture of home and lot types
- Transition zones between single family and multifamily

### Potential Drawbacks

- May be challenging to accept within single-family zones

### Tips for Success

- Consider as an option in higher-intensity single-family zones or low-intensity multifamily zones where standard apartment complexes may be less acceptable to the community.
- Like other missing middle housing types, good design standards are important to ensure that courtyard apartments fit into the existing or desired neighborhood context. Key design issues include:
  - Courtyard size and design standards
  - Location and design of unit entries (oriented towards courtyard)
  - Location and design of parking areas
  - Articulated facades/rooflines (to promote neighborhood compatibility)

### Time/Capacity/Skill Needed

Consultant help is typically needed to integrate design standards for courtyard apartments.

### Resources

- [Missing Middle Housing, Website, Courtyard Apartments - Opticos Design](#)
- [Pocket Neighborhoods Website - Ross Chapin Architects](#)
- [2007 Courtyard Housing Design Competition Winners - Dave Knows Portland](#)

## Exhibit 34: Courtyard Apartment Examples



Courtyard apartment in Omaha, Nebraska.  
Source: Missing Middle.com



Courtyard Apartments in Oregon. Source: Sightline Institute Modest Middle Homes Library; licensed under Creative Commons



Courtyard apartment in Olympia, Washington.  
Source: Commerce



Courtyard apartment in Wenatchee, Washington.  
Source: MAKERS

## Z-6e Micro-housing

Micro-housing is the umbrella term for a very small dwelling units. Sightline Institute describes them as the modern-day equivalents of rooming houses, boarding houses, dormitories and single-room occupancy (SRO) hotels, and they come in two main forms:

- Congregate housing “sleeping rooms” are often in the 140-200 square-foot range and may include private bathrooms and kitchenettes. Shared facilities include kitchens, gathering areas and other common amenities for residents.
- A small efficiency dwelling unit (SEDU) is a very small studio apartment including a complete kitchen and bathroom. By code in Seattle, SEDUs must have at least 220 square feet of total floor space, as compared to 300 square feet for the smallest typical conventional studio apartments.

These very small units provide a relatively affordable unsubsidized option for renters. Seattle, Everett and Tacoma have adopted reduced parking requirements for SEDUs to further increase affordability.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Middle-income rental housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Commercial, mixed-use and high-density multifamily zones, particularly within walking distance of high-capacity transit stations or other transit routes with headways of 30-minutes or less
- Near universities, parks and public open space

### Potential Drawbacks

- Integrating parking and increased demand for on-street parking
- SEDUs are only modestly cheaper than regular studio apartments

### Tips for Success

- Apply design standards to enhance site and building design and promote neighborhood compatibility.
- Open space standards are key for livability.
- Reduce parking requirements to reflect unit size and tenant mix.
- Rent parking separately from the units to reduce housing costs.
- Review zoning density limits to see if maximum density limits could discourage smaller units.
- Review building and zoning codes for minimum apartment size requirements that could prohibit micro units if not amended.

### Time/Capacity/Skill Needed

Consultant help may be helpful to assist with analysis, design and community engagement issues.

### Resources

- [Micro-Units - Another Tool in your Affordable Housing Toolbelt - MRSC](#)
- [How Seattle Killed Microhousing - Sightline Institute](#)
- [SDCI Has Adopted New Rules For Microhousing - The Urbanist](#)



## Exhibit 35: Micro-housing Examples



Pre-2015 congregate housing building in Seattle. Source: MAKERS, 2020



SEDU building in Seattle. Source: MAKERS, 2020



Residential suites building in Redmond. Source: Google Maps – Street View

## Z-7 Increase or Remove Density Limits

Regulating the maximum number of units per acre is one of the most commonly used tools to regulate the intensity of residential development in Washington jurisdictions. However, there are two notable drawbacks to the units/acre regulating approach beyond simply limiting density:

- They penalize smaller units by design, as each dwelling unit, whether it is 500 square feet or 5,000 square feet, counts as one dwelling unit. As such the standard can shift development towards larger, more expensive units.
- Most residents have a difficult time understanding what density looks like. When quizzed on the subject, community members often convey that the design of the streetscape, front yards and building frontages matter more to them.

Thus, removing or relaxing such density limits are obvious ways a municipality can increase the supply, diversity and affordability of housing. Municipalities need to be very strategic in such actions, however, as they can be extremely controversial and can backfire even with a well-crafted plan. Whether density limits are removed or adjusted, municipalities will need to clearly communicate **why** they are removing or adjusting the density and illustrate what tools are proposed to mitigate possible impacts.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

Increasing or removing density limits could apply to any of the community typologies. Other applicability considerations:

- Commercial and mixed-use zones are prime candidates for no density limits, particularly where height and design provisions are included to mitigate impacts and meet community objectives.
- Multifamily zones are good opportunities to either remove or relax density limits, provided any such limits allow for desirable housing types, and where height and design provisions are included to mitigate impacts and meet community objectives.

### Potential Drawbacks

- Allowing for greater density will not, by itself, result in construction of affordable housing units.
- Transportation, infrastructure and community services implications of adding more people in a given area.
- Potential increased demand for available on-street parking.
- Increased physical and cultural displacement from redevelopment pressure.
- Potential for significant change in community character.

### Tips for Success

- Communicate the need for such change, such as information from the housing needs assessment.
- Communicate the benefits of the strategy and link to community goals and policies.
- Illustrate case studies and example development scenarios to show how proposed changes would work on a key site.
- Couple with other tools to mitigate negative impacts and enhance the design of development. Effectively communicate those tools to community participants. Notable examples:
  - Form-based code or design standards and/or guidelines
  - Height limit, setbacks and minimum open space standards
  - Floor area ratio<sup>9</sup> caps
  - Streetscape improvements (most notably planting strips with street trees)
- Consider and clarify community infrastructure and service implications of proposal.
- Explore displacement mitigation strategies (see [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#)).

### Time/Capacity/Skill Needed

This strategy may be completed by in-house staff. Hiring outside services may be desirable for related analysis, urban design, community engagement, real estate market and/or related transportation or infrastructure implications associated with the proposal.

### Resources

- [Visualizing Compatible Density - MRSC](#)
- [Is Density Detrimental? - American Planning Association \(APA\)](#)
- [Density: A Livability Fact Sheet - APA](#)

---

<sup>9</sup> Floor area ratio (FAR) is the ratio of a building's total floor area to the size of the parcel of land that it is built upon. Therefore, if you have a 5,000 square foot building on a 10,000 square foot lot, the FAR would be 0.5.



## Z-8 Revise ADU Standards

Accessory dwelling units (ADUs) are small dwelling units that are either attached to the primary dwelling or in a detached structure (DADU) that is typically placed to the side or rear of the primary dwelling. ADUs have long been an important option for communities to add variety and housing choice in single-family neighborhoods.

ADUs can provide low-cost housing in established neighborhoods. They provide dwelling opportunities for extended family members and small households that prefer a neighborhood setting over apartment living. ADUs can also offer a critical source of monthly income for home owners when rented out.

Typical ADU ordinances require that such units be placed within or to the rear of a home. This configuration minimizes visual impacts of such units on the streetscape.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very low-income housing
- Small household rental housing

### When and Where Applicable

- Single-family zones

### Potential Drawbacks

- Need for additional on-site parking and/or increased demand for on-street parking
- Potential for increased vehicular traffic

### Tips for Success

- Collaborate with homeowners and prospective ADU developers and renters to help design ADU provisions that balance housing needs while minimizing neighborhood impacts.
- Consider allowing an ADU on any lot regardless of lot size.
- Consider offering pre-designed DADU plans to encourage more ADU development.
- ADUs are more likely to be built if:
  - Attached or detached units are allowed
  - They do not require an additional parking space
  - Owner occupancy on the property is not required
  - Detached units are allowed adequate height and floor area for design flexibility
  - ADU and main house share utility connection
- Consider allowing modular units and tiny homes (small dwelling units on a foundation with between 150-400 square feet of habitable floor area) as DADUs. The city of Fresno, California (FMC 15-2754) allows tiny homes on wheels as accessory dwelling units.
- Consider whether development regulations need to be amended to allow conversion of garages to ADUs.

### Washington State ADU Provisions

- Cities and towns with a population greater than 20,000 are required to allow ADUs in single family zones ([RCW 43.63A.215](#)). This also applies to counties planning under the GMA or over a population of 125,000.
- New 2020 state laws added new definitions and requirements related to ADU parking ([ESSB 6617](#)).
- [Second Substitute Senate Bill \(2SSB\) 6231](#) (Chapter 204, Laws of 2020) expanded existing three-year property tax exemption for any improvements to a single family dwelling in RCW 84.36.400 to include the construction of accessory dwelling units. The dwelling unit may be either attached to or within the single family dwelling or a detached unit located on the same real property.

## Time/Capacity/Skill Needed

Municipalities with staffing resources and expertise may be able to conduct necessary analysis and code/design in-house. Consultant expertise may be helpful for ADU design issues.

## Resources

- [Accessory Dwelling Units - MRSC](#)
- [Missing Middle Housing, Carriage House ADU - Opticos Design](#)
- [Accessory Dwellings - Volunteer Resource](#)
- [ADUs and Don'ts - Siteline Institute](#)
- [Accessory Dwelling Unit Guide - City of Seattle](#)
- [Accessory Dwelling Units: Model State Act and Local Ordinance - Public Policy Institute of AARP](#)
- [Select jurisdictions in Washington with ADU codes:](#)
  - [Bellevue - Section 20.20.120](#)
  - [Blaine - Chapter 17.102](#)
  - [Chaney - Chapter 21.67](#)
  - [Enumclaw - Chapter 19.34](#)
  - [Everett - Chapter 19.07.030](#)
  - [Olympia - Section 18.04.060](#)
  - [Seattle - Chapter 23.44.041](#)
  - [Vancouver - Chapter 20.810](#)

## Exhibit 36: ADU Examples and Illustrations



ADU above garage in an alley in Prospect, CO. Source: Flickr\_Brett-VA



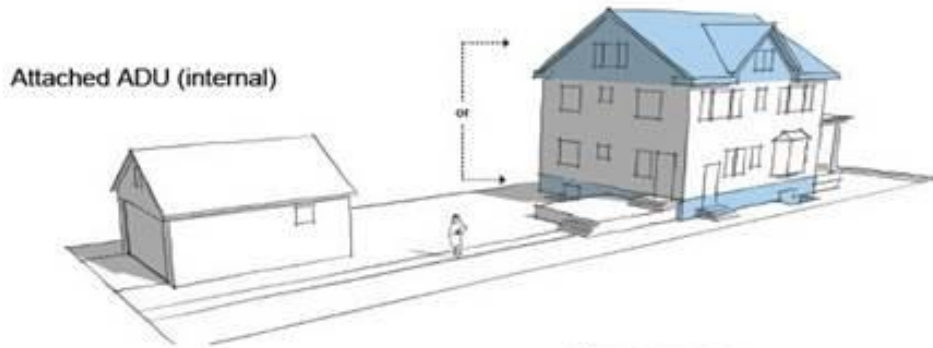
ADU in Tacoma, WA. Source: Lauren Flemister



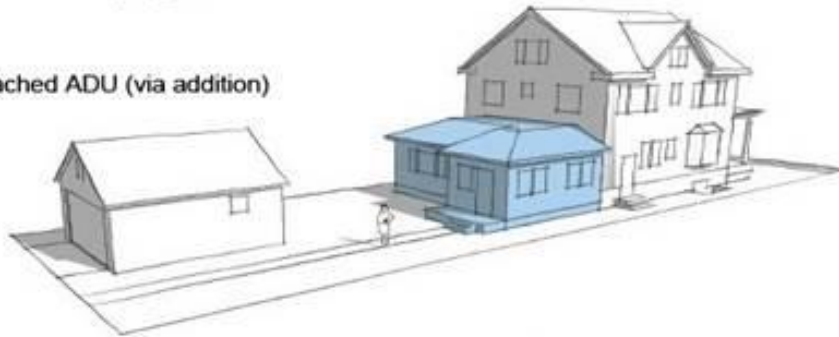
Ballard ADU in Seattle, WA. Source: Cast Architecture

### Examples of Accessory Dwelling Units (ADUs)

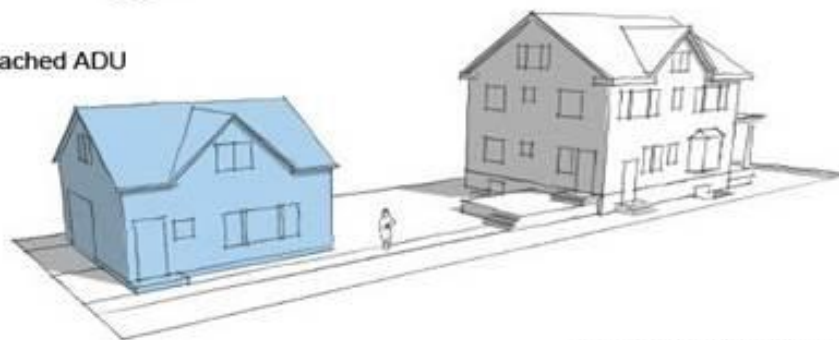
*ADUs in blue; main residence in white*



Attached ADU (via addition)



Detached ADU



*Image credit: City of Saint Paul, MN*

Source: [City of Saint Paul, MN](#)

## Z-9 Offer Density and/or Height Incentives for Desired Unit Types

In communities with a deficit of small affordable units and areas where height and/or density bonuses are under consideration, such bonuses to allow for buildings integrating a certain percentage of small units (under a specific size, such as 600 square feet) may be a good option. Alternatively, communities could adjust the way that density is measured to allow for discounts for very small units (i.e., density unit equivalent). On the other hand, many urban communities have a shortage of larger multi-bedroom apartment units to serve families with children. Density bonuses could be used to incentivize developments with such units.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very low-income housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Small affordable unit incentives are a reasonable option for small cities lacking small affordable units, particularly when more complicated density bonus provisions that require specific affordability standards and intensive monitoring might be considered unworkable.
- Incentives for larger multi-bedroom units are likely to be more important in heavily urbanized areas served by good transit access.

### Potential Drawbacks

- Potential increased demand for on-street parking

### Tips for Success

- Small affordable unit incentives will be effective only where market analysis shows a gap in smaller studio and one-bedroom units.
- Parking can be an issue with added units. In some cases, it may be appropriate to reduce parking requirements if impacts to the neighborhood from on-street parking demand can be avoided or mitigated.
- Outreach and education to developers may help raise awareness of the incentive.
- Compatibility due to increased density or height may need to be addressed through other provisions.
- Determine whether the larger multi-bedroom units also need to meet affordability thresholds when crafting the incentives and requirements.

### Time/Capacity/Skill Needed

Outside services may be needed to accurately assess the market for multifamily units. Provisions may be completed by staff in-house.

### Resources

- [Density Unit Equivalent Concept - County of Sonoma](#)
- [DC Proposes an Incentive for Three-bedroom Apartments - Greater Washington](#)

# Additional Regulatory Strategies

## R-1 Reduce Off-Street Parking Requirements

Parking facilities add substantial cost in the development new housing, whether it's surface or structured parking. A study conducted by the city of Portland said underground garage parking adds costs of up to \$55,000 per space, which can add up to approximately \$500 per month per dwelling unit to apartment rents.<sup>10</sup> This is why reducing parking can help with affordability. Fewer residents are likely to own vehicles in areas within walking distance to high-capacity transit, with frequent bus service, a mixture of uses, and/or in buildings with a high share of low-income households. In suburban and small city settings, such parking facilities are more important but should be balanced with aesthetics and the impact on the yield of land.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Middle-income rental housing
- Senior housing
- Small household rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- While this strategy applies to all housing types, it's most critical to multifamily housing where shared parking facilities are prominent.
- [RCW 36.70A.620](#) limits the amount of parking a city may require for multifamily, senior, disabled or affordable housing, or accessory dwelling units, when located within 1/4 mile of a transit stop meeting certain service criteria.

### Potential Drawbacks

- Too little parking could overflow into on-street parking opportunities for business districts and impact other residents who have limited off-street parking options.

### Tips for Success

- Consider parking maximum standards in downtowns, neighborhood commercial districts and commercial corridors with good existing or planned transit service.
- Many downtowns have historic, nonconforming properties that rely on street parking but support businesses and residents. Consider reducing or eliminating parking requirements in such areas, especially for change of use and redevelopment, to ensure historic and compact downtown character can be retained.
- Consider reducing requirements in areas planned for redevelopment and affordable housing.
- Consider adding additional parking tools, such as contracting with car-share providers, providing transit passes to residents, shared use parking, and off-site parking.
- Rules that allow third-party sharing/rental of parking spaces can help even out parking supply and demand.
- Allow developers to reduce parking stalls if the city/county accepts a parking study by a certified transportation planner or engineer that demonstrates minimum impacts to surroundings.

---

<sup>10</sup> Shoupista, "Portland's Parking Policy Puts Car Storage Before Housing Affordability," (2016), <https://pdxshoupistas.com/portlands-parking-policy-puts-car-storage-before-housing-affordability/>. Although original source is stated to be Portland [Bureau of Planning and Sustainability](#), the link is no longer active.



- Update bike parking requirements concurrently and distinguish between short-term and long-term bicycle parking.
- Encourage housing and parking to be rented separately.
- Outreach and education to developers may help raise awareness.
- Parking can be a tricky and controversial topic. One option is to reduce parking requirements for a limited time as a test. If a development features reduced parking with no impacts, it may be possible to adopt this standard long term.
- In King County, consult the [Right Size Parking](#) website.

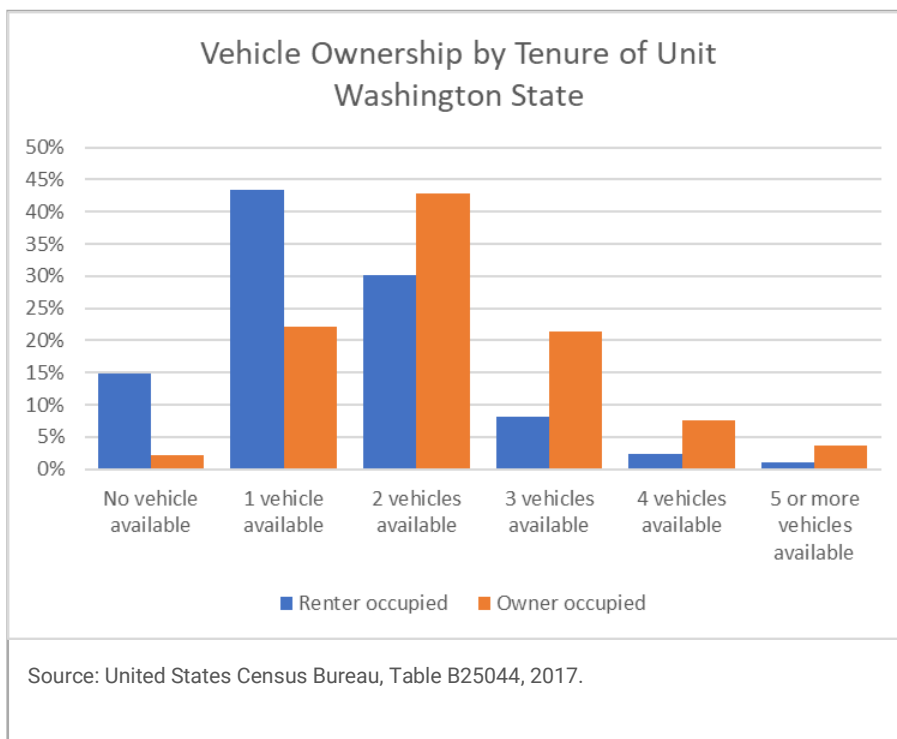
### Time/Capacity/Skill Needed

Code changes can be completed by in-house staff. Outside services are recommended for a parking study, but numerous other parking resources are available.

### Resources

- [Right Size Parking - King County](#)
- [The Trouble with Minimum Parking Requirements - APA](#)
- [Parking Demand and Pricing - MRSC](#)
- [Downtown Parking - MRSC](#)
- [Parking and Business Improvement Areas - MRSC](#)
- [Parking and Storage of Oversized Vehicles - MRSC](#)

## Exhibit 37: Vehicle Home Ownership by Tenure of Unit in Washington State



## R-2 Relax Ground Floor Retail Requirements

While a mix of uses can be useful for neighborhoods, especially along main streets, many municipalities require retail uses in the ground floors of all new multifamily residential projects. This may oversupply the local retail and office market, reducing the financial feasibility of projects with space that is less profitable to developers. Strategically applying ground-floor retail requirements to essential streets or blocks can limit the barrier to housing development.

### Gaps Addressed

- Increase housing supply
- Middle-income rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

This approach applies to any commercial or mixed-use district except for:

- Blocks of traditional shopping or “main” streets that have a well-established pattern of storefronts
- Blockfronts where there’s a strong desire to preserve the opportunity for ground level commercial uses and where the planned density context is likely to be able to support such uses

### Potential Drawbacks

- Residential uses on the ground floor of projects can impact the appeal of the streetscape, especially with certain efforts to maintain residents’ privacy and security.
- Single purpose residential uses could limit the desirable extension of storefront blocks in the future.
- Single purpose residential uses also limit the opportunity for lower-rent commercial space that could otherwise exist on side streets in such zones.

### Tips for Success

- Limit ground floor commercial standards to those block-fronts that reinforce existing storefront patterns or to the minimum area necessary to achieve the community’s specific storefront use and design goals. Also limit to where current/anticipated market conditions can support the subject commercial floor area.
- Review what types of commercial uses are allowed and consider allowing live/work units to qualify as a ground floor commercial use on certain block-fronts.
- Consider allowing or clarifying allowance for residential lobbies that serve upper levels.
- Where there’s a desire to retain commercial uses along block-fronts, but the lots are deep, consider applying the ground level commercial use requirement only to the front 30-60 feet of the block-front. This allows greater flexibility to integrate residential development on such properties.
- While retail space demands may be declining, there’s often a strong desire to encourage a mixture of restaurants, personal and general service uses, and other non-residential uses such as salons, restaurants and coffee shops, professional studios, pet day care businesses, yoga and martial arts studios, and entrepreneurial start-ups. Thus, it’s important to factor in those areas/block-fronts where such uses are important. One option is to offer generous height or density bonuses in exchange for providing ground level space for non-residential uses.
- Apply design standards for ground level residential uses facing the street in commercial and mixed-use districts to enhance the streetscape environment and provide for the privacy, comfort and livability of the adjacent residential units.
- Allow for the accommodation of live-work units into projects, where private residential space above is combined with space for limited office/personal service uses such as home occupations on the ground

floor. These spaces can present opportunities for commercial activity and allow for future changes to street-level retail with proper designs.

- Where the long-term preservation of commercial storefront opportunity is very important, but current market conditions don't support it, consider allowing ground level residential uses, provided the space is built to accommodate viable commercial uses. Examples include integrating 13-15-foot floor-to-ceiling space at a minimum depth ranging from 30 to 50 feet, but also integrating a "ghost floor" several feet above grade that can be removed at a later date if and when commercial uses become viable. The elevated ground floor provides the opportunity for greater privacy for near-term residential uses directly adjacent to a sidewalk.




### Time/Capacity/Skill Needed

Outside services may be needed to accurately assess the retail/commercial market supply and demand. Minimal updates to code can be completed in-house, but new or updated block frontage maps may require consultant assistance.

### Resources

- ["Creating Walkable Neighborhood Business Districts: An exploration of the demographic and physical characteristics needed to support local retail services"](#) by Gregory Easton and John Owen, 2009.
- [Zoning for Small Business - APA](#)

## Exhibit 38: Mixed-use Building Examples

		
<p>Vacant storefronts in new residential building. Source: MAKERS</p>	<p>Ground floor physical therapy office with storefront windows. Source: MAKERS</p>	<p>Live work units. Source: MAKERS</p>

## R-3 Reduce Setbacks, Lot Coverage and/or Impervious Area Standards

Modest reductions in front setback standards can help to expand possible building footprint area. In storefront and other dense urban environments, the opportunity to build a firewall up to the side property line allows greater flexibility and expansion of the possible building envelope. Likewise, communities may feature outdated lot coverage standards<sup>11</sup> that encourage surface parking facilities at the expense of hidden structured or underground parking forms. Overly ambitious impervious area<sup>12</sup> standards can also be detrimental to desired infill housing development.

### Gaps Addressed

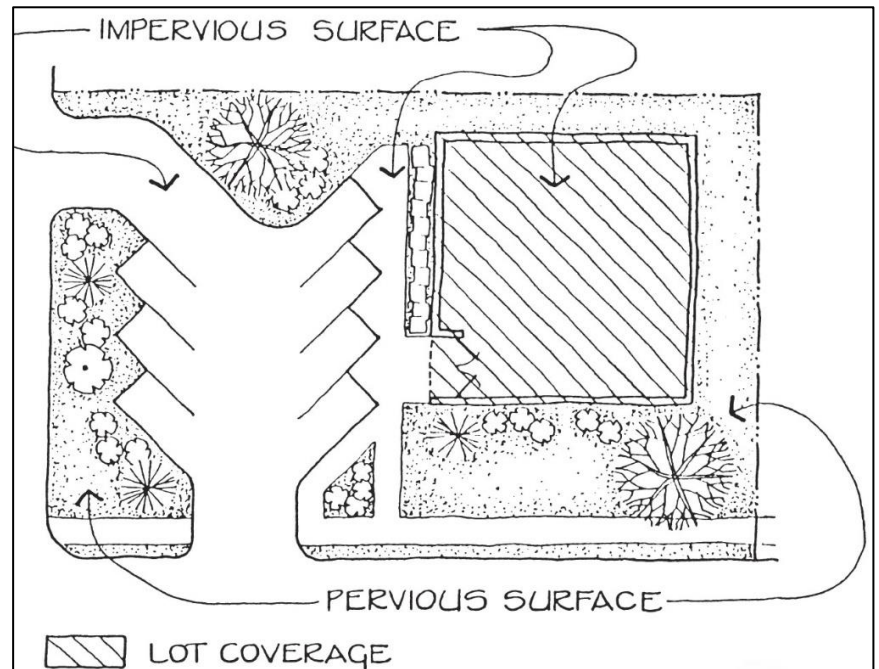
- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing

### When and Where Applicable

- All zones that allow for housing

### Potential Drawbacks

- Front setbacks for ground floor residential uses less than 15 feet often warrant greater design provisions to enhance the streetscape and provide for the privacy, comfort and livability of the adjacent residential units.



### Tips for Success

- Allow porches and covered entries to project into front setbacks to encourage their integration and maximize building envelope opportunities.
- Again, where setbacks are within 15 feet or less, design standards to enhance the streetscape and provide for the privacy, comfort and livability of the adjacent residential units will be important.
- Consider separate minimum setbacks for private garages to reduce their visual prominence on the building and to provide enough space for cars to park in driveways without obstructing pedestrians on the sidewalk. The minimum setback for garages should be at least 20 feet.

### Time/Capacity/Skill Needed

Minimal updates to code can be completed by in-house staff, but assistance with design provisions may require consultant assistance.

### Resources

- [Impervious Surface Coverage: The Emergence of a Key Environmental Indicator - APA](#)

<sup>11</sup> Lot coverage is typically the percentage of a lot covered by buildings.

<sup>12</sup> Impervious areas are hard-surfaced, man-made areas that do not readily absorb or retain water.

## R-4 Adopt Design Standards

Communities adopt design standards on a neighborhood or citywide basis to promote design consistent with their vision. Design standards in themselves do not create additional housing, but are helpful to assist new forms or high-density housing fit in communities. Well-crafted design standards help to mitigate impacts of density, building massing/scale, parking and vehicle access areas, and service elements. Balanced design standards should promote good design without imposing prohibitively costly standards on new developments. They are critical in facilitating community acceptance of affordable housing projects or increased densities.

Design standards are particularly critical in the following contexts:

- Promoting compatible “infill” development in established downtowns, business districts and neighborhoods that expands housing choices while minimizing impacts to adjacent uses and reinforcing the character of the area
- Incrementally transforming automobile-oriented centers and corridors into more dynamic pedestrian-friendly communities
- Guiding the design of new development sites consistent with the community’s vision

### Gaps Addressed

- Housing diversity

### When and Where Applicable

- Downtown, business district, neighborhood or corridor form-based codes (FBCs) can reinforce, enhance or transform the character of the area
- New development areas
- Standards can be specific to commercial or mixed-use zones/uses, multifamily uses/zones and even single-family uses/zones

### Potential Drawbacks

- Reduces the design flexibility of new developments
- Some standards may add to the cost of new development

### Tips for Success

- Use a community engagement process to help define the community/district’s vision and identify critical community design issues. Define what types of developments are acceptable and unacceptable.
- Consider an approach that uses clear minimum standards, but offers strategic flexibility with clear guidance in how alternative designs are evaluated. Such an approach offers a good mix of predictability and flexibility and can be tailored to fit the particular community. Design standards offer a community a way to say no if the design doesn’t meet the intent, but it offers applicants flexibility to propose alternative designs.
- Craft design standards to offer choices in how to conform with particular design provisions, whether it’s the techniques to articulate a façade or how to add desired design details to storefronts. Such provisions allow greater flexibility in design and the ability to better control construction costs.
- Provide plenty of photos and graphics to effectively illustrate the standards. Consider providing multiple good examples so applicants understand there are a number of ways to meet the standard. Likewise, providing bad examples can be very effective tools at communicating “what not to do.” Such illustrations should clearly communicate the standard or standards.
- Similar to a form-based approach, some factors to consider in developing design standards:
  - Pay special attention to the review process and staffing resources and needs.



- Make sure the required design features are economically feasible.
- Consider the standard’s usability by staff, applicants and the community.
- Test key elements of the design standards prior to adoption to ensure that development is feasible from a physical and economic standpoint.

### **Time/Capacity/Skill Needed**

Considerable expertise and experience will be essential to successfully integrate best practice design into the code, ensure internal consistency, avoid overly costly regulations and avoid unintended consequences.

### **Resources**

- [Design Review - MRSC](#)
- [Mountlake Terrace Town Center Design Standards - Mountlake Terrace MTMC Chapter 19.123](#)
- [Residential Use Standards - City of Wenatchee WCC Chapter 10.47](#)
- [Lacey Design Standards - City of Lacey - LMC Chapter 14.23](#)

### **Allowing Departures – Strategic Flexibility**

The best design standards offer a strategic mix of predictability and flexibility. This includes integrating clear minimum standards for site and building design so that the community knows what to expect as development occurs. Options for flexibility provide the applicant ways to have some adjustment while still meeting the intent of the standards. Such provisions are often called “departures,” “alternative designs” or “administrative adjustments.”

Communities can strategically set which provisions are subject to administrative approval for flexibility and which are subject to a more formal design review approach. This approach gives the community significant negotiating power, and perhaps most important, the ability to say no, if the design doesn’t meet the intent. For the developer/designer, this approach can allow flexibility that can enhance the design of new housing and perhaps save on construction costs.

For example, material standards allow up to 25% of a façade to be clad with basic concrete block. An applicant may request a departure for a design that has 40% concrete block with a focus on building entryways and mitigating features such as colored or textured blocks. The designated official could approve the departure if the proposed design meets the original purpose of the standard and the result is an improved interface with the pedestrian environment.

Note: Departures are different than variances, which are generally legislative or quasi-judicial, rather than an administrative process. Variances concern land use and basic form/intensity standards.

## Case Study: Design Departures in Anacortes

The design standards integrated into the city of Anacortes's new code integrate a substantial number of administrative design departures. This was added as a tool to allow for design flexibility, while retaining the city's ability to deny designs that don't meet the intent. Section 19.20.220 of the adopted code language that emphasizes the procedural aspect of departures. Make special note of the "documentation" subsection, which intends to help ensure consistency in how departures are reviewed and approved.

The section at the bottom includes specific departure criteria to storefront block frontage standards, which illustrate special design criteria and the level of flexibility.

### 19.20.220 Departures

- A. Overview and Purpose. This title provides for a number of specific departure opportunities to development standards. The purpose is to provide applicants with the option of proposing alternative design treatments, provided such departures meet the purpose of the particular standard and any additional departure criteria established for the particular departure opportunity.
- B. Departures Are Voluntary. This provision allows the flexibility for applicants to propose alternative designs on a voluntary basis, provided they meet the purpose of the standard and applicable departure criteria as noted above.
- C. Applicability. Departure opportunities are available only where noted for specific standards.
- D. Procedures. Permit applications that include departure requests go through the standard review procedures in this chapter, depending on the application type.
- E. Approval Criteria. Project applicants must successfully demonstrate to the decision-maker how the proposed departure meets the purpose(s) of the standard and other applicable departure criteria that apply to the specific standard.
- F. Documentation. The decision-maker must document the reasons for approving all departures (to be maintained with project application records) for the purpose of providing consistency in decision-making by the city. The Department must provide a report on departures, which include departure applications and decisions, at a minimum interval of every two years. (Ord. 3040 § 2 (Att. A), 2019)

### 19.61.060 Storefront Block Frontage Standards

- C. DEPARTURE Criteria. Departures from the standards in Table 19.61.060(B) that feature the ↻ symbol will be considered per AMC 19.20.220, provided the alternative proposal meets the purpose of the standards and the following criteria:
  - 1. Retail Space Depth. Departures from this standard are not allowed in the CBD zone. Elsewhere, reduced depths will be considered where the applicant can successfully demonstrate the proposed alternative design and configuration of the space is viable for a variety of permitted retail uses.
  - 2. Facade Transparency. Facade transparency in the transparency zone may be a minimum of 40% if the facade design between ground-level windows provides visual interest to the pedestrian and mitigates the impacts of blank walls.
  - 3. Weather Protection. Other proposed alternative design treatments must provide equivalent weather protection benefits.
  - 4. Parking Location. Departures from this standard are not allowed in the CBD zone. Elsewhere, there must be an acceptable tradeoff in terms of the amount and quality of storefront area that is integrated with the development and the applicable parking location departure. In addition, the alternative must include design features to successfully mitigate the visual impact of additional parking areas along designated storefront streets. (Ord. 3040 § 2 (Att. A), 2019)

# Multifamily Design Standards

## Key Zoning & Design Suggestions

- Eliminate density limits in the R-4 and C zones to be paired with new design standards
- Allow ground level residential uses on most side streets in CBD and C zones
- Require buildings to face the street, with parking to the side, rear, or below building
- Add building massing limits in residential zones to maintain appropriate scale
- Add facade articulation standards to reduce the perceived scale of buildings and add visual interest
- Add minimum usable open space requirements
- Add some basic materials and facade detailing standards to ensure longevity and neighborhood compatibility



Provide facade articulation standards with a toolbox of optional ways to meet the standards



Example of a multifamily building with a variety of facade articulation and material details

## Example Project



A site zoned Commercial that could be developed with a low-rise apartment building.



Add basic facade materials and detailing standards



Provide usable open space standards

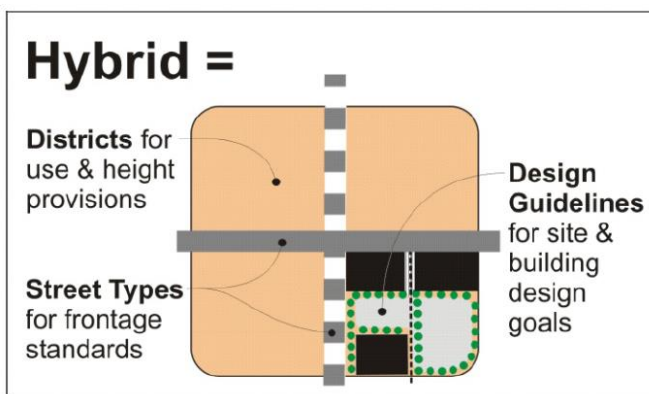
Source: MAKERS

## R-5 Use a Form-Based Approach

In simplest terms, a form-based approach to regulating development emphasizes predictable built results and a high-quality public realm by using physical form and design rather than separation of uses and density limits. This approach uses prescriptive standards for building massing, layout, orientation and design to help achieve a community's specific vision. It places a big emphasis on the design of streetscapes and how private development looks from the street.

Form-based codes (FBCs) were created in response to regulations that placed more of a concern with controlling land use than shaping the physical form of communities. Whereas a strict form-based code has little or no land use restrictions, many zoning codes for urban Washington communities now function as a hybrid of strict FBC and traditional zoning code by integrating stronger form-based design regulations with use based regulations as shown in Exhibit 40. FBCs can help add housing by letting the market determine how many units of what size are feasible.

### Exhibit 40: Components of a Hybrid Form-based Code



Source: MRSC, "[A Hybrid Approach to Form-Based Codes in the Northwest](#)," 2012.

### Gaps Addressed

- Increase housing supply
- Middle-income rental housing

### When and Where Applicable

- FBC can be applied to any community type, but are most appropriate for areas where a community either wants to protect an existing form (e.g., a historic downtown) and/or grow to achieve a specific vision.

### Potential Drawbacks

- The cost and complication of converting a traditional zoning code to a strict FBC may be significant.
- Like any code, if the provisions are too strict and not compatible with market conditions, implementation will be challenging.

### Tips for Success

First determine the desired physical form your community wants to achieve. Second, explore “workable” regulatory tools that can best help achieve that form given the community’s physical, planning, political, and regulatory environment, whether it might be a strict form-based code, or a hybrid form that adjusts current zoning provisions and integrates form-based design standards.

Factors in creating a “workable” form-based approach:

- Consider the community’s resources available to convert to a form-based code due to complexity and expense. Pay special attention to the review process and staffing resources and needs when considering form-based tools. Consider the code’s usability by staff, applicants and the community.
- Make sure that code provisions are economically feasible given local market conditions.
- Test the code prior to adoption to ensure that development under the proposed regulations is feasible from a physical and economic standpoint.
- Recognize that not all streets are the same. Consider creating a system of development frontage standards that apply to particular street types. For example, while a community’s main street may have strict storefront and parking location standards, side streets might offer more flexibility in ground level uses, design and parking lot location.

### **Time/Capacity/Skill Needed**

- Whether using a strict or hybrid form-based code, considerable expertise and experience will be essential to the success of the code to integrate best practice design and regulating techniques, ensure internal consistency, and avoid unintended consequences.

### **Resources**

- [A Hybrid Approach to Form-Based Codes in the Northwest - MRSC](#)
- [Form-based Codes Defined - Form-Based Code Institute](#)
- [What is a Form-based Code? - Planners web](#)
- [Great Idea - Form-based Codes - Congress for New Urbanism](#)










# Exhibit 41: Example Form-based Code Illustrations

## 3.2 Permitted Frontage Types

The chart below illustrates a range of development frontages and the particular street types and overlays where they are permitted (shaded boxes). Combinations, or hybrids of multiple frontage types are permitted.

Table 3-2. Frontage Type Standards cross referenced with street types.

Frontage Types	Overlays and Street Types							
	Activity Centers			Transitional Areas		Residential Areas		
	Store-front Street	Mixed-Use Street	Land-scape Street	Mixed-Use Street	Land-scape Street	Multi-family	Mixed	Single Family
 <p><b>3.3 Storefront</b> Façades located adjacent to the sidewalk.</p>	✓	✓		✓				
 <p><b>3.4 Forecourt</b> Uncovered courtyards within a storefront setting.</p>	✓	✓		✓				
 <p><b>3.5 Stoop</b> Elevated platform entry ways.</p>		✓		✓		✓		
 <p><b>3.6 Light court</b> Sunken courtyards in tandem with raised platforms.</p>		✓		✓		✓		
 <p><b>3.7 Terrace yard</b> Raised lawns or gardens separated from the frontage line by a retaining wall.</p>		✓	✓	✓	✓	✓	✓	✓
 <p><b>3.8 Fenced yard</b> Distinct separation between the public and private realms.</p>		✓	✓	✓	✓	✓	✓	✓
 <p><b>3.9 Common yard</b> Visually continuous landscaped space along adjacent yards.</p>		✓	✓	✓	✓	✓	✓	✓

Excerpts of Clark County’s Highway 99 Subarea Form-Based Code. Source: MAKERS.

## R-6 PUD/PRD and Cluster Subdivisions

PUDs and PRDs stand for "planned unit development" and "planned residential development," respectively. The terms generally refer to large integrated developments that offer special design, use/housing type mix and development intensity flexibility, provided they conform to the comprehensive plan. Specifically, PUDs and PRDs typically offer flexibility in lot sizes and housing types provided the overall development meets the density provisions of the zone. Some PUDs and PRDs offer density bonuses for achieving specific goals or integrating community amenity features. PUDs and PRDs often also allow flexibility in the design of street and other public improvements, provided they meet specific criteria. Thus, PUDs and PRDs can be a good tool to integrate a greater mix of lot and housing types to meet community demographic needs while providing environmental benefits of clustering housing to help preserve sensitive natural areas and/or provide a greater amount of usable community open space.

Some communities are increasingly allowing the clustering and lot size averaging benefits of PUDs and PRDs through standard zoning and subdivision provisions. Clustering usually includes the grouping of lots together on smaller-than-normal parcels to provide opportunity to preserve open spaces, critical areas or unique landforms that otherwise would not likely be preserved. Lot size averaging allows developers to subdivide land into a variety of lot sizes, provided the average lot size in the development meets the minimum, often allowing for more efficient use of land and potential for additional housing units. These tools also provide for more compact roadway arrangements, expanded common open space and allow the possibility for different size home choices. This arrangement within the standard subdivision process can create more predictability for the applicant by simplifying the development review process and eliminating or minimizing the possibility of costly conditions of approval.

### Gaps Addressed

- Increase housing supply
- Housing diversity

### When and Where Applicable

- Low-density residential zones, especially where difficult to develop
- Urban centers and transit oriented development

### Potential Drawbacks

- By clustering development in a smaller area, it gives the impression of greater density than on surrounding lands. Design provisions may help prevent incompatible development.

### Tips for Success

- Allow cluster subdivision design in the standard subdivision process, without the need to go through additional review procedures typical of PRD or PUDs.
- Consider compatibility standards to avoid major differences in lot sizes compared to existing development.
- Consider density or other incentives to increase the diversity and affordability of lot and housing types in cluster subdivisions.

### Time/Capacity/Skill Needed

While minor updates to existing subdivision code can be completed in-house, new cluster subdivision procedures may require consultant assistance to review critical areas regulations, residential design standards and subdivision approval procedures.

## Resources

- [Planned Unit Developments - Real World Experiences - MRSC \(additional links available on this page\)](#)
- [HIP Tool: Planned Unit Development \(PUD\) - PSRC](#)
- [Cluster Development - APA Zoning Practice](#)
- [HIP Tool: Lot Size Averaging - PRSC](#)
- [Housing Issues - Lot Size Averaging - Washington Realtor](#)
- [Bellevue Lot Size Averaging](#)
- [Snohomish County Lot Size Averaging](#)

## R-7 Manufactured Home and Tiny House Communities

**Manufactured homes must be allowed on all single-family lots**, and must not be regulated differently than site-built housing, but jurisdictions may require certain standards. See [RCW 35.21.684\(3\)](#) (cities and towns), [RCW 35A.21.312](#) (code cities), [RCW 36.01.225](#) (counties) and [RCW 35.63.161](#) (partially planning jurisdictions). Manufactured homes could also be an option where a location may be far from builders; where fast, moveable housing may be desired; or be an affordable way to site an ADU.

**Manufactured homes in manufactured home parks** (MHPs) are some of the most affordable, non-subsidized forms of housing in Washington state. However, many MHPs have been closing as property values rise. With very few places to move their homes, many manufactured home owners have had to seek state funding for the cost of disposing of their homes. Court cases have shown that communities can designate MHPs as “manufactured home parks” as a way to retain that affordable housing.<sup>13</sup> Another option is to work with local housing agencies to develop cooperatively- or non-profit-owned MHPs without the risk of closure.

**Tiny houses** (or tiny homes) refer to detached dwelling units generally between 150-400 square feet. They provide shelter, privacy and limited secure storage space for small households at a relatively low cost compared to most other housing types. Senate Bill (SB) 5383, passed in May 2019, legally permitted tiny houses as permanent dwellings in Washington state. Following passage of SB 5383, the State Building Council adopted International Residential Code standards that apply to tiny houses, which comes into effect in November 2020. SB 5383 builds on House Bill (HB) 1085, passed in 2018, which allows local jurisdictions to remove minimum unit size limitations on detached houses. SB 5383 also expanded [RCW 58.17.040\(5\)](#) of the subdivision statute to allow the creation of tiny house villages and stops cities from prohibiting tiny houses in manufactured/mobile home parks.

Some cities are starting to adapt local codes to allow tiny houses as an affordable housing option that is in line with community desires for sustainability, limited visual impact, and preservation of open space. One example is the city of Langley, which [now allows](#) tiny houses between 150-400 square feet in all residential zones, with a minimum 1,200-square-foot lot area per house and minimum multi-unit development size of 5,000 square feet (Langley Municipal Code 18.22.290). The city of Fresno, California (FMC 15-2754) allows tiny homes on wheels as accessory dwelling units.

It should be noted that a growing number of cities in Washington have pursued tiny house villages as a temporary housing solution for homeless individuals. For more on using tiny houses to combat homelessness, see the article by [Shelterforce titled "A Response to our Homelessness Crisis."](#)

---

<sup>13</sup> Laurel Park Community LLC et al. v. City of Tumwater. Court of Appeals for the Ninth Circuit, 2012, <http://cdn.ca9.uscourts.gov/datastore/opinions/2012/10/29/11-35466.pdf>

**Tiny houses and RVs can be legal residences in MHPs:** A MHP can provide a safe place to call home for the owner of an RV, tiny house on wheels or other manufactured home. One advantage of a MHP is that it provides a legal place for people to live in recreational vehicles (RVs) or tiny homes. State laws require communities to allow RVs and tiny homes as primary residences in manufactured home parks. For cities, RVs and tiny homes are to contain indoor plumbing, but where they do not, toilets and showers must be provided in the park. This can provide a way to allow very affordable forms of housing that are, for the most part, privately provided.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing
- Small household housing

### When and Where Applicable

- May be used in manufactured home communities, small tiny house communities and places with large seasonal populations.
- Tiny home communities may fit in single family neighborhoods.
- They have potential as ADUs in established residential areas.

### Potential Drawbacks

- Ambiguity about tiny houses' status as permanent structures, recreational vehicles (RVs) or temporary structures has limited greater acceptance.
- Inspection of pads, tie downs, water, sewer and electrical connections are up to the local building inspector. No state standards have been developed.
- As with other lower-cost housing types, adequate standards and inspections are important for ensuring safe housing.
- Tiny homes are likely more expensive to build and heat than attached types per square foot of living space.

### Tips for Success

Consider allowing different options for tiny house integration, including:

- Tiny houses as detached accessory dwelling units (Strategy: [Z-8 Revise ADU Standards](#))
- Tiny house clusters or villages – designed in a manner similar to cottage housing clusters (Strategy: [Z-6a Cottage Housing](#))

Tiny house density/massing and review process:

- Consider developing a trial period for tiny houses to ensure that the regulations and process are meeting the community vision for this development type.
- Allow a higher number of these units than typical units for the zone, due to the small size of tiny houses (similar to recommendations for cottage homes in Z-6a). Some density increase is essential because the units are smaller and usually more expensive to build on a cost-per-square-foot basis. Also consider applying a maximum floor area ratio limit or an across-the-board allowed density for tiny houses, such as one tiny house per 1,200-square-foot lot area.
- Be sensitive to creating an overly burdensome approval process, which can discourage interest and add costs.



- Be aware that tiny homes require inspections. Cities over 135,000 may designate building inspectors to issue all tiny home permits according to [RCW 35.21.684](#).

Tiny house design elements: Provide design standards in a manner similar to cottage housing clusters (Z-6a):

- Consider providing design standards for both common open spaces and semi-private open spaces for individual units.
- Permit construction of a shared community building to provide a space for gathering and sharing tools.
- Play close attention to how parking can/should be integrated with tiny house clusters.

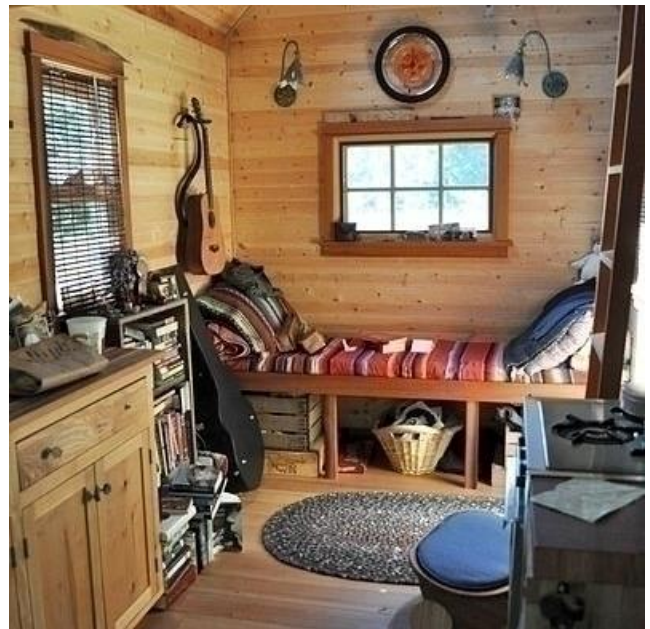
### Time/Capacity/Skill Needed

Adding tiny houses to code can be moderately labor intensive. Langley’s code mentions tiny homes/houses 67 times in nine chapters. If your city already has cottage cluster development standards, these can be adapted for tiny houses.

### Resources

- [Tiny Homes Information - Washington State Department of Labor and Industries](#)
- [What You Need to Know About Tiny Homes - Washington State Department of Labor and Industries](#)
- [Legislature Paves the Way for Tiny Houses - MRSC](#)
- [Tiny Homes – Coming to a Neighborhood Near You? - MRSC](#)
- [Legalizing the Tiny House - Sightline Institute](#)
- [Making Space for Tiny Houses - APA Quicknotes](#)
- [Council Passes New Code Amendments to Enable More Workforce Housing - City of Langley](#)
- [Tiny Homes Guidelines - City of Fresno, California](#)
- [RCW 19.27.060\(2\)](#) allows local governments to reduce the minimum dimensions for habitable spaces in single-family homes below the standards set forth in the state building code to enable tiny homes

### Exhibit 42: Tiny Houses



Interior and exterior of a tiny house with wheels. Source: Rowdy Kittens, licensed under Creative Commons



# Process Improvements

Strategies included in this section provide for a smoother, faster and/or more predictable permitting process for developers seeking to build housing that is consistent with jurisdictional goals. By streamlining the review process, jurisdictions can reduce the level of uncertainty and risk for potential developers. This can make it easier to get project financing on favorable terms and reduce constructions costs due to delays.

## P-1 State Environmental Policy Act (SEPA) Threshold Exemptions

The default rule under statewide SEPA rules<sup>14</sup> is that single-family and multifamily development proposals greater than four dwelling units are subject to SEPA review, and are generally required to complete a comprehensive checklist; pay a permit review fee; and undergo local government review, noticing and public comment periods.

Flexible thresholds in SEPA rules allow local governments to increase the number of dwelling units exempt from SEPA review up to the maximum in Exhibit 43 below. This is accomplished through an ordinance or resolution, supported by documentation that other local, state or federal regulations provide sufficient protection of the environment (e.g., critical area regulations, stormwater regulations, traffic concurrency, etc.). An agency may adopt a system of several exempt levels, such as different levels for different geographic areas, affordability levels or mixed-use projects. Adjusting SEPA thresholds allows a county or city to provide flexibility and targeted incentives in specific areas by reducing development costs and the potential for appeals associated with SEPA review.

### Exhibit 43: Standard SEPA Exemption Levels and Maximum Exemption Levels

Project Types	Standard Exemptions All Communities	Fully planning GMA Counties – Maximum Exemption Level		All Other Counties – Maximum Exemption Level
		Incorporated and Unincorporated UGA	Other Unincorporated Areas	Incorporated and Unincorporated Areas
Single family residential	4 units	30 units	20 units	20 units
Multifamily residential	4 units	60 units	25 units	25 units
Office, school, commercial, recreational, service, storage building, parking facilities	4,000 square feet	30,000 square feet and 90 parking spaces	12,000 square feet and 40 parking spaces	12,000 square feet and 40 parking spaces

Source: [WAC 197-11-800\(1\)\(d\)](#)

**Raising the exemption level:** As part of developing the ordinance or resolution, the local government must document how specific adopted development regulations and applicable state and federal laws provide adequate protections for cultural and historic resources when exemption levels are raised.<sup>15</sup> There also must

<sup>14</sup> [WAC 197-11-800\(1\)\(b\)](#)

<sup>15</sup> WAC 197-11-800(1)(c) describes the process for raising the limits.

be a disclosure of any loss of notice and comment opportunities for future permitting decisions that will be exempt from SEPA.

### **Gaps Addressed**

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very low-income housing
- Housing near transit, amenities and/or jobs

### **When and Where Applicable**

Because the exemption presumes that the city's other codes sufficiently address environmental protection, raising exemption levels may be most applicable to locations that are already developed and already zoned with desired density levels.

The exemptions do not apply if any portion of the housing proposal involves lands covered by water, if a license is needed for a discharge to air or water, or if a rezone is required. Thus, the tool is less helpful in areas with greenfield development because the exemptions can be limited where there are lands covered by water and critical areas (e.g., wetlands, fish and wildlife habitat conservation areas, flood hazard areas, geologic hazard areas, and critical aquifer recharge areas).

### **Potential Drawbacks**

Sometimes jurisdictions find there are gaps in their development regulations and there would be insufficient mitigation through existing codes to address adverse environmental impacts. Because categorical exemptions eliminate the environmental review process, this would remove a city's or county's ability to use its SEPA authority to condition proposals. Thus, a community should think carefully about where and how to raise maximum exemption levels. The documentation required to support the ordinance is meant to ensure jurisdictions have thought through the effectiveness of their existing regulations to reduce potential environmental impacts and the ability of their permit process to provide sufficient comment opportunities on proposals. Going through the review could incentivize jurisdictions to improve their local regulations. It should also be noted that the SEPA process can be expensive for jurisdictions with limited funds and can be time consuming.

### **Tips for Success**

- It is important to consider that additions to existing structures need to be considered cumulatively (existing plus addition) to determine if the exemption applies.
- While not required, it is recommended that exemptions are noted in the permit file to help track units facilitated through SEPA exemptions.

### **Time/Capacity/Skill Needed**

To support the ordinance raising exemption levels, planners must develop documentation and findings demonstrating that existing codes, laws and rules address potential impacts. They must also address notice and comment opportunities associated with increased exemption levels. Planners can work with their legal resources at the city and county to develop the ordinances or resolutions.

## Resources

- [SEPA Guidance on Categorical Exemptions](#)
- [SEPA Handbook - Washington State Department of Ecology](#)
- [City of Bremerton Municipal Code](#), use of categorical exemptions
- [Snohomish County](#), exemption thresholds for minor new construction

## P-2 SEPA Infill Exemption

A city or county planning under the GMA can establish categorical exemptions for development to "fill in" urban growth areas. [RCW 43.21C.229](#) allows a city or county planning under GMA to adopt an infill exemption if the comprehensive plan was already subject to environmental analysis through an environmental impact statement (EIS). Any residential, mixed-use or smaller scale commercial development that is roughly equal to<sup>16</sup> or lower than the density goals of the comprehensive plan is exempt from further review. The local government must consider the specific probable adverse environmental impacts of the proposed action and determine that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan; subarea plan element of the comprehensive plan; planned action ordinance; or other local, state or federal rules or laws. By removing an extra layer of review and potential risk, a SEPA infill exemption can encourage development within the designated area.

**SEPA Safe Harbor:** If a city takes action to adopt an infill exemption prior to April 1, 2023, state law shields it from SEPA and judicial appeals. See 2020 amendments to [RCW 43.21C.495](#) and related sections in [RCW 36.70A.600](#) for additional actions that may be exempt from SEPA and judicial appeals during this time.

## Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Housing near transit, amenities and/or jobs

## When and Where Applicable

Urban growth areas that have not developed at the densities envisioned in the comprehensive plan.

## Potential Drawbacks

An infill exemption can be more cost efficient than a planned action (Strategy P-4) in addressing development patterns that achieve higher densities since it can be more programmatic and less detailed. However, an infill exemption has less flexibility to address stand-alone uses that are not covered by the exemption. If a jurisdiction wants to incentivize a mixed-use neighborhood where some developments are employment only while others are residential or mixed use, a planned action may be a more appropriate tool.

## Tips for Success

To efficiently use resources, consider doing infill exemption in association with SEPA analysis on a comprehensive plan update.

---

<sup>16</sup> The "roughly equal to" language was added by SHB 2673 (laws of 2020)

## Time/Capacity/Skill Needed

- Most cities and counties can lead public engagement and noticing required under SEPA (e.g., scoping), and can support data collection and spatial analysis that can help make the process efficient.

## Resources

- [RCW 43.21C.229 - Infill development, categorical exemptions](#)
- [SEPA Handbook - Washington State Department of Ecology](#)
- City of Kent Downtown Strategic Action Plan Infill Exemption
  - [Kent Downtown Planned Action Ordinance \(PAO\) and Infill Draft Supplemental EIS, with Streamlined Analysis](#)
  - [Kent Downtown PAO and Infill Final Supplemental EIS](#)
  - [Kent City Code](#), Chapter 11.03, Section 11.03.215, Categorical exemptions for residential mixed use and residential infill development
- City of Yakima Comprehensive Plan 2040
  - [Final EIS](#)
  - [Infill Exemption Ordinance 2019-044](#)

## P-3 Subarea Plan with Non-Project EIS

A subarea plan is an optional element of a comprehensive plan, but it allows a community to take a closer look at a neighborhood or community and address unique local conditions and develop more customized goals, policies, land use plans and other strategies. A sub-area plan can attract higher density housing to a community that desires to increase development in its urban center or by a major transit stop.

[RCW 43.21C.420](#) was adopted in 2010 with the intent to encourage high-density, compact, infill development and redevelopment within existing urban areas to further the goals of the GMA, to promote the use of public transit, encourage further investment in transit systems and to contribute to the reduction of greenhouse gas emissions. The statute provides that certain local governments may adopt an optional comprehensive plan element or sub-area plan and implementing development regulations if evaluated by an EIS. Under [RCW 43.21C.420](#), a community planning under the GMA with certain populations can prepare a subarea plan and non-project environmental impact statement (EIS) to address either one of the following:

- Areas designated as mixed-use or urban centers. The mixed-use or urban center must be in a land use or transportation plan adopted by a regional transportation planning organization, or the areas within one-half mile of a major transit stop must be zoned to have an average minimum density of 15 dwelling units or more per gross acre.
- Areas within one-half mile of a major transit stop. A major transit stop includes high-capacity transit, commuter rail, bus rapid transit, or bus or transit offering service of at least 30-minute intervals.

A non-project (EIS) can be prepared to address a subarea plan to assess and disclose the probable significant adverse environmental impacts of the plan. Non-project actions involve plans, programs and regulations. Because they are broader proposals than site-specific development projects, evaluation of non-project actions are typically areawide and broad in nature and focus on alternatives and can be integrated with the subarea plan as appropriate.

E2SHB 1923 (laws of 2019) extended SEPA appeal protections for certain projects to July 1, 2029.<sup>17</sup> A proposed development is exempt from appeals under SEPA until July 1, 2029, if it:

- Is consistent with an optional plan element or subarea plan, and development regulations, and
- Is submitted within locally adopted time frames adopted under RCW 43.21C.420(5), and
- Sets aside at least 10% of the units for low-income households under RCW 43.21C.420 (5)(b)(ii).

**SEPA Safe Harbor:** A jurisdiction that adopts a subarea plan prior to April 1, 2023 is shielded from SEPA and judicial appeals. See 2020 amendments to [RCW 43.21C.495](#) and related sections in [RCW 36.70A.600](#).

### Gaps Addressed

- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Housing near transit, amenities and/or jobs
- Low income housing

---

<sup>17</sup> [E2SHB 1923, Section 7](#)



## When and Where Applicable

- Applicable in GMA cities with a population of at least 5,000.
- In eastern Washington, the city must be located in a county with a population of 230,000 people or less. The mixed-use or urban center must be in the local government's comprehensive plan. The optional elements of their comprehensive plans and optional development regulations must enhance pedestrian, bicycle, transit or other non-vehicular transportation methods.

## Potential Drawbacks

- The limitations on administrative or judicial appeals for a proposed development sunsets after 10 years. This same limitation does not apply to Planned Actions (see Strategy: P-4).

## Tips for Success

- Establish a robust public engagement program to gain interest of subarea property owners. At least one community meeting must be held on the proposed subarea plan before the scoping notice is issued for the non-project EIS. Both the community meeting notice and scoping notice require mailing to all property owners of record in the subarea, as well as to agencies and tribes.
- The city must consider a potential transfer of development rights (TDR) program in consultation with its county to conserve agricultural and forestland of long-term commercial significance. If the city decides not to establish a TDR program, reasons must be stated in the record. The city should collaborate with the county to determine if TDR program is viable and the center or station area is a proper location for added development.
- Ensure that subarea plan implementation can be largely accomplished early after adoption to maximize development proposals that can take advantage of the 10 years of limited appeals. Consider combining with other tools such as infrastructure investment in the area and potential tax exemptions.

## Time/Capacity/Skill Needed

- Most cities or counties will require hiring a consultant with SEPA expertise to complete the process since it involves an EIS. Also, considering a TDR program likely would include consultant expertise to determine the sending and receiving areas and values of development credits.
- As with other major planning projects, cities and counties will need a planner to manage the team and ensure the alternatives evaluated in the EIS fit the desired vision a community has for infill development.
- Most cities and counties can lead public engagement and noticing required under SEPA (e.g., scoping), and can support data collection and spatial analysis that can help make the process efficient.

## Resources

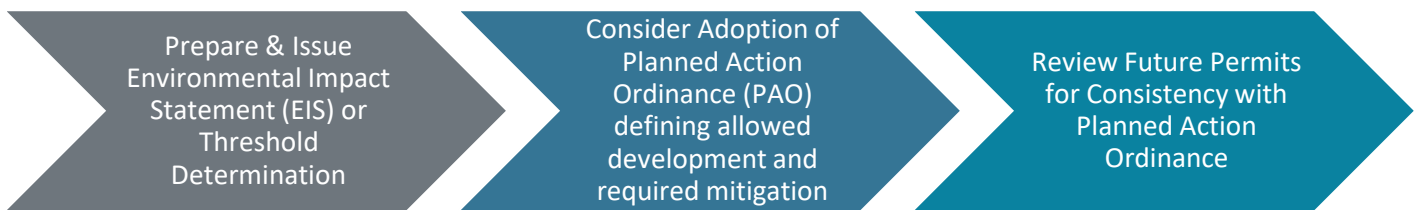
- [RCW 43.21C.420](#)
- [SEPA Handbook - Washington State Department of Ecology](#)
- [Southcenter Subarea Plan and EIS - City of Tukwila](#)

## P-4 Planned Action

Planned actions are authorized under SEPA ([RCW 43.21C.440](#) and [WAC 197-11-164](#) through -172) and provide more detailed environmental analysis during an area-wide planning phase, rather than during the permit review process. A community planning under GMA can develop a planned action EIS or threshold determination<sup>18</sup> to facilitate development consistent with local plans and mitigation measures (see more under “When and Where Applicable”).

As a result, future projects in the designated planned action area do not require SEPA determinations at the time of permit application if they are consistent with the type of development, growth and traffic assumptions, and mitigation measures studied in the EIS or threshold determination. Such projects are still required to comply with adopted laws and regulations and undergo review pursuant to the community’s adopted land use and building permit procedures; however, the advanced work streamlines the development review approval process and removes a potential layer of appeal.

### Exhibit 44. Planned Action Process



Source: BERK, 2020.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

A jurisdiction can prepare either a planned action EIS or prepare a different threshold determination, develop an ordinance with development thresholds and mitigation measures, and approve development that is consistent.

- An EIS and associated planned action gives the most flexibility in boundaries and land uses in a given urban area. It is a more intensive and expensive process.
- A planned action "threshold determination" can be made for mixed use or residential development near a major transit stop. This allows a jurisdiction to either prepare a determination of non-significance (DNS) and checklist, or a determination of significance (DS) and EIS in association with a plan. Where a DNS is

---

<sup>18</sup> A [threshold determination](#) is required for any proposal which meets the definition of action and is not categorically exempt. Types of threshold determinations include a Determination of Non-significance (DNS) which is supported by a SEPA checklist, or a Determination of Significance (DS) which is supported by an EIS. Prior to 2017, Planned Actions were required to involve a DS and preparation of an EIS. In 2017, SEPA was amended at RCW 43.21c.440 to reference a threshold determination which allows a city or county to decide between a DNS or DS when the proposal involves a planned action including mixed use or residential development in proximity to a major transit stop.

prepared with a checklist, it can be less expensive than an EIS. However, this flexibility in planned action threshold determinations applies only to areas in proximity to high-capacity transit, and the land uses must focus on residential and mixed-use development.

### Exhibit 45. Planned Action Features and Requirements

	Planned Action Requirements	EIS and Legislation	Threshold Determination and Legislation
1	Designated by an ordinance or resolution in conjunction with, or to implement, a comprehensive plan or subarea plan adopted under GMA, or a fully contained community, a master planned resort, a master planned development or a phased project	X	X
2	Are subsequent or implementing projects for the proposals listed in Row 1	X	X
3	Consistent with a comprehensive plan or subarea plan adopted under GMA	X	X
4	Located in an urban growth area	X	X
5	Are not essential public facilities, as defined in RCW 36.70A.200, unless an essential public facility is accessory to or part of another use	X	X
6	Within one-half mile of a major transit stop no later than five years from the date of the designation	*	X
7	Contains mixed use or residential development	*	X
8	At least one community meeting must be held before the notice is issued for the planned action ordinance	X	X

\*May address this aspect, but not required to do so  
 Source: [RCW 43.21c.440](#); BERK 2020

### Potential Drawbacks

A planned action EIS involves an intensive effort and is expensive to produce, which could be a drawback if a community has limited resources.

### Tips for Success

- Integrate the GMA and SEPA public engagement processes. Work with the community, as well as non-profit and for-profit housing and mixed-use developers, to ensure an inspired and realistic plan.
- Consider having the planned action focus on opportunity sites that are publicly and privately owned. Determine where surplus public lands and master planning can jump start housing and mixed-use development in an area with limited housing at desired densities.

- Combine a planned action with well-defined vision, infrastructure investments and code incentives for greater effect.
- Planners will need to request sufficient budget resources, as a planned action can be a lengthy process involving technical experts.

### **Time/Capacity/Skill Needed**

Planners can work with their legal resources at the city and county to develop the ordinances or resolutions. Planners can also lead public engagement efforts in an integrated process, along with the comprehensive or subarea plan or development regulations associated with the planned action.

### **Resources**

- [RCW 43.21C.440](#) – [WAC 197-11-164-172](#)
- [SEPA Handbook - Washington State Department of Ecology](#)
- [Housing Incentives & Tools Survey Report - PRSC](#)
- [Sunset Area - City of Renton](#)
- City of Bothell Downtown Revitalization
  - [Projects Completed](#)
  - [EIS](#)

## **P-5 Protection from SEPA Appeals on Transportation Impacts**

[RCW 43.21C.500](#) provides an option to protect SEPA decisions from appeal for impacts to transportation elements of the environment when the approved residential, multifamily or mixed-use project in a GMA city or town is:

- Consistent with the locally adopted transportation plan or transportation element of the comprehensive plan, and
- Subject to locally adopted impact fees and/or traffic and parking impacts are expressly mitigated under another ordinance, and
- If Washington State Department of Transportation (WSDOT) determines the project would not present significant adverse impacts to the state-owned transportation system.

This provision is intended to encourage development within central infill areas because it is less likely to impact the state system. This is an optional process where the local SEPA responsible official or developer may consult with WSDOT Regional Development Services offices to obtain a letter of no significant adverse impact to “transportation elements of the environment,” which include impacts to transportation systems; vehicular traffic; waterborne, rail, and air traffic; parking; movement or circulation of people or goods; and traffic hazards.

### **Gaps Addressed**

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing

### **When and Where Applicable**

Applicable in any city or town planning under the GMA.

## Potential Drawbacks

None. Process is optional and relies on a jurisdiction's plans and codes.

## Tips for Success

- Ensure goals and policies of transportation element or transportation master plan are up to date and clear.
- Ensure the impact fee procedures and rate studies are up to date, and levels of service for traffic and standards for parking are clear to best support the decision that impacts are mitigated.
- Contact the WSDOT development services office to clarify the local process and understand review times.

## Time/Capacity/Skill Needed

Planners may need to help document that a project is consistent with local plans, impact fees and would not present a significant impact. The documentation could involve third-party review of a developer's transportation impact analysis report at a developer's expense.

## Resources

- [RCW 43.21C.500](#)
- For technical assistance, contact the [WSDOT Development Services](#)<sup>19</sup> office for your region, or Chris Schroedel, WSDOT Development Division, Design Office, [schroec@wsdot.wa.gov](mailto:schroec@wsdot.wa.gov) or 360-705-7299.

## P-6 Permitting Process Streamlining

Providing an efficient, predictable and user-friendly permitting process can encourage new housing construction by reducing potential confusion or perception of risk among developers as well as lowering their administrative carrying costs. There are several ways in which jurisdictions can improve the clarity, speed and consistency of the permit review process, consistent with legal requirements<sup>20</sup>:

- Provide clear and informative application materials.
- Simplify procedures for projects with lower impacts.
- Provide for pre-application meetings.
- Provide online application submittal and tracking mechanisms.
- Provide the option for expedited review for an added fee.
- Expedite review for certain types of development that the community wishes to encourage, such as infill development or affordable housing.
- Identify permit liaisons or permit teams to support “one window” access for applicants.
- Increase department staffing during busy cycles.
- Provide public reports on actual permit review times.
- Ensure permit and building department staff are updated on policy development and diverse housing options within the jurisdiction.

## Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership

---

<sup>19</sup> Washington State Department of Transportation, "Design - Development Services - Contact Us,"

<https://www.wsdot.wa.gov/Design/DevelopmentServices/DevelopmentServicesContacts.htm>

<sup>20</sup> Legal requirements for jurisdictions planning under the GMA are in Chapter 36.70B RCW, the Local Project Review Act. Other jurisdictions should review Chapter 35.63 RCW, Chapter 35A.63 RCW, or Chapter 36.70 RCW



- Middle-income rental housing
- Senior housing
- Very low-income housing

### When and Where Applicable

- A jurisdiction may specify expedited review area-wide or by housing type.

### Potential Drawbacks

- Jurisdictions may need added staff or consultant resources to accomplish expedited permitting.

### Tips for Success

- Review processes for opportunities to streamline
- Use adaptive management to continually approve permit procedure
- Track timeliness of permits over time

### Time/Capacity/Skill Needed

Permit procedure reviews and implementation may be conducted by in-house planning departments. Sometimes jurisdictions will hire consultants to assist with permit software, permit procedure improvements or stakeholder engagement for permit review studies.

### Resources

- [Streamlining Local Permit Review Procedures - MRSC](#)
- [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#): ORIA's [Project Questionnaire](#) can help identify what permits, approvals and licenses are needed. The [regulatory handbook](#) has more information on laws and decision trees.
- [Kirkland Municipal Code Section 4.74.090 - Expedited Review](#)
- [Vancouver Municipal Code Sec. 20.920.060\(H\) - Expedited permit review for infill development](#)
- [Policy on Expedited Permit Processing for Affordable Housing Projects - City of San Diego](#)
- [Expedited Permitting for Qualifying Projects - Local Housing Solutions](#)

## P-7 Subdivision Process Streamlining

Several recent changes to the subdivision statute were intended to make housing development easier and faster.

### Short Plats:

Short subdivisions, also called "short plats," are defined in RCW 58.17.020(6). "Short subdivision" is the division or redivision of land into four or fewer lots, tracts, parcels, sites or divisions for the purpose of sale, lease or transfer of ownership. Cities, towns and GMA counties may increase the number of lots to a maximum of nine within urban growth areas. This means that these developments may be administratively approved instead of needing to go through a more lengthy subdivision process.

### Subdivisions:

[RCW 58.17.095](#) provides that a county, city or town may adopt an ordinance providing for the administrative review of a preliminary plat without a public hearing. The ordinance may specify a threshold number of lots in a subdivision above which a public hearing must be held, and may specify other factors which necessitate the holding of a public hearing. If the public hearing is waived, the planning commission or planning agency shall complete the review of the proposed preliminary plat and transmit its recommendation to the legislative body

as provided in [RCW 58.17.100](#) to approve or disapprove the preliminary plat. [RCW 58.17.100](#) was amended to allow local governments to delegate authority to approve the final plat to the planning commission or to staff. This means that a final plat does not have to wait as long to get final approval, which reduces the cost of the development.

### **Gaps Addressed**

- Increase housing supply
- Affordable homeownership

### **When and Where Applicable**

- Any location where plats occur including for single-family housing or fee-simple townhouses.

### **Potential Drawbacks**

- Jurisdictions may need to ensure their street and infrastructure standards appropriately match the new thresholds for short plats.
- As infill occurs on more difficult sites with challenging configurations or environmental conditions, the removal of a hearing process could be concerning to decision makers. However, the law allows an agency to specify the maximum number of lots that can be developed without a public hearing.

### **Tips for Success**

- Consider related regulations and how changes to short plat limits or streamlining the approval process for subdivisions can mutually advance other goals for diverse housing, such as with cottage housing, small lot development, and zero lot line development.

### **Time/Capacity/Skill Needed**

Planners can develop code amendments to streamline the subdivision process, and may need to consult public works staff to ensure standards are appropriately linked.

### **Resources**

- [Subdivisions - MRSC](#)
- [Short Plats - PSRC](#)
- [City of Chelan, Short Subdivisions, Municipal Code Chapter 16.12](#)
- [City of Covington, Subdivisions and Short Subdivisions, Municipal Code Chapter 17.20](#)

# Affordable Housing Incentives

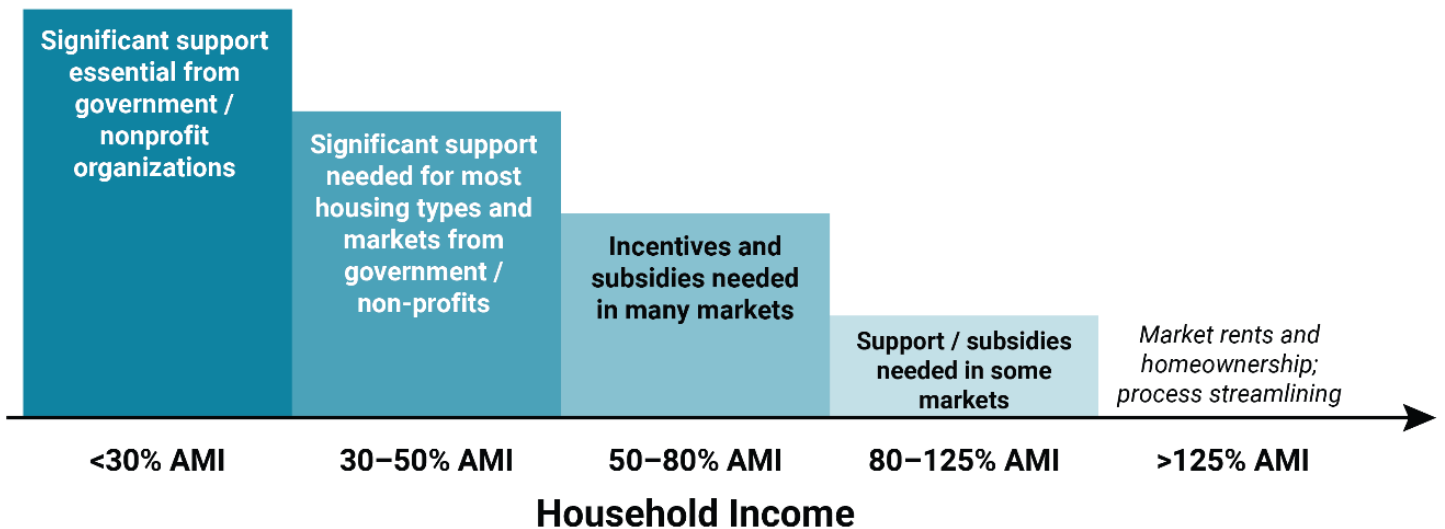
Affordable housing incentives encourage and support multifamily housing development, particularly income-restricted affordable housing. In a typical market, affordable housing is typically built by two different kinds of developers:

Mission-driven affordable housing developers are largely public, not-for-profit organizations that assemble public and private funding to finance affordable housing projects. While these developers usually do not work to maximize profits, they still seek projects that allow them to sustain their operations and deliver affordable housing in an efficient way. For these developers, incentives reduce total costs and can increase the units they can provide.

Affordable housing can also be built by for-profit developers, including market-rate housing developers. These businesses use incentives to improve overall returns through density bonuses, parking reductions, fee waivers or other allowances in exchange for affordable units in the development. Although they can be motivated by corporate social responsibility, for-profit companies typically work to receive returns from projects and have limited options with respect to providing income-restricted affordable units unless they are mandatory (i.e., inclusionary zoning) or they are offered significant incentives for voluntary participation.

A general guide for the role of incentives and strategies needed for different income levels is illustrated in Exhibit 46. While incentives are helpful to accommodate affordable housing at all levels, housing for lowest income levels also require significant financial support.

## Exhibit 46: Strategies Needed for Different Levels of Affordable Housing



Source: BERK, 2020, adapted from material from King County.

Development incentives work differently in the private market with respect to the financial feasibility of projects depending on the market. There are three cases that a community may face with tailoring incentives to local markets:

- At the low end of the spectrum, a desired project type is infeasible because the costs of land, construction and financing are too high and market rents are too low to provide enough of a return to investors. If the net revenue received from a project is too low given an investment, affordable housing incentives are

generally unlikely to make enough of a difference to project returns. In these cases, cities should focus on incentives for market rate housing production (such as MFTE with no affordability requirements) and support for nonprofits to help them provide affordable housing.

- In a marginal market, the expected financial returns are near the threshold of feasibility, and there may be some uncertainty about whether the desired project type would be profitable enough to move forward. In these cases, incentives are best deployed to “move the needle” and make a project more feasible by reducing costs or increasing potential returns. Here voluntary programs may have the most leverage to encourage new housing projects.
- On the high end of this spectrum are hot housing markets where projects are expected to provide an adequate return to investors without any incentives due to higher market rents. Cities experiencing these conditions may explore whether mandatory requirement for affordable housing (such as inclusionary zoning), paired with incentives, can encourage affordable housing production without significantly reducing market-rate housing production.

Note that feasibility can vary by project type. For example, a 2019 study of market condition in the South Hill urban corridor in unincorporated Pierce County found that low-rise multifamily is likely to be feasible while midrise is not. In this case, a density bonus would not provide a strong incentive to provide affordable housing. So, understanding what types of projects are most likely to be feasible can help tailor incentives to be most effective.

## A-1 Multifamily Tax Exemption

A multifamily tax exemption (MFTE) is a waiver of property taxes to encourage affordable housing production and redevelopment in "residential targeted areas" designated by cities. The goal of MFTE programs is to address a financial feasibility gap for desired development types in the target areas, specifically to develop sufficient available, desirable and convenient residential housing to meet the needs of the public. The urban centers that are the typical targets for this tax exemption policy are often near transit, jobs and amenities, and MFTE programs are designed to encourage denser growth in areas with the greatest capacity and significant challenges to development feasibility.

RCW 84.14 allows certain cities planning under the GMA to grant qualified residential and mixed-use projects a property tax exemption under an MFTE program for the value of new residential improvements, rehabilitation, or conversion of residential buildings in the designated areas. This can currently take two forms:

- An eight-year tax exemption can be offered for multifamily projects which meet base requirements.
- A 12-year exemption is allowed for projects that incorporate a minimum percentage (typically 20%) of income-restricted units.

Cities can also limit MFTEs specifically to projects that incorporate only income-restricted units.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very low-income housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Available to cities with 15,000 or higher population, or others as determined by [RCW 84.14](#).

- Eight-year MFTE programs with no affordability requirements are most effective and appropriate in cities having trouble attracting private developers to build multifamily housing anywhere within their borders.
- Cities with strong housing markets that are already seeing multifamily development may consider offering only a 12-year option to encourage the inclusion of income-restricted affordable housing development. When both options are available, profit-motivated developers will typically select the eight-year option.
- MFTE “residential target areas” should be selected in conjunction with designated urban centers that lack residential housing options, including affordable housing.<sup>21</sup>
- Recommended in areas of high demand, such as along transit corridors and near amenity clusters or job centers.

## Potential Drawbacks

- Loss of property tax revenue through the eight- or 12-year term of exemption on the value of residential improvements.
- If the incentive is offered to projects that would otherwise already be feasible, this policy may have little practical benefit. A 2019 report showed that in the majority of areas, rents for “affordable units” were higher than market rents.<sup>22</sup>
- Affordability covenants expire after 12 years and cannot be renewed, which means that affordable MFTE units are not part of the long-term affordable housing supply.

## Tips for Success

- Carefully map target zones for implementation to meet local goals.
- Conduct pro forma analyses of sample projects to estimate a developer’s expected return on investment under different scenarios. This can be helpful to calibrate requirements such as the amount of affordable units and affordability levels to maximize the benefits without discouraging use of the incentive by developers. Some local governments require this analysis as part of the application.
- Affordability levels are set within statute but may be adjusted to meet local circumstances. Review market rents to ensure that affordability levels provided by the exemption are reduced rents compared to market rents.
- Layering MFTE with other incentives for affordable housing, such as density bonuses, fee reductions or planned actions, can magnify the overall effects.

## Time/Capacity/Skill Needed

In-house staff can perform policy design and implementation. Annual monitoring of affordability of the designated units will be needed ([RCW 84.14.100](#)).

## Resources

- [Affordable Housing - MRSC \(see Multifamily Tax Exemption section\)](#)
- [Housing Market Policy Dashboard](#) - City of Tacoma - Allows users to explore the potential outcomes of housing policy scenarios (including MFTE and inclusionary zoning) on the feasibility of development and projected affordable housing development.
- Bellingham code [17.82.030](#): Eight-year exemptions are available for projects in residential target areas and 12-year exemptions for projects incorporating 20% or more income-restricted affordable housing units.
- Vancouver code [03.22](#): Target areas include the downtown core and a buffer surrounding their BRT service route. An eight-year exemption is offered for all projects of four+ units, and a 12-year exemption for projects incorporating 20% of income-restricted units for residents at 60% area median income (AMI).

<sup>21</sup> [84.14.040 RCW](#)

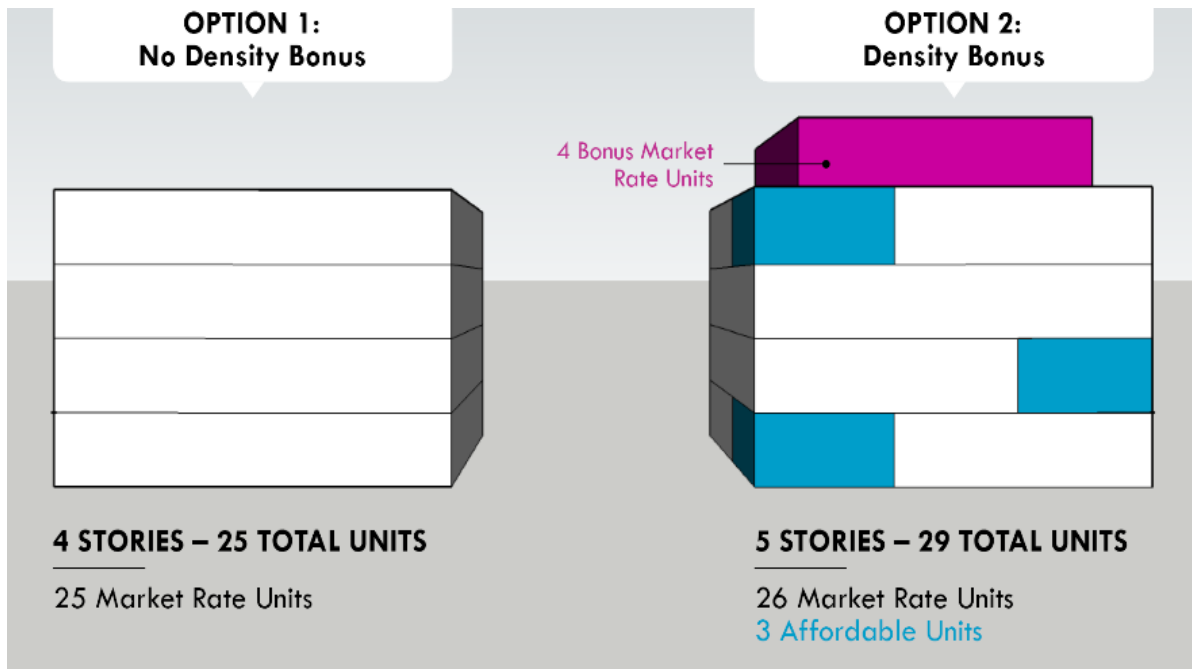
<sup>22</sup> [Property Tax Exemption for Multifamily Housing in Urban Areas](#), Joint Legislative Review Committee (2019)



## A-2 Density Bonuses for Affordable Housing

A density bonus allows projects to exceed zoning limitations for dwelling units per acre, height or FAR. Jurisdictions can provide density bonuses to projects that designate a portion of total units as income-restricted affordable housing. This regulatory benefit does not require financial investment by the municipality and can improve the financial feasibility of mixed-income development. This strategy can be used for either multifamily or single-family developments. See Z-7 Increase or Remove Density Limits and Z-3 Upzones for more information about allowing for increased density as a housing strategy.

### Exhibit 47: Example Density Bonus Incentive



Source: "[Pierce County Affordable Housing Incentives](#)", BERK, 2019.

### Gaps Addressed

- Increase housing supply
- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing
- Housing near transit, amenities and/or jobs

### When and Where Applicable

- Communities needing more affordable multifamily development
- Along transit corridors and areas with amenities
- In both low and medium residential districts for home ownership affordability programs (e.g., Habitat for Humanity)
- [RCW 36.70A.545 \(passed in 2019\)](#) requires that properties owned by religious organizations be eligible for increased density bonuses, provided that they serve low-income tenants for 50 years. In this case,

jurisdictions may develop policies based on the level of need for the proposed housing and the ability of infrastructure to handle increased density.

## Potential Drawbacks

- Affordability covenants typically expire after a specified period, though depending on the statute, they may be set for a fairly long period of time (e.g., 50 years for incentives under RCW 36.70A.540).
- It is sometimes difficult to determine the most appropriate bonus density level to balance needed affordability and additional development.

## Tips for Success

- Consider using an "impact zone" strategy to focus these units in areas with nearby transit and amenities.
- Ensure that strong and long-lasting affordability covenants are in place to maximize the benefits of income-restricted housing.
- Strategy pairs well with a suite of regulatory benefits to encourage income-restricted housing (e.g., MFTE, SEPA exemptions).
- Partner with a housing authority or other agency to help conduct annual affordability checks to ensure units are still affordable.

## Time/Capacity/Skill Needed

In-house staff will need experience and time to design and properly calibrate the ordinance to incentivize affordability within the unique circumstances of the community's market. Annual monitoring of affordability of the designated units will be needed.

## Resources

- [RCW 36.70A.540](#): Affordable Housing Incentive Programs
- Shoreline [20.40.230](#) offers a 50% increase from the base density when additional units serve moderate- to extremely low-income households.
- Poulsbo [18.70.070](#) permits a 20% increase to density limits for 10% of units designated as affordable and a 25% increase for 15% affordable units.

### **Affordable Housing Incentive Programs ([RCW 36.70A.540](#))**

Any city or county planning under GMA (RCW 36.70A.040) "may enact housing incentive programs providing for the development of low-income housing units through development regulations or conditions on rezoning or permit decisions, or both, on one or more of the following types of development: residential, commercial, industrial, or mixed-use. An affordable housing program may include, but is not limited to, one or more of the following: density bonuses within the urban growth area, height and bulk bonuses, fee waivers or exceptions, parking reductions, or expedited permitting" or inclusionary zoning.

Unless legislated by a jurisdiction based on needs, affordable housing under these incentive programs should be developed for rental housing units with an income of 50% or less of the county median income and ownership units with an income of 80% or less of the county median income.

"Low-income housing units developed under an affordable housing incentive program shall be committed to continuing affordability for at least 50 years. A local government, however, may accept payments in lieu of continuing affordability."

## A-3 Alternative Development Standards for Affordable Housing

Similar to allowing density bonuses for affordable housing, jurisdictions can relax other development regulations in return for affordable housing development as an incentive. One common strategy is to reduce minimum parking requirements (see R-1 Reduce Off-Street Parking) for projects that include affordable housing. This is often implemented by reducing or eliminating the required number of parking stalls per unit only for the income-restricted affordable units in a new development. Other alternative development standards that are commonly used to encourage affordable housing are Z-1 Reduce Minimum Lot Sizes, Z-4 Increase Building Height, Z-9 Offer Density and/or Height Incentives for Desired Unit Types, and R-3 Reduce Setbacks, Lot Coverage and/or Impervious Area Standards. In return for flexibility in development standards, [RCW 36.70A.540](#), Affordable Housing Incentive Programs, requires affordability for at least 50 years.

### Gaps Addressed

- Housing diversity
- Affordable homeownership
- Middle-income rental housing
- Very-low income housing

### When and Where Applicable

- Parking minimums will be most effective/applicable for multifamily housing, especially where expensive structure parking would otherwise be needed.
- Minimum lot size reductions are most meaningful in older residential areas where the original platted lot size is smaller than the zoning district's minimum lot size or in residential zones with undeveloped tracts that could be subdivided.

### Potential Drawbacks

- See relevant housing strategies for details.

### Tips for Success

- These often work most effectively as part of a broader package of incentives to encourage affordable housing production.
- Where flexibility is allowed by code, ensure flexibility for affordability is clear.

### Time/Capacity/Skill Needed

See relevant housing strategies for details. Annual monitoring of affordability of the designated units will be needed.

### Resources

- [RCW 36.70A.540](#): Affordable Housing Incentive Programs
- Pierce County offers several alternative design standards in its [Affordable Housing Incentives](#). See [Pierce County Affordable Housing Incentives: Independent Evaluation and Recommendations to Increase Effectiveness](#) (BERK Consulting, 2019).

## A-4 Fee Waivers for Affordable Housing

Fee waivers reduce the up-front cost of construction for residential development. Fees, such as impact fees, utility connection fees and project review fees, can run in the thousands per unit for residential properties in some jurisdictions. Waiving some, or all, of these fees for income-restricted units can be a valuable incentive for encouraging the creation of income-restricted affordable units. This incentive is most effective when paired with a larger incentive package for affordable housing.

### Gaps Addressed

- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing

### When and Where Applicable

- All residential and mixed use areas
- Useful to promote integration of affordable housing units within market rate developments

### Potential Drawbacks

- Loss of revenue for public amenities such as parks, schools and infrastructure improvements
- For impact fees, municipalities may need to backfill a portion of payments for waived fees ([RCW 82.02.060\(3\)](#))

### Tips for Success

- Offer this incentive along with a suite of financial and/or regulatory incentives to promote income-restricted affordable housing.
- Ensure that the length of time units are required to remain affordable and the income brackets to whom they must cater are in parity with the benefits received for the community and authorizing statute.

### Time/Capacity/Skill Needed

Planning department staff can implement regulatory benefit and annual monitoring of affordability of the designated units. Coordination with other city departments on fee waivers will be needed.

### Resources

- [Affordable Housing - MRSC](#) (See "Waiver of Fees or Standards" Section)
- [RCW 82.02.060\(3\)](#) authorizes cities, counties and towns to grant impact fee exemptions for affordable housing. Jurisdictions may choose a partial exemption of not more than 80% of impact fees, in which case there is no explicit requirement to pay the exempted portion of the fee from public funds other than impact fee accounts; or provide a full waiver, in which case the remaining percentage of the exempted fee must be paid from public funds other than impact fee accounts.
- A city or town may waive or delay collection of tap-in charges, connection fees or hookup fees for low-income persons connecting to water, sanitary or storm sewer service, electricity, gas and other means of power and heat ([RCW 35.92.380](#) (1980), [RCW 35.92.020\(5\)](#)).
- [RCW 36.70A.540](#) authorizes affordable housing incentive programs including fee waivers or exemptions.
- Pierce County Code [18A.65](#): Fee waivers are offered for building fees, traffic impact fees, school impact fees, park impact fees, sanitary sewer system/facilities charge and preliminary plat application fees.

## A-5 Inclusionary Zoning

Unlike voluntary incentives described above, inclusionary zoning (IZ) ordinances require that all new construction within a specified zone include income-restricted affordable housing. A city or county can define the percentage of units that must be subject to affordability requirements, as well as the target income level for affordability. Some communities offer an “in lieu” payment option as an alternative mode of compliance. The payment can be put into a housing trust fund for use by the city or county in supporting affordable housing production elsewhere.

The state law that allows for cities and counties to establish inclusionary zoning ([RCW 36.70A.540](#)) requires that the jurisdiction provide increases in residential capacity through zoning changes, bonus densities, height and bulk increases, parking reductions or other regulatory changes or incentives. The policy objective should be to partially or totally offset the costs to developers of including affordable units with the potential increase in returns from additional height and density.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Low- and very low-income housing

### When and Where Applicable

- Communities with strong housing markets and high levels of development activity but insufficient stock of affordable units for lower-income households
- Zones for targeted density increases, such as areas near transit stations or employment hubs
- Locations where market conditions in the short- to moderate-term would allow for feasible development at heights and densities greater than what is currently allowed in an area under zoning

### Potential Drawbacks

If requirements are too burdensome, IZ can be a significant disincentive to new construction. This can result in the unintended outcome of suppressing growth in the overall housing supply, which can lead to housing shortages and increased pressures on market rents.

### Tips for Success

- Pairing with MFTE and other incentives can improve the financial feasibility of a project under affordability requirements.
- IZ ordinances with lower requirements can often result in more affordable housing production than those with higher requirements for affordable housing production, given impacts on feasibility. Communities should work to calibrate their policies to ensure that the local market can take advantage of these programs, especially in cases where it would impact development.
- Inclusionary zoning is usually more effective for producing units at the moderate-income range (80% AMI) than for lower income brackets, as the incentives may not be enough to support significantly lower rents. A tiered incentive program potentially can attract units at the lower income levels.
- A payment-in-lieu alternative can also be used to allow developers to contribute to city-owned affordable housing efforts in cases where affordable housing may not be practical to include in a project. The payment structure for these should be developed both to support adequate replacements of the affordable units not constructed, and to receive appropriate fees that capture enough of the value received from the increased development allowed.



- Another option is to use a “linkage fee.” Cities such as Boston, Denver, San Francisco and Los Angeles use employer linkage fees. As jobs are created, payment into a housing fund is collected.

### **Time/Capacity/Skill Needed**

Code writing and staff training to properly regulate and enforce requirements. Annual monitoring of affordability of the designated units will be needed.

### **Resources**

- [Inclusionary Zoning: One Approach to Create Affordable Housing - MRSC](#) (2016)
- [Affordable Housing - MRSC](#) (see "Inclusionary Zoning" Section)
- [Seattle’s Mandatory Housing Affordability program](#)
- [Common Questions on Inclusionary Zoning and Inclusionary Housing Calculator](#)
- [Redmond Zoning Code Ch. 21.20](#)
- [Kirkland Municipal Code Title 23, Ch. 112](#)
- [Prosser Municipal Code 18.95.030](#) (small jurisdiction example)

## Development Regulation Update Case Study -- Anacortes, Washington

Anacortes reviewed its codes and policies and adopted these new provisions in July 2019. The city selected a variety of strategies to work together.

- New standards for housing types not previously addressed in the code. Cottages, duplexes and townhomes had been previously developed under outdated planning unit development standards, but they were uncommon due to lack of regulatory predictability.
- New single-family small lot provisions
- Updates and expansions of existing multifamily design standards
- Expanded provisions for accessory dwelling units and group living uses
- Dimensional adjustments: Smaller lots and slightly larger buildings in areas near center of town
- New affordable housing provisions and bonus incentives. Height bonuses are available if affordable housing or small units are provided on-site.

Anacortes' updated code is located in [Title 19](#).

### Key standards:

- Section 19.32.050(D) - Unit lot subdivision procedures
- Chapter 19.41 - Allowed uses by zone
- Chapter 19.42 - Form and intensity standards by zone
- Section 19.42.050 - Height bonuses
- Chapter 19.43 - Residential design standards
- Chapter 19.63 - Multifamily design standards
- Chapter 19.64 - Parking standards

Private internal access road with parking (open and enclosed) placed to the side of cottages

Cottages with porches facing common open space

Private open space

Connected internal pathway system



Shared community building

10' min. separation between cottages

Image courtesy of City of Anacortes, developed by MAKERS with Google Earth

# Funding Options for Affordable Housing Development

This section identifies options available to communities for directly funding or subsidizing affordable housing production. These include grants, loans and options for new revenue generation.

## F-1 Local Option Taxes, Fees and Levies

Cities may provide direct project funding, through grants or loans, to encourage the production of income-restricted affordable housing. Securing this funding can occur in different ways:

- **A local housing tax levy**, authorized through [RCW 84.52.105](#), can allow up to \$0.50 per \$1,000 of property tax to be allocated toward an affordable housing fund for projects serving very-low income households (50% median family income or less) if approved by a majority of the voters of the taxing district. Housing levy funds may be used for a variety of purposes detailed in an affordable housing finance plan such as for matching funding for not-for-profit housing developments. This support can improve a project's competitiveness for receiving additional financing from state or national sources. The county, city or town that imposes the levy must declare an emergency with respect to the availability of housing that is affordable to very low-income households in the district. [SB 6212](#) (laws of 2020) expands the use of this tax to include affordable homeownership, owner-occupied home repair and foreclosure prevention programs for low-income households up to 80% of median family income as of October 1, 2020.
- **Sales and use tax**: With voter approval, counties can pass a sales and use tax of up to 0.1% to fund affordable housing programs serving households with incomes below 60% of the AMI and within specific categories. These categories include individuals with mental illness, veterans, senior citizens, homeless families with children, unaccompanied homeless youth, persons with disabilities, or domestic violence victims ([RCW 82.14.530](#)).
- **Real Estate Excise Tax (REET 2)**: A city or town planning under GMA can impose an additional 0.25% real estate excise tax ("REET 2") under [RCW 82.46.035](#). This requires voter approval only for communities voluntarily planning under GMA. Revenues may be used only for financing "capital projects" in the capital facilities plan element of the comprehensive plan, which may include building, rehabilitating/repairing and/or purchasing affordable housing.
- **Other funds**: See MRSC's [Revenue Guide for Washington Cities and Towns](#) for updated information.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing

### When and Where Applicable

- This strategy is best suited for communities that face a shortage of very low income-restricted affordable housing whose community would support such a tax, fee or ballot measure (if required).
- In the case of REET 2, this is most effective in communities that are seeing active markets and significant real estate sales.

### Potential Drawbacks

- A housing levy must be approved by the voters and may be assessed for only 10 years.

- There is a financial cost to local residents subject to the property tax levy, or to new homeowners with REET 2.
- REET 2 funding is restricted to projects in the capital facilities plan.
- A sales and use tax must be approved by the voters. No more than 10% of the revenue may be used to supplant existing local funds. If a county imposes this tax after a city located within that county has imposed this tax, the county must provide a credit against its tax for the full amount imposed by the city.

### Tips for Success

- Coordinate city funding with other known funding sources for maximum impact.
- Work with area groups to develop information about ballot initiatives, demonstrating the types of housing needs in the community.

### Time/Capacity/Skill Needed

Staff time to create and administer program, including development of an affordable housing financing plan or amendments to the Capital Facilities Plan to direct the expenditure of funds.

### Resources

- [Affordable Housing - MRSC](#) (See "Affordable Housing Property Tax Levy" Section)
- [Affordable Housing - MRSC](#) (See "Affordable Housing Sales Tax" Section)
- [Real Estate Excise Tax - MRSC](#)
- Example legislation from [Bellingham](#) and program description in [Vancouver](#)
- Sample real estate tax ordinance from [San Juan County](#)

## F-2 Local Housing Trust Fund

Housing trust funds are distinct funds established by local governments that receive an ongoing source of dedicated funding to support housing affordability. They can be designed to meet the most critical housing needs in each community.

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing

### When and Where Applicable

Communities with sufficient capacity to manage a housing trust fund and generate sufficient capital for desired outcomes. Can also be coordinated at the county and regional level.

### Potential Drawbacks

- Requires management of the fund.

### Tips for Success

Leverage additional funding from state or national programs (e.g., Community Development Block Grants, as described in the box below titled "Funding Resources for Affordable Housing") to maximize the benefit of dollars raised.

## Time/Capacity/Skill Needed

Staff time to report on the distribution and use of funds.

## Resources

- General Information on Housing Trust Funds at [Housingtrustfundproject.org](https://housingtrustfundproject.org)
- [Bellingham Home Fund](#)

## F-3 "Found Land": Surplus Land and Other Opportunities

In areas with high land costs, acquiring suitable land can add significant expense to an affordable housing project. Cities or counties may own surplus or underutilized lands that may be suitable for housing development. These public lands can be donated or leased to affordable housing developers to reduce the cost of development and help make a project more financially feasible. Other land might hold potential, too:

**Surplus publicly owned land:** Under [RCW 39.33.015](#) (2018), public agencies (local governments or utilities) can discount or gift land they own for “public benefit,” defined as affordable housing (up to 80% AMI). These agencies must adopt rules to regulate the transfer of property. Staff should inventory publicly owned available lands that may meet criteria for donation and assess environmental or other constraints that may inhibit project suitability prior to site selection. Consider the broad range of public agencies that may be willing to sell, trade, or donate land for a public purpose. Consider lands purchased as staging areas for major construction that may be turned toward housing at the end of the project.

**Brownfields:** Certain properties that can safely be rehabilitated (if necessary) may be eligible for Environmental Protection Agency (EPA) brownfield redevelopment grants. This can be a strategic move to both satisfy goals for infill development and provide additional affordable units in a community. The 2018 Washington State Legislature authorized a competitive process to fund recipients that use their cleaned-up property to build affordable housing and [provided funds to the Department of Ecology](#) to distribute to local governments to investigate and plan cleanup for potential affordable housing development. The health and safety of residents should be a top priority in site selection, and only parcels where remediation can ensure safe residential use should be selected.

- [Department of Commerce Revolving Loan Fund](#) for brownfield redevelopment

**Adaptive reuse** is the process of reusing an existing building for a purpose other than what it was designed for. After buildings become disused or abandoned, adaptive reuse can be an effective way to put new uses into existing buildings, reusing existing infrastructure and preserving historic assets. Historic preservation tax credits provide a 20% federal income tax on the qualified amount of private investment on certified rehabilitation of a National Register listed historic building.

- [Economic Benefits of Historic Preservation - Department of Archeology and Historic Preservation \(DAHP\)](#)
- [Federal Historic Tax Credits - DAHP](#)
- Example: [Cheney High School converted to study housing](#)

**Service groups and churches:** In most communities, service groups or churches may be considering divestment of property as their membership changes. These groups may be willing to provide property for a benevolent use.



**School district-owned land** can be leased for affordable housing. [HB 2617 \(laws of 2020\)](#) was passed to remove recapture provisions when used for affordable housing under RCW 39.33.015. This facilitated affordable housing development on Everett School District property, which [leased a ballfield for an affordable housing complex](#).

**Co-location: building housing with other community facilities:** Another way to “find land” is by adding housing above community facilities such as daycares, libraries, recreation or community centers, or on the same property. This strategy takes advantage of land and utilities already planned for the main use. Planners should ensure zoning allows for such mixed uses, along with adequate height.

- [Building Above a Library in Cornelius, Oregon - Lincoln Institute of Land Policy](#)
- [Combining Housing with a Public Library on Chicago's North Side - HUD EDGE](#)

**Vacant, abandoned and tax delinquent property<sup>23</sup>:** These properties generally have negative impacts on surrounding properties while also preventing productive use of the land. Cities or agencies can help to assemble these properties and coordinate a sale to developers or non-profit organizations to develop affordable housing. This process of assembling is called land banking, and often includes resolving ownership issues and/or addressing tax liens or land encumbrances that otherwise deter developers from pursuing these properties. Like with surplus publicly owned land, [MRSC notes](#) that the state constitution generally restricts cities and counties from giving property to private individuals or from selling it for less than market value unless the property would be used to directly benefit the “poor and infirm.”

- [Sale of Surplus City or Town Property - MRSC](#)
- [Public Land for Affordable Housing - PRSC](#)
- [Support the Reuse of Abandoned, Vacant and Delinquent Properties – Family Housing Fund](#)

### Gaps Addressed

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing

### When and Where Applicable

Best suited for communities that face a shortage of income-restricted affordable housing and that own surplus land in desirable locations.

### Potential Drawbacks

- Loss of public land ownership on a long-term or permanent basis
- Opportunity cost of other potential uses for public lands
- Be aware of any lands that might have use restrictions based on their funding source at the time of purchase, or any covenants on the land

### Tips for Success

- Establish a transparent procedure for selecting eligible sites.

---

<sup>23</sup> Abandoned property is no longer occupied or maintained by the owners. Vacant property has no legal occupants. Tax-delinquent property has past due property taxes or municipal bills.

- Determine if any community benefits, in addition to income-restricted housing units, should be required on the site.

### **Time/Capacity/Skill Needed**

Staff resources may be used to inventory and assess public lands.

### **Resources**

- [Public Land for Affordable Housing - PRSC](#)
- [Use of Publicly Owned Property for Affordable Housing](#) - Local Housing Solutions
- [Project examples from Bellevue](#): Hopelink Place, Habitat Eastmont, Brandenwood Apartments and Park Highlands at Wilburton

## **F-4 Partner with Local Housing Providers**

Local governments may want to coordinate with local housing groups and non-profit developers to look for shared goals and identify ways both groups can work together. This may include identifying property, crafting incentives, developing housing assistance programs, supporting grant applications, code enforcement, property owner assistance or other programs to help increase affordability and reduce homelessness.

### **Gaps Addressed**

- Increase housing supply
- Affordable homeownership
- Middle-income rental housing
- Senior housing
- Very-low income housing

### **When and Where Applicable**

Any town can work with its development community to craft custom solutions that address most urgent needs and leverage available resources. If assisting with low-income housing tax credit (LIHTC) applications, it is important to remember distinctions between the 9% and 4% programs.

- The 9% program is administered through a competitive application process, with preference for projects targeting lower-income households.
- The 4% program is typically preferred for for-profit developers and often focuses on workforce housing. Although nominally it was not designed as a competitive process, limited availability of the associated bonds has meant that this process has become competitive as well.

### **Potential Drawbacks**

- Jurisdictions have limited capacity. Forging partnerships and developing concepts that achieve shared goals can be a time-intensive process.
- Projects owned by private or non-profit developers may have affordability covenant expiration dates.

### **Tips for Success**

- Reach out broadly to identify local organizations, resources and housing needs of high-need groups, such as the disabled, elderly or homeless.
- The city can support applications, but tax credits are applicable for developers only.

### **Time/Capacity/Skill Needed**

Work can be done in-house. Established relationships with the development community can help promote partnerships that lead to positive outcomes.

### **Resources**

- [ULI Guidebook](#) on successful Public-Private Partnerships
- [Snohomish County Affordable Housing Trust Fund](#)

## Funding Resources for Affordable Housing

There is a variety of sources of funding for affordable housing, and normally several forms of funding are required to make a project feasible. Below are some of the more prominent funding sources available.

- **Low-Income Housing Tax Credit (LIHTC) program.** This program is a federal initiative that authorizes affordable housing developers to sell tax credits to investors to generate equity for development costs. Investors can use the credits to reduce their federal tax liability. In Washington, this program is administered through the Washington State Housing Finance Commission (WSHFC) for projects building units affordable at the 60% area median income (AMI) level for 30 years. Through LIHTC, there is a [9% tax credit program](#) and [4% tax credit program](#). Nationally, the LIHTC program has helped to create over 3 million affordable housing units over 30 years, according to the [National Multifamily Housing Council](#).
- **Washington State Housing Trust Fund.** The Department of Commerce manages these funds that provide amortized loans, deferred loans and recoverable grants to support projects that acquire, build and/or rehabilitate affordable housing. Units must be accessible to households earning up to 80% of the AMI, with federal HOME funding requiring affordability at 50% AMI. A covenant is typically secured to ensure that the required affordability of units is maintained for 40 years.
- **HUD/FHA Loans.** These loan programs support affordable housing projects by allowing for more favorable lending terms than private-market providers will offer. The [Section 221\(d\)\(4\)](#) program insures construction loans for new construction or substantial rehabilitation of moderate- and low-income rental housing that contains five units or more. The [Section 223\(f\)](#) program insures mortgages for the purchase or refinance of existing multifamily housing.
- **United States Department of Agriculture (USDA) Grant and Loan Programs.** The USDA offers a variety of programs aimed at increasing affordable multifamily rental housing in rural areas. These include: Housing Preservation and Revitalization Demonstration Loans and Grants, Housing Preservation Grants, Multifamily Housing Direct Loans and Multifamily Housing Loan Guarantees.
- **Community Development Block Grants (CDBGs).** These grants are federal funds administered to smaller cities/towns and counties for projects that improve the economic, social and physical environment. CDBG funding cannot be used for new housing construction. It can, however, be used for housing rehabilitation, homeownership assistance, affordable housing plans and infrastructure projects that support affordable housing development. Specific CDBG grants are available to Native communities through the [Indian Community Development Block Grant Program \(ICDBG\)](#). ICDBG funds have added flexibility that allows for land acquisition to support new housing and, under some circumstances, new housing construction. Some communities get funding directly from HUD; Commerce administers funds for the balance of the state.

### Resources:

- [Information Resources](#) from WSHFC, including list of all active LIHTC rental properties in Washington
- [Housing Trust Fund Handbook](#)
- HUD/FHA [loan information](#)
- USDA [programs for developers](#)
- Department of Commerce description of various CDBG funding programs and resource lists: <https://www.commerce.wa.gov/serving-communities/community-development-block-grants/>
- Local CDBG program manager contact information: <https://www.hud.gov/states/washington/community/cdbg>
- See Appendix 4 for more funding resources for affordable housing in Washington state

## Other Strategies

### O-1 Strategic Infrastructure Investments

One of the costs associated with development is the cost of upgrading existing or developing new infrastructure to serve development. In some cases, a community may wish to identify priorities for investment in sewer or water extensions or sidewalks to support upzones, or to catalyze development around new amenities such as transit hubs or community centers. Strategic selection of infrastructure priorities in the capital facilities element can help support your housing program.

In Washington state, the community revitalization financing (CRF) program authorizes cities, towns, counties and port districts to create a tax “increment area” and finance public improvements within the area by using increased revenues from local property taxes generated within the area ([RCW 39.89](#)). The best locations for such a program are undeveloped and underdeveloped areas because this program depends on an increase in property value. In 2020, [HB 2497](#) amended this program to add permanently affordable housing to the list of public improvements that could use program funds. Here, “permanently affordable housing” is defined as 40 years for rental housing and 25 for ownership housing.

- [Tax Increment Financing \(TIF\) in Washington - MRSC](#)
- [Information for Local Governments - Department of Revenue, Washington State](#)
- [Spokane's Tax Increment Finance District](#)

### O-2 Simplify Land Use Designation Maps

Many communities use the same map for a land use map in the comprehensive plan and a zoning map in the local code. If this is the case, any zone change would need to go through the long process of amending the comprehensive plan, which occurs at most, one time per year. One way to make it easier to make changes to zoning and encourage a variety of housing types is to simplify the land use map and the implementing zoning map. Many residential land use designations could be changed to one designation for “residential” in smaller communities, or several for lower-, medium- and high-density residential. Implementing zones could provide more variety, such as low-density neighborhood residential and medium-density residential, and each zone could allow a wider diversity of housing types and lot sizes. Note that this process also changes the names of land uses and zones so they don’t specifically say “single-family detached.”

A key factor that should be integrated in both the land use element of the comprehensive plan and the zoning code is to clarify what the implementing zones are for each land use designation. See Exhibit 48 for an example from Yakima’s comprehensive plan. Furthermore, providing “locational criteria” for each zone will be helpful when examining whether a proposed zone change is consistent with the comprehensive plan.

#### Resources:

- [Rethink Zoning - City of Everett](#)
- [Prosser land use and zoning maps - City of Prosser](#)



## Exhibit 48: Yakima Comprehensive Plan – Clarifying Zone Options for each Land Use Designation

Land Use Designation							
Zoning District	Low Density Residential	Mixed Residential	Community Mixed-Use	Commercial Mixed-Use	CBD Commercial Core	Regional Commercial	Industrial
SR	X						
R-1	X						
R-2		X					
R-3		X	X				
B-1			X				
B-2			X				
HB			X				
SCC			X				
LCC				X			
GC				X			
CBD					X		
M-1							X
M-2							X
RD						X	
AS				X			X

The blue shaded boxes denote the implementing zoning district for the applicable land use designation.

Source: [City of Yakima](#)

### O-3 Local Programs to Help Build Missing Middle Housing

[HB 2343 \(laws of 2020\)](#) amended the list of potential actions in RCW 36.70A.600 to include development of a local program that offers homeowners a combination of financing, design, permitting or construction support to build ADUs or to convert a single-family home into a duplex, triplex or fourplex where those housing types are authorized. The idea is that a city may help property owners by identifying lenders, providing stock designs and helping property owners develop housing.

Amendments to RCW 36.70A.600 allow a city to condition such a program on a requirement to provide the ADU or a certain number of newly created units for a defined period of time to either tenants in a housing subsidy program as defined in RCW 43.31.605(14) or to tenants whose income is less than 80% of the city or county median family income. If the city includes an affordability requirement under the program, it must provide additional incentives, such as density bonuses, height and bulk bonuses, fee waivers or exemptions, parking reductions, or expedited permitting. See [Lacey's ADU program](#) for an example of this type of program.

Jurisdictions may also establish innovative housing demonstration projects or pilots to test how well a certain new housing type would fit within the community and address community housing needs. Demonstration programs allow a trial period before an opportunity to address hurdles or issues and committing to the program. These trial periods can also help programs gain public support. Kirkland, Bellingham and Redmond have developed such programs.

- [Affordable Housing Ordinances Flexible Provisions, MRSC](#) (See "Innovative Housing Demonstration Programs")

## O-4 Strategic Marketing of Housing Incentives

If your community desires a greater diversity of housing and has adopted measures to encourage this, the next thing to do is ensure you have a web site where homeowners and developers can easily review density bonuses and other incentives to promote affordable housing. Actively promoting the type of development the community desires can include communicating the intention for new and innovative affordable housing, defining the benefits and development potential within the community, and collecting data that helps to tell the story and addresses perception issues.

- [Strategic Marketing - MRSC](#)
- [Lacey's Affordable Housing Strategy Video](#)

## O-5 Temporary Emergency Housing

The GMA requires communities to plan for all economic segments of the population. Some strategies may address the very lowest income segments such as shelters, safe camping spaces, regulating homeless service providers or tiny home communities. A HAP should review the local demographics for the lowest income segments and assess strategies to plan for those. Are regulations needed to ensure this housing is safe and healthy? Do they respond to strategies in countywide plans for reducing homelessness? (See below sidebar titled [Homeless Housing System in Washington State](#).)

[ESHB 1754 \(laws of 2020\)](#) provides a framework for local governments to regulate hosting the homeless in temporary emergency facilities such as outdoor encampments, safe parking efforts, indoor overnight shelters and temporary small houses on property owned or controlled by a religious organization. The bill sets out requirements for protecting the public health and safety of the homeless residents and surrounding community in [RCW 36.01.290](#) (counties), [RCW 35.21.915](#) (towns and cities) and [RCW 35A.21.360](#) (code cities).

- [Homelessness - MRSC](#)

### Other Resources

- See the results of a [PSRC survey](#) of jurisdictions' use of regulatory incentives and tools for affordable housing.
- [PSRC Housing Innovations Program](#) (HIP) is a collection of planning resources developed for local governments in the central Puget Sound region to promote housing affordability and smart growth in their communities. However, many of these tools are applicable to communities throughout Washington state.
- This [MRSC page](#) includes additional affordable housing resources at the end.

# Homeless Housing System in Washington State

## Overview of the Homeless Housing System and Funding

Lack of affordable housing and poverty are the two leading causes of homelessness throughout the United States. The National Law Center on Homelessness and Poverty currently estimates that each year at least 2.5 to 3.5 million Americans sleep in shelters, transitional housing and public places not meant for human habitation. Because there is a shortage of low-income housing and it can take some time for households to access it, communities must be willing to address the immediate needs of homeless households while they wait. The [Homelessness & Housing Toolkit for Cities](#) produced by Association of Washington Cities and Municipal Research and Services Center (MRSC) (2020) provides some resources and case studies. Some of the strategies outlined there include:

- Use of “mitigation” camping sites to address short-term emergency homelessness.
- Safe parking spaces
- Tiny home communities
- Work with faith-based communities to shelter the homeless
- Provide emergency rental assistance to prevent homelessness<sup>1</sup>
- [Chapter 5: Strategies for Minimizing and Mitigating Displacement](#) provides additional strategies including affordable housing preservation, tenant protections and housing stability for low-income residents

In every county in Washington state, a network of not-for-profit organizations houses more than 98,000 people facing homelessness each year. This is made possible through local, state and federal homeless housing funds which are administered through lead grantees in every county.<sup>2</sup>

In 2006, the Washington state legislature passed the Homeless Housing and Assistance Act ([RCW 43.185c](#)) directing Commerce to [grant document recording fees](#) to local governments to help meet the need of homeless families and individuals. Since that time, local governments have been in the lead role to administer the funding. About half of the county governments are “lead grantees” that sub-contract funds to local non-profits. If a county “opt outs” of the lead role, Commerce contracts directly with a non-profit to be the “lead grantee.” Lead grantees are responsible for the homeless system in their county. This includes writing a local plan to address homelessness, responsibility for administering the annual [Point-in-Time Count](#), reporting client data in the Homeless Management Information System, conducting outreach to landlords, ensuring [coordinated entry](#) and more. Lead grantees are also responsible for ensuring their homeless crisis response system prioritizes people most in need and that services meet funders’ performance expectations.

---

<sup>1</sup> Read more about [Commerce Emergency Solutions Grants](#).

<sup>2</sup> Some federal funding is passed directly by the U.S. Department of Housing and Urban Development (HUD) to “entitlement jurisdictions” to administer. Entitlement jurisdictions are typically those that meet specific population thresholds.

## Homeless Housing System in Washington State (continued)

### What housing assistance can homeless service providers offer?

- Emergency shelter provides temporary shelter for people experiencing homelessness.
- Rapid rehousing quickly moves homeless people into permanent housing by providing temporary rent subsidies and housing-focused case management. The household does not have to leave when services end.
- Transitional housing provides housing for no longer than 24 months and is designed to move people experiencing homelessness into permanent housing.
- Homeless prevention resolves imminent homelessness with housing-focused case management and temporary rent subsidies. The services are time-limited and the household does not have to leave when services end.
- Permanent supportive housing is subsidized, non-time-limited housing with support services for homeless households that include a household member with a permanent disability.

### Homeless Housing Policy Governance

Washington state law requires that each local homeless housing task force develop and recommend to its local government legislative authority a five-year homeless housing plan for its jurisdictional area. The local plan must be consistent with the local plan guidelines issued by the Department of Commerce. Likewise, HUD requires local communities to form a primary planning and coordinating body for homeless housing and services to work toward the goal of ending homelessness. These groups are referred to as the Continuum of Care (CoC) and are responsible for planning and providing a system of outreach, engagement and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless or persons at risk of homelessness in the community.

If local housing action plans address housing for homeless populations, planners should be sure to coordinate with the local lead agency to ensure that HAPs are consistent with countywide plans, and to understand what steps could help implement countywide plans. Local government 5-year plans are on the Department of Commerce [web page on homelessness](#).

# Chapter 5: Strategies for Minimizing and Mitigating Displacement

## What is Displacement?

As high demand for homes drives up housing costs and increases pressure for higher density redevelopment, many residents and policy makers are concerned about the potential for displacement. This term refers to instances where a household is forced or pressured to move from their home against their wishes. Displacement can have a life-changing negative effect on households that are directly impacted. It can also disrupt the social fabric and networks of trust and support that exist within a community.

Some strategies for encouraging housing production and increasing the housing supply can result in increased physical displacement pressure for current residents. At the same time, inaction in the face of rising housing costs also results in economic displacement pressure, when rents rise so high that tenants can no longer afford to stay in their homes.

For housing actions plans funded by Commerce, RCW 36.70.600(2) requires local governments to *"(d) consider strategies to minimize displacement of low-income residents resulting from redevelopment and strategies of the plan."*

This chapter defines three types of displacement (physical, economic and cultural) and reviews displacement risk assessment methods. This is followed by a discussion of engagement strategies most effective for anti-displacement efforts. Finally, a selection of anti-displacement strategies addresses each type of displacement. For those looking to take a deeper dive into this topic, a list of resources at the end of this chapter includes policy toolkits and academic publications related to anti-displacement work.

### Displacement and Gentrification

The words "displacement" and "gentrification" often are used interchangeably. But they describe two distinctly different processes. As described above, displacement is something that happens to individual households who are forced or compelled to move away from their residences. Gentrification, on the other hand, is something that happens to a place. A gentrifying community is undergoing a demographic and socioeconomic transformation, whereby a previously lower-income neighborhood experiences an influx of more affluent residents. In many cases, these new residents also differ from the previous residents by race, ethnicity, culture, educational level and typical profession.

Displacement can and does occur in neighborhoods undergoing gentrification. However, the two processes are not necessarily linked because all neighborhoods change over time. Residents may move away voluntarily to seek job opportunities, go to college or a new school, start a family, retire or any other reason.

Many planners and policymakers are concerned that new investments or development in a neighborhood can trigger gentrification and, as a result, also increase economic and cultural displacement pressure. Pro-active strategies to address these pressures and support more housing stability among existing residents can play an important role in promoting equitable growth for new and existing residents.



## Types of Displacement

Displacement occurs when a household is forced or pressured to move from their home against their wishes. Three categories of displacement are described below.<sup>24</sup> While these descriptions focus primarily on the displacement of households, small businesses, organizations and institutions can be displaced.

### Physical Displacement

Physical displacement typically occurs with an eviction or lease termination.<sup>25</sup> Various circumstances can lead to physical displacement, including a property owner's choice to demolish an existing residence to enable the construction of new buildings on the same site. Owners may also choose to rehabilitate an existing residence or building. For example, strong demand for housing can encourage property owners to upgrade or refurbish existing rental buildings with new finishes to increase rents and attract higher-income tenants. A third cause of physical displacement is the expiration of covenants on rent- or income-restricted housing. When covenants expire, the building owner can raise the rent for a unit, making it unaffordable to a low-income tenant.

When a city adopts strategies, such as an upzone, to encourage more intense housing development, it also increases the chances that current residents in the affected neighborhood will be physically displaced to make way for redevelopment. The areas may have low levels of investment, many renters, and be seen as "in need of redevelopment." Residents in these neighborhoods generally have lower incomes, are renters and are more vulnerable to displacement than those in established stable neighborhoods that may not be considered for upzones.<sup>26</sup> This can lead to exacerbating inequities that already exist.

### Short-Term Rentals and Displacement

Websites like Airbnb, VRBO and HomeAway have created a thriving market for short-term rentals that did not exist a decade ago. This has resulted in an increased physical displacement risk for long-term renters in communities that have recreational appeal. Property owners can evict or end the lease of long-term tenants to capitalize on greater profits from short-term renters. This problem is magnified when individuals or companies buy multiple properties to use exclusively as short-term rentals.

An increase in the number of short-term rentals in a community also reduces the supply of housing available for long-term use. This increasing competition for the remaining units contributes to rising rents and housing prices. As a result, short-term rentals can also lead to increased economic displacement.

In communities with high demand for recreational travel, even newly built homes can cater to the vacation home and short-term rental market. This does nothing to support housing affordability or availability for local residents.

Below we describe [strategies for regulating the short-term rental market](#) to minimize displacement pressure.

<sup>24</sup> The descriptions are adapted from text in the City of Seattle's Mandatory Housing Affordability Final Environmental Impacts Statement, [Chapter 3: Housing and Socioeconomics](#) (2017). This study includes an in-depth analysis of historic indicators of displacement in Seattle as well as projections of potential displacement under three different rezone and housing policy scenarios.

<sup>25</sup> Foreclosure is another form of physical displacement experienced by many homeowners who fall on difficult economic times. This chapter focuses on other forms of displacement that can potentially result from the impacts of a housing action plan. More information on foreclosure prevention is available from the Washington State Foreclosure Fairness Program on [Commerce's website](#).

<sup>26</sup> Although this is often the case, there are exceptions to the rule. Looking nationally, the city of Minneapolis and the state of Oregon enacted widespread zoning changes that impact all low-density residential neighborhoods. In both cases, adopted legislation mandates that all residential areas permit duplex and other missing middle housing types ([Minneapolis Municipal Code 521.10](#), <https://olis.leg.state.or.us/liz/2019R1/Measures/Overview/HB2001>).

## Economic Displacement

Economic displacement occurs when pressures of increased housing costs compel a household to relocate. Market-rate housing costs are largely driven by the interaction of supply and demand in the regional housing market. Lower-income households living in market-rate rental housing are at greater risk of economic displacement when housing costs increase. Even homeowners can be at risk of economic displacement when property tax bills increase significantly.

Vulnerability to economic displacement can disproportionately impact communities of color. Across Washington state, communities of color experience higher rates of housing cost burden when compared to white, non-Hispanic households. Cost burden is when a household is paying more than 30% of its income for housing and utilities. This disparity is even wider for African American households.<sup>27</sup> These disparities have roots in a history of housing discrimination, continued by policies such as exclusionary zoning, as discussed in Chapter 1 within the section titled [How is Housing Policy Related to Race and Inequality?](#)

## Cultural Displacement

Cultural displacement occurs when people choose to move because their neighbors and culturally related businesses and institutions have left the area. The presence (or absence) of these cultural assets can influence racial or ethnic minority households in their decisions about where to live, more than for broader populations. The same segregation and discrimination challenges that may limit access to job and educational opportunities may also limit access to housing for these communities.

For example, if neighboring households or community serving businesses within a racial or ethnic community experience direct or economic displacement, other households within the same racial or ethnic community may face increased pressure to relocate due to cultural factors. Since cultural anchors, gathering spaces, arts organizations, businesses and religious institutions often are not widespread in alternative locations, the presence of these cultural assets often can have added importance to racial or ethnic minority households in their location decisions. Cultural displacement can be reasonably assumed to accelerate or amplify the impacts of other displacement pressures, specifically for racial and ethnic minority populations.

## Displacement Risk Assessment

As discussed above, some residents are at much greater risk of displacement than others. Identifying these groups of residents and the circumstances that shape their vulnerabilities is an important first step in identifying the most relevant and effective strategies for minimizing and mitigating displacement. Commerce's [Guidance for Developing a Housing Needs Assessment](#) provides information about resources to support displacement risk mapping on page 36.

---

<sup>27</sup> HUD, [Comprehensive Housing Affordability Strategy \(CHAS\)](#) Table 9, based on 2012-2016 American Community Survey (ACS) Estimates.

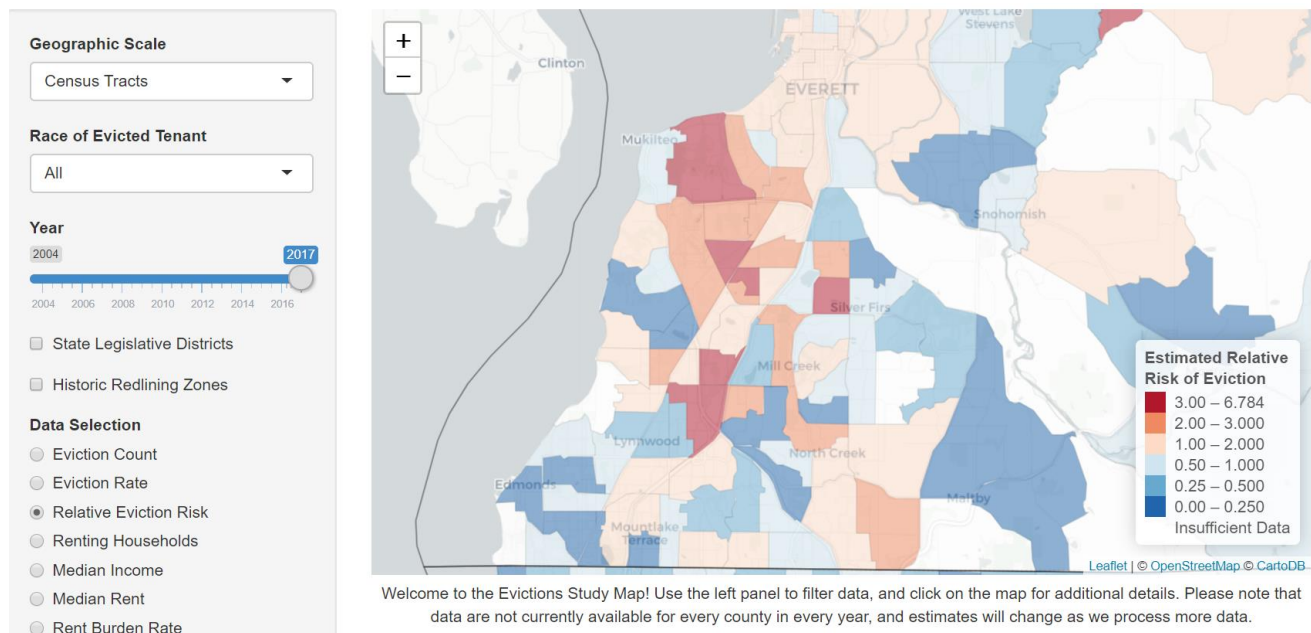
Public agencies should supplement mapping and quantitative tools by engaging directly with potentially affected communities and the organizations that provide services there. This combination of information will help policymakers select strategies most likely to support housing stability and address the unique vulnerabilities residents face.

## Resource: The Evictions Study

The Evictions Study is a great new resource for communities in King, Pierce, Snohomish and Whatcom counties. It maps data about evictions by selected geography (down to census tract scale), risk factors that contribute to housing instability such as cost-burden, and relative eviction risk by race of tenant. See the below screenshot of conditions in Snohomish County.

Insights from this research reveal large-scale trends at the state level, as well as census tract level analysis for neighborhood studies. Findings from this study supported advocacy efforts for changes in Washington state law that provide stronger protections for renters facing displacement and eviction pressure (see PD- 9: “Right to Return” Policies for Promoting Home Ownership for details). Locally, the tool might identify neighborhoods for proactive anti-displacement outreach or evaluate if city-level renter protections need strengthening.

The [Urban Displacement Project](#) developed a similar tool focused on displacement risk. It provided academic and legal support for anti-displacement policy in San Francisco. Residents who live in census tracts identified as undergoing “extreme displacement pressure” are now prioritized for placement in new income-restricted housing projects.



Source: [The Evictions Study](https://evictions.study/), 2020. (Website screenshot. See: <https://evictions.study/>)

# Proactively Addressing Displacement

Housing is personal, and displacement is disruptive for many aspects of a resident's life. Engaging with community members can be difficult around such sensitive issues. Remember that residents at risk for displacement fall in the "prioritize" corner of the Stakeholder Prioritization Chart, as they will be highly impacted but often have little power or influence over the process. Reversing this trend is critical to building community trust and fostering inclusive growth.

Risk assessment analysis, as discussed above, can identify priority neighborhoods for anti-displacement work. These neighborhoods should be areas of focus for early engagement around issues of community adaptation to economic change. Early engagement with residents of vulnerable communities encourages constructive dialogue for self-advocacy. Consider the below priorities when developing your engagement plan, as detailed in the guidance provided in [Chapter 2: Community and Stakeholder Engagement](#).<sup>28</sup>

- 1) **Act early.** Market factors that lead to displacement are often predictable. For example, housing prices rise with public investment in neighborhood improvements or new employers moving to the area. Anti-displacement efforts are most effective the earlier they are implemented in the timeline of community change.
- 2) **Set goals and monitor progress.** Visioning and goal-setting exercises, which should be incorporated into a community engagement plan, should not be one-time events. Market and demographic indicators can track and measure community change and its alignment with established neighborhood priorities. Visible metrics, such as online dashboards, can spotlight progress (or lack thereof) and clarify a focus for policy implementation. A community advisory committee that includes residents vulnerable to displacement should be integral to this process.
- 3) **Capture benefits of new development.** Regulatory tools can leverage increased private investment to meet established goals. This might take the form of inclusionary zoning (see Strategy [A-5 Inclusionary Zoning](#) discussed in Chapter 4) or community benefit agreements that integrate greenspace or reserve commercial spaces for valued local businesses within new residential development sites.

These actions will not eliminate displacement. Hopefully, however, they will shift power dynamics, avoid unnecessary conflict and improve relationships between public actors and residents. When implemented early and effectively, proactive engagement helps foster inclusive growth for changing communities.

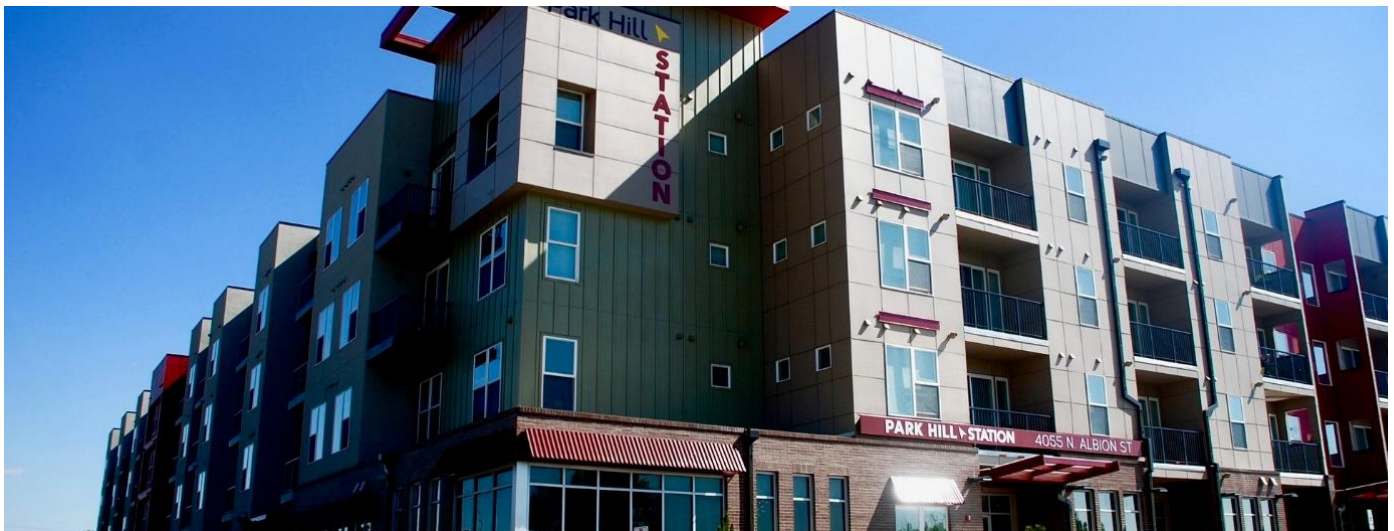
---

<sup>28</sup> These priorities are adapted from the work of Lisa Bates for the city of Portland, "Gentrification and Displacement Study: implementing an equitable inclusive development strategy in the context of gentrification," (2013), <https://beta.portland.gov/sites/default/files/2020-01/2-gentrification-and-displacement-study-05.18.13.pdf>.

## Case Study: Urban Land Conservancy

This Denver-based development organization proactively purchases land in the Denver metro area to preserve its affordability for future generations. The preservation of both residential and commercial assets for community-focused purposes enables affordable housing projects and non-profit organizations to remain within a city experiencing rapidly rising property values. By taking a proactive approach to acquisition, each Urban Land Conservancy property contributes to long-term community stability. Many of its investments precede light rail expansion and leverage this public asset for low-income residents. Organization leadership focuses on “in-placement” rather than “anti-displacement” as a tribute to its focus on early action for promoting community stability.

The Urban Land Conservancy purchased a prime housing site in one of Denver’s neighborhoods ahead of light rail expansion, offering income-restricted housing for neighborhood residents.



Source: Urban Land Conservancy, "Park Hill Village West," (2017), <https://www.urbanlandc.org/2017-snapshot/>.



# Strategy Descriptions

Displacement is a complex problem with many contributing causes, so it is not surprising that there is a wide variety of anti-displacement strategies in use today. The strategies in this chapter are organized based on the primary type of displacement they seek to address: physical, economic or cultural. Some of these measures are proactive and aim to prevent or minimize displacement. Other strategies recognize that displacement cannot always be prevented and aim to mitigate its effects for households. Exhibit 49 below summarizes the strategies detailed in this chapter. The strategies are grouped by type and each individual strategy is associated with a unique letter-number label (such as “PD-1”).

## Exhibit 49: Summary Table of Anti-Displacement Strategies

Type of Displacement	Strategy
Physical Displacement Strategies	PD-1: Strategic Acquisition and Financing of Existing Multifamily Housing
	PD-2: Support Third-party Purchases of Existing Affordable Housing
	PD-3: Notice of Intent to Sell / Sale Ordinance
	PD-4: Foreclosure Intervention Counseling
	PD-5: Mobile Home Park Preservation and Relocation Assistance
	PD-6: Mobile Home Park Conversion to Cooperative
	PD-7: Tenant Relocation Assistance
	PD-8: Just Cause Eviction Protections
	PD- 9: “Right to Return” Policies for Promoting Home Ownership
	PD-10: Regulating Short-term Rentals
Economic Displacement Strategies	ED-1: Community Land Trusts
	ED-2: Need-based Rehabilitation Assistance
	ED-3: Down Payment Assistance
	ED-4: Property Tax Assistance Programs
Cultural Displacement Strategies	CD-1: Grants/Loans to Directly Support Small Businesses
	CD-2: Financing Ground Floor Commercial
	CD-3: Preservation Development Authorities (PDA) and Ports
	CD-4: Commercial Community Land Trust
	CD-5: Community Benefits/Development Agreements
	CD-6: Micro-retail and Flexible Cultural Space Design
	CD-7: Business Incubators, Co-working Spaces and Artisan/Makers Spaces

## Strategies to Address Physical Displacement

This category includes strategies to preserve affordable housing to prevent the displacement of residents. It also includes tenant protections that reduce the likelihood of evictions or foreclosures, and mitigation strategies to help low-income tenants with relocation when it cannot be avoided.

## PD-1: Strategic Acquisition and Financing of Existing Multi-family Housing

To better retain affordable housing, cities, counties and housing authorities can catalog naturally occurring affordable housing and housing with income restrictions or covenants that are about to expire. Some of this information could be found in the HNA or with further analysis of HNA data. Cities, counties and housing authorities may then identify funds to acquire existing multifamily buildings that serve low- or moderate-income residents to avoid displacement of residents. Selected properties should be likely targets for redevelopment with residents otherwise unable to afford to stay in the neighborhood or projects with expiring affordability contracts. Alternatively, public funds can support private or non-profit owners of buildings with expiring affordability covenants, as discussed in the next strategy. This practice preserves existing communities and retains long-term affordable housing stock.

*Examples:* [Highland Village Apartments](#) in Bellevue; [Multi-agency effort](#) to preserve 337 units of expiring Section 8 senior housing across Washington

## PD-2: Support Third-party Purchases of Existing Affordable Housing

Community-based organizations, non-profits and community land trusts can be important property owners within a neighborhood. Using public resources to empower trusted institutions can preserve or create affordable housing and space for community-serving organizations and businesses.<sup>29</sup> Municipal and other funds can assist these institutions in land and property acquisition efforts that preserve affordable housing and prevent displacement within a neighborhood.

*Examples:* [SCIDpda partnership](#) with Seattle Office of Housing; Oregon public-private [affordable housing preservation](#) initiative

## PD-3: Notice of Intent to Sell / Sale Ordinance

A “Notice of Intent to Sell” ordinance requires owners of multifamily buildings to provide official notification to tenants and local housing officials. This ordinance can apply specifically to properties with rents at or below certain income levels. The notice gives public authorities the opportunity to plan for a potential purchase in the interest of preserving housing that serves low- or moderate-income residents. It also acts as a mitigation measure for residents, providing additional time to prepare for a potential need to move.

---

<sup>29</sup> Authorized in [RCW 35.21.685](#)

### Rental protections: SB 5600

Renter protections help avoid or slow the process of displacement for individual households by providing access to legal resources or more time and/or resources to find another place to live.

In Washington state, the relationship between landlords and tenants is regulated in part by the **Residential Landlord-Tenant Act (RCW 59.18)**. The 2019 passage of [SB 5600](#) includes several amendments to this Act that strengthen tenant protections in several ways.

First, landlords are now required to provide 14-day notice before evicting tenants based on overdue rent, as opposed to the previous 3-day requirement. Landlords are also now required to provide clear information on tenants’ rights, obligations and options (such as low-cost legal support and how to acquire materials in multiple languages) through a standardized notice to vacate; to give tenants 60-day notice, rather than the current 30 days, before increasing their rent (with some exceptions); and to provide 120-day notice to renters before ending their tenancy due to building changes such as demolition or rehabilitation.

A related strategy uses existing databases, such as the National Housing Preservation Database (NHPD) and PolicyMap, to identify properties with expiring income-restricted covenants. These resources empower cities to proactively identify units for preservation as affordable to low-income households. Puget Sound Regional Council is anticipating an update to its [regional subsidized housing database](#) in 2021 that will incorporate information about expiring affordability covenants.

Examples: [Seattle](#) and [Burien](#) legislation

#### **PD-4: Foreclosure Intervention Counseling**

Foreclosure intervention counselors serve as intermediaries between homeowners and financial institutions to advocate for at-risk homeowners in need of budgeting assistance, refinanced loan terms or repaired credit scores. Cities can use affordable housing funds to support these programs, or community land trusts can step in to purchase foreclosed property, helping to restore ownership for residents.

Examples: [State Foreclosure Fairness Program](#), [HomeSight Foreclosure Assistance Program](#), [Oregon Homeownership Stabilization Initiative](#)

#### **PD-5: Mobile Home Park Preservation and Relocation Assistance**

Mobile home parks can be prime locations for higher density redevelopment in communities with strong demand for new housing. However, they also provide relatively affordable housing to residents in lower-income brackets. Therefore, some communities use strategies to preserve mobile home parks and avoid displacing residents. One example of policy language addressing this issue is King County's "[Skyway-West Hill Land Use Subarea Plan](#)." Housing policy in this plan specifically states that King County should prioritize "the preservation of existing mobile home parks" and stipulates that "any proposal to redevelop an existing mobile home park include evaluation and mitigation of residential displacement impacts."<sup>30</sup>

In some cases, displacement of mobile home park residents cannot be prevented. The Washington State Department of Commerce offers a [manufacture/mobile home relation assistance program](#) that provides financial resources to assist displaced residents, particularly those who meet low-income thresholds. This is a mitigation measure that should be used only in circumstances where preventive actions to preserve mobile home parks are unsuccessful.

#### **PD-6: Mobile Home Park Conversion to Cooperative**

A community investment program for mobile home parks offers financial tools enabling mobile home park residents to organize and purchase the land that serves their community. Mobile home parks often house moderate- and low-income residents, and this program, which operates as a co-op, protects residents from unexpected rent increases over time. It also empowers residents to complete much-needed deferred maintenance projects.

The Washington State Housing Finance Commission, in partnership with Resident Owned Communities (ROC) Northwest and ROC USA, offers the financial tools and expert guidance for manufactured-housing ("mobile-home") communities to become self-owned cooperatives. The commission works in partnership with ROC USA

---

<sup>30</sup> King County, "Skyway-West Land Use Subarea Plan, King County Comprehensive Plan," (2019), <https://www.kingcounty.gov/~media/Council/documents/CompPlan/2020/transmittal-docs/AttF.ashx?la=en>

to provide financing for the purchase, and sometimes improvement, of the property. This financing means a bank loan with favorable terms for the cooperative.<sup>31</sup>

### **PD-7: Tenant Relocation Assistance**

Upzoned neighborhoods may see an increase in demolition of existing housing units to build newer, higher-density housing types. This process displaces existing tenants who then incur moving costs. Local governments, authorized by [WAC 365-196-835](#) and detailed in [RCW 59.18.440](#), can pass an ordinance that requires developers, public funds or a combination of the two to provide relocation funds for these displaced tenants. Tenants at or below 50% of the county median income, adjusted for family size, qualify for available funds. Resident relocation assistance as a result of public action is required, with details outlined in [RCW 8.26](#).

*Example:* [Seattle](#) legislation

### **PD-8: Just Cause Eviction Protections**

Washington state requires that tenants receive at least 20-day notice when asked to leave a property. However, state law does not require landlords to provide an explanation for the demand.<sup>32</sup> This is particularly disruptive for those without longer-term lease agreements, such as month-to-month tenants. Local jurisdictions can pass just cause eviction protections that mandate that landlords provide tenants a legally justifiable reason when being asked to vacate. Legally justifiable reasons may include failure to pay on time or meet terms of the lease agreement, sale of the building or the owner's desire to assume occupancy of the unit. This protection does not avoid displacement, but it promotes rental stability and provides legal recourse for residents who are asked to vacate without reasonable justification.

*Examples:* [Burien](#) and [Seattle](#) legislation

### **PD- 9: "Right to Return" Policies for Promoting Home Ownership**

A "right to return" policy works to reverse the effects of past physical displacement by providing down payment assistance for first-time homebuyers who can prove that they have been victims of displacement. Programs may prioritize cases of displacement by direct government action.

In Portland, priority is given to residents of certain neighborhoods whose property, or whose parents' property, was seized through eminent domain, which has historically impacted communities of color and low-income residents at disproportionate rates. Northeast Portland is one qualifying neighborhood, where displacement from public urban renewal projects in the early 2000s contributed to a dramatic decrease of the neighborhood's historically Black community.<sup>33</sup>

*Example:* [Portland Housing Bureau](#)

### **PD-10: Regulating Short-term Rentals**

Many communities have adopted short-term rental (STR) regulations to reduce their impact on displacement and housing affordability. A first step is to track STR activity by requiring registration and reporting from owners of these units. Policy regulations should prioritize actions that reduce the likelihood of converting long-term rentals into STRs. Some examples include:

---

<sup>31</sup> Washington State Housing Finance Commission, <https://www.wshfc.org/mhcf/manufactured.htm>

<sup>32</sup> [RCW 59.18.200](#), [RCW 59.18.220](#)

<sup>33</sup> Portland Housing Bureau, North/Northeast Neighborhood Housing Strategy, [Displacement in North and Northeast Portland](#)

- Restrict short-term rentals to zones allowing tourist accommodations (e.g., City of Chelan).
- Set caps on the number of allowed short-term rentals per host (e.g., Seattle, Okanogan-Methow).
- In a residential zone, limit the number of nights a short-term rental can be rented to guests annually (e.g., Bend, Oregon). This helps minimize the ownership of property purely for use as a full-time short-term rental.
- In a residential zone, permit short-term rentals within an owner-occupied residence.
- Require permanent resident occupancy for a period of time prior to the unit being offered for short-term rental.

In addition, as a mitigation measure, STRs can be charged transient rental or hotel taxes, with revenue contributing to anti-displacement initiatives.

The regulation of short-term rentals can be complex and involve establishing an annual license or permit, standards for the protection of guests and/or standards for the protection of neighbors. There may also be a need for added code enforcement resources.

To learn about short-term rental regulations, a few resources include the following:

- Sustainable Economies Law Center: [Regulating Short-Term Rentals: A Guidebook for Equitable Policy](#), March 2016, by Eskandari-Qajar, Yassi and Janelle Orsi
- Dinatale, Sadie, University of Oregon: [Assessing and Responding to Short-term Rentals in Oregon](#), 2017
- MRSC: [12 Examples of Short-Term Vacation Rental Regulations](#), 2017

*Example programs:* [Kirkland](#), [Chelan](#) and [Seattle](#) in Washington; [Cannon Beach](#) and [Bend](#) in Oregon

## Strategies to Address Economic Displacement

These are proactive strategies focused on making residents more economically resilient and less vulnerable to rapidly rising housing costs.

### ED-1: Community Land Trusts

A community land trust (CLT) is a non-profit organization, owned by a collective of community members, which buys and holds land within a neighborhood. It may raise funds through public or private sources to build structures on this land to be used for community purposes or to be sold to low- or moderate-income residents. These building occupants pay a monthly land lease fee to the trust, which maintains ownership of the land itself. CLTs build community wealth by cooperatively owning land and provide affordable housing within a neighborhood. They also prevent displacement by keeping ownership of the land and property out of the private market and ensuring that new development serves community goals such as housing affordability. Public policy can support CLTs by land donation or contributing funds for land acquisition.

*Examples:* [Homestead](#) in Seattle, [Proud Ground](#) in Portland, [Kulshan](#) in Bellingham, [Home Trust](#) of Skagit County

### ED-2: Need-based Rehabilitation Assistance

Rehabilitation projects for existing housing that serves low- and moderate-income residents encourages community longevity. Need-based rehabilitation assistance helps low-income, disabled or senior residents make needed home repairs and safety upgrades by offering favorable financing terms or time-limited tax abatements to qualified homeowners. Projects that address weatherization and energy efficiency improvements can improve long-term affordability for the homeowner by reducing monthly energy costs.



- Affordable housing funds can be used to directly provide loans or to partner with non-profit organizations specializing in this type of work.
- RCW 84.37 and RCW 84.38 provide for property tax deferral for homeowners with limited incomes.
- Local housing web sites may also provide information about state and local programs for home repair assistance and help with energy bills.

*Examples:* Seattle [Home Repair Loan Program](#), Washington state [Low-Income Weatherization Program](#), [Rebuild Together](#), [Piece by Piece](#) Atlanta

### **ED-3: Down Payment Assistance**

Some renters desire long-term investment in a neighborhood through home ownership. Saving enough money for a down payment can take years for many households. Economic displacement pressures can push these households to relocate long before their savings accounts are sufficient for a home purchase. Down payment or assistance programs proactively address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with home ownership education courses to encourage financial preparedness for participants. Many programs target first-time home buyers. Home ownership is not the best fit for all households, but many renters pay a mortgage-equivalent in rent and desire the added stability offered by ownership.

*Examples:* Washington State Housing Finance Commission (WSHFC) [down payment assistance](#) and [homeownership education](#) programs; city programs in [Seattle](#), [Bellingham](#) and [Tacoma](#)

### **ED-4: Property Tax Assistance Programs**

Certain neighborhoods experience dramatic increases to property values that result in proportional increases to property tax values. Longtime residents who own their home but wish to stay in their neighborhood but struggle to keep up with these cost increases can be helped through a property tax assistance program. This currently exists in Washington for widows and widowers of veterans, but other states have introduced programs that offer this assistance to low-income, elderly, or disabled homeowners as well. Maryland's program extends this benefit to renters who often bear the burden of property tax payments through increased rental rates.

*Examples:* [Department of Revenue Veterans Program](#), Tennessee [property tax relief program](#), Maryland [homeowner](#) and [renter](#) assistance programs

## **Strategies to Address Cultural Displacement**

Strategies addressing cultural displacement preserve business and cultural anchors to maintain the physical spaces that support place-based social networks. These actions protect, foster and minimize physical displacement of existing businesses or anchors and provide for appropriate and affordable commercial/cultural space in new development.

Success stories tend to use multiple strategies to achieve affordable commercial and community space in new development, and at least one nonprofit is usually involved. The [Liberty Bank Building layers multiple tools and strategies](#) to support Black-owned businesses in the Central Area of Seattle. Among a host of affordable housing grants and loans, grants from the Capitol Hill Housing Foundation and [KeyBank](#) support business development and help maintain affordable commercial rent. Capitol Hill Housing, a nonprofit developer, has

set forth a path to Black ownership of the building. In the meantime, commercial units are condos owned by Capitol Hill Housing. The hope is that businesses will eventually own their own spaces.<sup>34</sup>

Similarly, a host of [funding sources](#) financed [Plaza Roberto Maestas](#), a transit-oriented mixed used development with affordable housing, affordable commercial space, community center and childcare center. Notably, an Enterprise Community Partners grant enabled El Centro de la Raza, a nonprofit property owner, to build its capacity to manage and operate the retail space and cultural center.

### **CD-1: Grants/Loans to Directly Support Small Businesses**

Small businesses and cultural anchors, especially in areas with high displacement risk, may struggle to invest in their space and keep up with rent. Washington state law establishes local governments' authority to support businesses:

**Economic development programs.** "It shall be in the public purpose for all cities to engage in economic development programs. In addition, cities may contract with nonprofit corporations in furtherance of this and other acts relating to economic development" (RCW [35.21.703](#) and, for counties, RCW [36.01.085](#)).

**Restrictions on city/county funds.** Washington's prohibition against using general government funds for gifts or loans to private parties for economic development ([State Constitution, Article 8, Section 7](#)) is often [cited as a barrier](#) to supporting businesses and cultural anchors. It can be hard to justify how funding the business or organization provides "necessary support of the poor and infirm." Instead of using this prohibition to take affordable commercial space off the table, communities are getting creative about how to support their important spaces by using federal and private funds—which have greater flexibility than general city/county funds—and a variety of partnerships described below.

**Federal and private funds.** Federal and private funds, without the stringent restrictions on general city/county funds, can pay rent and operating costs. The city of Seattle's Office of Economic Development's [Small Business Tenant Improvement Fund](#) uses private money and federal funds (outside of the city's general fund) to support small and Black, indigenous, and people of color (BIPOC)-owned businesses where there is a high risk of displacement. A limited-liability company, overseen by the city but not a city entity itself, manages a federal tax credit program and investor fee revenues.

Seattle uses federal CDBG funds for its [Small Business Stabilization Fund](#) and recently shifted further CDBG funds here to [better support businesses impacted by the coronavirus pandemic](#). Seattle's [Cultural Facilities Fund](#) also aids organizations and businesses with initial rent or building improvements.

**Community lenders.** Seattle also connects small and entrepreneurial businesses with [community lenders](#). These loans are flexible for meeting a range of needs. Sharia-compliant loans—where no interest is charged and fees are based on profit—are important for businesses who are prohibited from paying interest on loans for religious reasons.

### **CD-2: Financing Ground Floor Commercial**

Because of state restrictions on city/county funds, financing the commercial space can be more challenging than the affordable housing on the upper floors. However, cities and counties can use federal and private funds. Seattle used federal CDBG funds to support the [Liberty Bank Building](#) redevelopment, which includes affordable commercial space and community amenities on the ground floor. Using the federal funds avoids

---

<sup>34</sup> See All-In Cities, [Tenant/community opportunity to purchase](#)

the state restrictions; however, CDBG’s regulatory process and compliance is challenging, especially for smaller projects that can’t absorb that cost.

### **CD-3: Preservation Development Authorities (PDA) and Ports**

Partnering with PDAs and ports can also offer flexibility in providing affordable commercial and arts spaces. PDAs, as quasi-public corporations, serve and are accountable to the public and administer public funds, while having the flexibility of a corporation. PDAs are particularly useful for developing and maintaining the ground floor space for commercial and arts activities and leasing to businesses and nonprofits. Ground floor improvement costs can otherwise be insurmountable to individual businesses and nonprofits. A sampling of PDAs include:

- The [Africatown-Central District Preservation and Development Association](#) partnered with [Capitol Hill Housing](#), The Black Community Impact Alliance and Byrd Barr Place to develop [The Liberty Bank Building](#) in Seattle’s Central District. Africatown and Capitol Hill Housing are PDAs; they use traditional housing funds to finance the housing aspects of their projects, but they also raised funds to finance the commercial space. The Capital Hill Housing Foundation, a 501(c)(3) nonprofit, raises funds to support the PDA.
- The Seattle Chinatown-International District Preservation and Development Authority ([SCIDpda](#)) develops and manages property and supports economic and community development. They manage over 200,000 square feet of commercial space for small businesses, nonprofits and service providers. SCIDpda has been working in Chinatown-International District for over 40 years.
- The [Pike Place Market PDA](#) owns and manages properties in the Pike Place Market historic district, preserving space and supporting small and marginal businesses. It has been operating since 1973.
- The Town of Twisp created the [Twisp Public Development Authority](#) to purchase property in 2009 and develop the business incubator TwispWorks. It is transferring ownership to the TwispWorks Foundation over time.

*Resource:* [Structure for Stability: Recommendations for Developing Affordable Community-Based Cultural Space \(Seattle, 2019\)](#)

### **CD-4: Commercial Community Land Trust**

Like the community land trusts (ED-1) mentioned above, these nonprofit corporations secure and maintain access to land for public benefit, in this case, to preserve affordable commercial space. Preservation of existing affordable business and cultural space is often more useful than new construction, especially when considering the economics of nonprofit arts organizations that may need specialized physical spaces and micro-businesses that struggle to afford rents in new construction. Land trusts can help preserve existing affordable space or increase affordability in new space.

- The [Africatown Community Land Trust](#) acquires, develops and maintains land in the Seattle area for Black communities. With Capitol Hill Housing, it will jointly own a portion of the [24th and Union \(Midtown Center\) property and development](#).
- Community Arts Stabilization Trust ([CAST](#)) is a nonprofit real estate development and holding company that maintains affordable space for arts nonprofits in San Francisco. Its first projects included acquiring two buildings for arts organizations at risk of displacement, stabilizing the rents, offering the organizations the opportunity to purchase the buildings in seven to 10 years and building into the deed a restriction that the buildings could only be used by arts nonprofits.

*Resources:* [Commercial Community Land Trusts](#)

## CD-5: Community Benefits/Development Agreements

Development agreements, or community benefits agreements, are voluntary, negotiated contracts between a developer and a city/county that specify the public benefits the development will provide and each parties' responsibilities. They can achieve affordable housing, affordable commercial space, community gathering space and other public amenities. For example, developers can agree to build out the ground floor space for small businesses and cultural anchors, making it more affordable for them to get into a new space, and then gradually afford market rent over time. The [Delridge Grocery Co-op](#) was able to lease space in a new building with "lower-than-normal startup costs" because of the development agreement laying out the need for this type of commercial space.

Resources: [HIP Tool: Development Agreements](#)

## CD-6: Micro-retail and Flexible Cultural Space Design

Preservation of existing affordable space is typically most effective for maintaining affordability, but if you must build new or adapt a space, design the ground floor with nontraditional commercial uses in mind. Making a flexible space for a range of businesses (e.g., restaurants, micro-retail) and arts organizations will reduce initial move-in/tenant improvement costs. Seattle's [The CAP Report: 30 Ideas for the Creation, Activation and Preservation of Cultural Space](#) collects building and land use code strategies to consider when designing cultural commercial space (e.g., redefining smaller arts spaces as mercantile, not assembly spaces, to avoid expensive building code requirements).

## CD-7: Business Incubators, Co-working Spaces and Artisan/Makers Spaces

These types of shared work spaces allow businesses, artists/artisans and nonprofits to pool resources in a shared space and spark collaboration. They are typically run by nonprofit organizations.

- [Mighty Tieton](#) is an artisan business incubator in Tieton, Washington. Businesses share warehouse space, marketing platforms and shipping and fulfillment services.
- [TwispWorks](#) is a nonprofit-run campus in Twisp, Washington, that offers space for businesses, nonprofits, artists, craftspeople and community members.
- [OlyMEGA](#) is a nonprofit organization that runs a [makerspace](#)—a shared work space with tools—in downtown Olympia for "makers, engineers, geeks and artists." [FabLab Tacoma](#), [Yakima Maker Space](#) and [Spokane CREATE!](#) are similar spaces throughout the state.
- [Black & Tan Hall](#) in Hillman City, Seattle, is a cooperatively owned performing arts venue and restaurant.
- The [Hillman City Collaboratory](#) in Southeast Seattle is a co-working space offering affordable office space to nonprofits.
- Spokane's [uWorkSpace](#) is a coworking space with meeting rooms.

## Others

Other strategies, including some that could be adapted for small business and cultural anchor support, include:

- [Racial equity impact assessment](#) and business support during public infrastructure construction (e.g., [Seattle Department of Transportation](#) and [Sound Transit](#) toolkits)
- Business relocation and business planning assistance when physically displaced (e.g., [WSDOT Non-Residential Relocation Assistance Program](#))
- [Cooperative Ownership Models - Equitable Development Toolkit](#)
- [Worker-owned Cooperatives](#)
- [HIP Tool: Affordability Covenants](#) (adapted for small businesses)
- [Rental Relocation Assistance](#) (adapted for small businesses)

## ○ [Healthy food business development](#)

### **Additional Resources**

Take a deeper dive into anti-displacement work happening across the country with these policy toolkits and topic-based reports:

- [All-In Cities Toolkit](#) offers policies, actionable strategies and resources for anti-displacement.
- Grounded Solutions Network's [policy toolkit](#) includes information and policies on inclusive growth.
- New York's Association for Neighborhood & Housing Development created an inventory of anti-displacement [policy tools](#), featuring proposals for rental protections and creative tax initiatives.
- [The Evictions Study](#) – A detailed study of eviction trends and patterns by county in Washington state. Also, an [interactive map](#) showing estimated relative risk of eviction by neighborhood in King, Pierce, Snohomish and Whatcom counties.
- [Urban Displacement Project](#) – Among the many resources on this website is an [interactive mapping tool](#) that shows all the anti-displacement policies in place by jurisdiction across the entire San Francisco Bay Area. It also shares research and case studies with a focus on California, New York and Portland. See also a great [literature review](#) on the relationship between public investment and displacement and gentrification.
- Detailed analysis of evictions in Seattle with the [Losing Home](#) report, produced by the Seattle Women's Commission and the King County Bar Association. Policy recommendations are found on pages 76-84.
- Seattle's [The CAP Report: 30 Ideas for the Creation, Activation, and Preservation of Cultural Space](#) gathers strategies to foster cultural spaces vulnerable to development-driven displacement.
- [Value Capture Financing in Washington](#) is a Puget Sound Regional Council report documenting various strategies associated with transit-oriented development communities. The report documents creative funding mechanisms for capturing increased property values for community reinvestment.
- [Gentrification and Residential Mobility in Philadelphia](#) documents trends of displacement and how, for lower-income households, this leads to relocation into neighborhoods with poorer access to resources.



# Chapter 6: Implementation and Monitoring

The effectiveness of your HAP relies on your jurisdiction’s ability to implement and monitor the HAP. An implementation plan provides your jurisdiction with a roadmap for taking the recommended actions in your HAP and turning them into enacted regulatory and program changes. A monitoring program provides a system for measuring the effectiveness of your housing actions in achieving your strategic housing objectives. This chapter provides guidance on both of these essential HAP components.

## Develop an Implementation Plan

### Implementation Planning Matrix

An implementation planning matrix is a framework for organizing and prioritizing the actions in your HAP. For each action, it identifies responsible parties, resources needed, implementation steps, and a target timeline for completion. Think of it as a work plan for implementing your HAP. The same matrix can be used to track progress towards implementation in annual reports or as a live document on your website. The key elements of an implementation planning matrix are as follows:

- An action’s **priority** is determined by how critical it is for accomplishing the housing goals or objectives (see sidebar).
- The anticipated **timeline** for each action refers to how long it will take to implement that action. For example, categorizing actions as near-term (0-2 years), medium-term (3-5 years) and long-term (6-10 years).
- The matrix should identify **responsible parties** for each action. These can be departments or organizations that are key players in completing this step. Categorize parties as primary and secondary according to their needed level of involvement.
- The **method of accomplishing the action**, such as legislative, administrative or partnership development, should be noted.
- It is important to assess and plan how much **investment** and the level of effort an action requires, including staff and volunteer hours and financial resources, which can affect the action’s timeline.

Exhibit 50 shows a simple example format for an implementation planning matrix for organizing this information. After identifying these elements for each action, it is easy to group actions to reveal priorities and responsible parties. Use this tool to begin allocating resources and starting processes necessary to accomplish the actions you’ve identified to meet your community’s housing needs. Below are some examples of well-designed implementation plans.

### Setting Priorities

Given limited time and resources of the local government and public, it is important to set priorities for which actions to pursue first, which can wait for favorable circumstances and which are less urgent but still important long-term commitments.

Some factors to consider:

- Degree of public support for each action and how much that support depends on the momentum coming out of the HAP process.
- Level of staff resources required to implement each action.
- Timing of public engagement processes and/or environmental evaluation associated with certain actions.
- Legislative timelines for implementing actions.
- How much the action is likely to affect housing production or affordability –i.e., the “bang for the buck.”
- Identifying early, simple “wins” that are cost-effective and keep momentum to implement the HAP.

## Exhibit 50. Sample Format for an Implementation Planning Matrix

Action 1.3: Update the Multifamily Tax Exemption Program to Increase Its Impact					
Priority	Timeline	Type	Lead Party	Who can assist?	Investment
High	1 year	Legislative	City Council	Community and Economic Development Department	Staff – 0.5 FTE

### Implementation Schedule and Work Plan

RCW 36.70A.600(2)(g) requires that all HAPs include a “*schedule of programs and actions to implement recommendations.*” A good example of a schedule and work plan is shown in the "[Bainbridge Island 2017 Comprehensive Plan](#)," which identified 56 action items. In order to provide clarity about what would be necessary to achieve these items, each element of the comprehensive plan includes a work plan. The work plans consist of a matrix describing each action, along with tasks necessary to complete the action, tasks currently in progress and any completed tasks. The work plan also includes a graphic schedule, showing timing and required staff effort from different departments for each high priority action. Progress towards implementation is reported annually. Exhibit 51 shows some excerpts from the comprehensive plan and annual work plan priorities report.

When developing your schedule, think about the following:

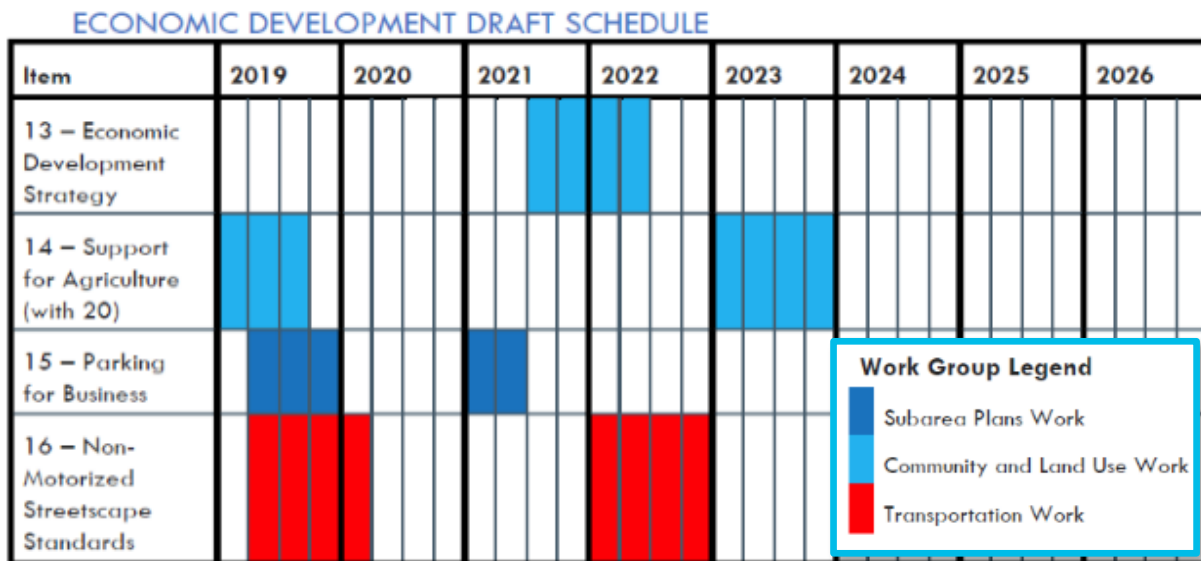
- Whether there are any windows of opportunity or time constraints that might motivate the scheduling of a high priority action
- Steps, tasks and processes that will be required to implement the action
- Investment needed for each program or action (staff time, budget, etc.)
- Annual resources available (staff time, budget, partner capacity)
- Sequencing of actions with other actions, plan updates or work priorities

Next, start putting actions on the calendar, making sure to avoid overcommitting annual resources available to support implementation. The Economic Development Draft Schedule in Exhibit 51 is a simple example.

## Exhibit 51. Bainbridge Island 2017 Comprehensive Plan Economic Development Element Work Plan and 2019 Year-End Plan Priorities

	Implementing Actions	Tasks to Complete	Tasks in Progress	Completed Tasks
15	<u>High Priority EC Action #3</u> Assure that adequate parking is available to support businesses.	Begin strategy development Develop code updates	Implement medium term strategies	Winslow parking study
16	<u>High Priority EC Action #4</u> Identify capital projects and streetscape standards to implement Policy EC 11.1, to improve non-motorized facility links between the ferry terminal, downtown Winslow, and the harbor.	Transportation Improvement Plan Update Update streetscape standards	Capital Improvements Plan (CIP) Update	

Source: [City of Bainbridge Island Economic Development Element Workplan and Schedule, 2019 \(p. EC-1\)](#)



Source: [City of Bainbridge Island 2019 Year End Report Comprehensive Plan Implementation Update \(p. EC-2\)](#)

**Task 2.3.2**

Jan 01, 2019 - Dec 31, 2019 Completed Progress 100%

**EC Action #3 - Task 2**

Implement Medium Term Parking Strategies

During mid-2019, City staff met with downtown Winslow stakeholders to review options for short-term parking initiatives identified in the 2017 parking study. There was no consensus from community stakeholders to support the proposed changes. No further action is planned.

Source: City of Bainbridge Island [2019 Year End Report Comprehensive Plan Implementation Update \(p. 16\)](#)

## Additional Implementation Plan Examples

### Tacoma Affordable Housing Action Strategy

The [Tacoma Affordable Housing Action Strategy](#) (AHAS) includes a matrix that identifies steps for implementation, timeframe, responsible lead and additional parties who can assist with implementation. An excerpt is shown in Exhibit 52. The AHAS also recommends several additional mechanisms to track implementation progress and monitor, evaluate, and adapt recommended actions to conditions over time.

- Use the [Housing Market Policy Dashboard](#) to evaluate the estimated performance of market-based tools and monitor their performance under changing market conditions.
- Develop a two-year implementation checklist to help translate implementation steps into concrete actions by city departments and partners. This tool will help track progress, make adjustments and inform budget requests.
- Create an annual scorecard that reports performance. The AHAS sets 10-year targets for each strategic objective, with a goal to reach 10,500 households by 2028. These targets enable the city to track and report its progress along three key metrics:
  - Number of units produced
  - Number of units preserved
  - Number of households served

### Exhibit 52. Implementation Plan Item from Tacoma Affordable Housing Action Strategy

HOW WILL THIS ACTION BE IMPLEMENTED?	WHEN WILL WORK HAPPEN?	WHO CAN LEAD IMPLEMENTATION?	WHO CAN ASSIST WITH IMPLEMENTATION?
<b>ACTION 1.5</b> Create consistent standards for fee waiver eligibility and resources to offset waived fees.			
<ul style="list-style-type: none"> <li>• Allocate additional local funding to offset waived fees (e.g., general funds, Tacoma Housing Trust Fund, etc.).</li> <li>• Develop criteria for eligible projects (such as share of income-restricted units in development, income levels served, location [near transit or services], etc.).</li> <li>• Coordinate solicitation and evaluation of projects seeking fee reductions or waivers with other local solicitations for housing funds, such as Tacoma Community Redevelopment Authority's annual NOFA.</li> <li>• Conduct outreach to affordable housing developers about available resources and selection process.</li> </ul>	Immediate (1–2 years)	Planning and Development Services Department  Public Works Department	<ul style="list-style-type: none"> <li>• Community and Economic Development Department</li> <li>• Tacoma Housing Authority</li> <li>• Local and regional developers</li> </ul>
<b>ACTION 1.6</b> Create a process to coordinate public investments, like capital improvements, with affordable housing activities to reduce the overall cost of development.			
<ul style="list-style-type: none"> <li>• Map key decision making and timelines associated with developing the city's Capital Improvement Plan and ongoing community-development activities (e.g., NOFA solicitation, CBDG investments, etc.).</li> <li>• Create criteria to assess public infrastructure related to affordable housing development, including target areas for affordable housing policies or programs or planned affordable housing developments.</li> <li>• Develop coordinated process that can be used as part of capital improvement planning.</li> <li>• Identify lead department to integrate coordinated process into the Capital Improvement Plan.</li> </ul>	Immediate (1–2 years)	City Manager's Office	<ul style="list-style-type: none"> <li>• Planning and Development Services Department</li> <li>• Environmental Services Department</li> <li>• City Manager's Office</li> <li>• Community and Economic Development Department</li> <li>• Tacoma Public Utilities</li> </ul>

Source: [City of Tacoma](#), 2018.

## Plan Bay Area 2040 Action Plan

In planning, greater length does not equal greater effectiveness. In just a handful of pages, "Plan Bay Area 2040" lays out its action plan for housing, economic development and resilience in the San Francisco Bay area. Concise descriptions of regional efforts are accompanied by efficient graphics identifying implementation partners and timelines for evaluation and execution (Exhibit 53). By making it easy to access and visually grasp the expectations for action, this plan makes it easy for staff, residents and journalists to push for the completion of plan actions and keep up momentum from the planning process.

### Exhibit 53. Excerpt from Plan Bay Area 2040 Action Plan

Housing Actions	Partners and Timeframe
<p><b>Advance regional "self-help" funding and financing solutions for housing:</b> Develop a plan for generating regional revenues for the production and preservation of housing affordable to low- and moderate-income households (could include measures such as a parcel tax, commercial linkage fee or other dedicated funding). Evaluate the creation of innovative financing tools, such as a regional infill Infrastructure Bank, a land bank or a Regional Housing Trust Fund, to support new housing or infrastructure improvements.</p>	<p><b>MTC/ABAG, CASA, local jurisdictions</b> Evaluate</p> <p>1-2 YEARS</p> <p>Execute</p> <p>2 - 4 YEARS</p>
<p><b>Advance state legislative and funding solutions:</b> Support state legislative or funding opportunities that advance the objectives of this Action Plan, including securing a permanent source of affordable housing funding, increasing community stabilization and lessening displacement risk, reducing costs and barriers to housing development, incentivizing developers to create workforce and low-income housing, incentivizing the creation of accessory dwelling units, as well as other measures that will contribute to increased supply of both market-rate and affordable housing.</p>	<p><b>State legislature, MTC/ABAG, CASA, local jurisdictions</b></p> <p>2 YEARS</p>

Source: [Metropolitan Transportation Commission and Association of Bay Area Governments](#), 2017.

## Develop a Monitoring Program

The only way to know if your housing actions are successful is to measure and report on outcomes. By developing a monitoring program, your community can track progress toward achieving housing goals and identify actions that have not been as effective as planned.

## Identify Performance Metrics

For each action in your plan, identify performance metrics that can be used to track progress or outcomes over time. To identify appropriate metrics, first consider what change the action is designed to make in your housing system. Then consider the best available data source for tracking outcomes associated with that change.

A simple example is shown in Exhibit 54. It links a housing action to a measurable strategic objective and an appropriate performance metric for which data is already being collected. It also provides a goal that can be used to evaluate whether the action is working well enough or whether additional actions are needed.



## Exhibit 54. Example Framework for HAP Performance Measurement

Action	Strategic Objective	Performance Metric	Performance Target
Allow detached accessory dwelling units (DADUs) in single family residential zones	Increase the diversity of housing options available in historically single family neighborhoods	DADU permits	Permit 500 new DADUs before 2024 (125 units per year)

In some cases, it doesn't make sense to have a unique performance metric and goal for each individual action. For instance, a city may adopt a series of different incentives for affordable housing production that are meant to work together as a package. The strategic objective of the entire package is to increase the number of new income-restricted affordable units built. Therefore, it makes sense to use an individual performance metric (affordable units built) for evaluating the effectiveness of the package. In this case it may also make sense to track how often developers use the individual incentives to determine if some may not be created in a way that is feasible to implement. Interviews with housing developers following implementation can also be helpful to get feedback on what is working well and where there may still be barriers.

### Integrate your Monitoring Program with Established Practices

One challenge many communities face is maintaining a monitoring program after the planning process is complete. This challenge is particularly acute in smaller jurisdictions with limited or no spare capacity for taking on additional tasks. One solution is to select performance metrics and a schedule for monitoring that builds on existing activities that are already being tracked. These could include:

- Comprehensive plan monitoring programs
- Buildable lands reports
- Growth monitoring
- Priority-based budgeting<sup>35</sup>
- Annual reports or updates to elected officials

By building your monitoring program on established practices or efforts within your jurisdiction, you can gain efficiencies, promote coordination and goal consistency between initiatives, and decrease the chances that your ongoing monitoring program will be deprioritized in years to come.

### Report on Outcomes

There are three ways to track and report on outcomes in your monitoring program. Each serves an important purpose.

### Implementation Progress

Track and report on progress toward implementation of actions identified in your plan. As discussed in the implementation plan section above, this includes identifying if work on an action has begun, what tasks or

---

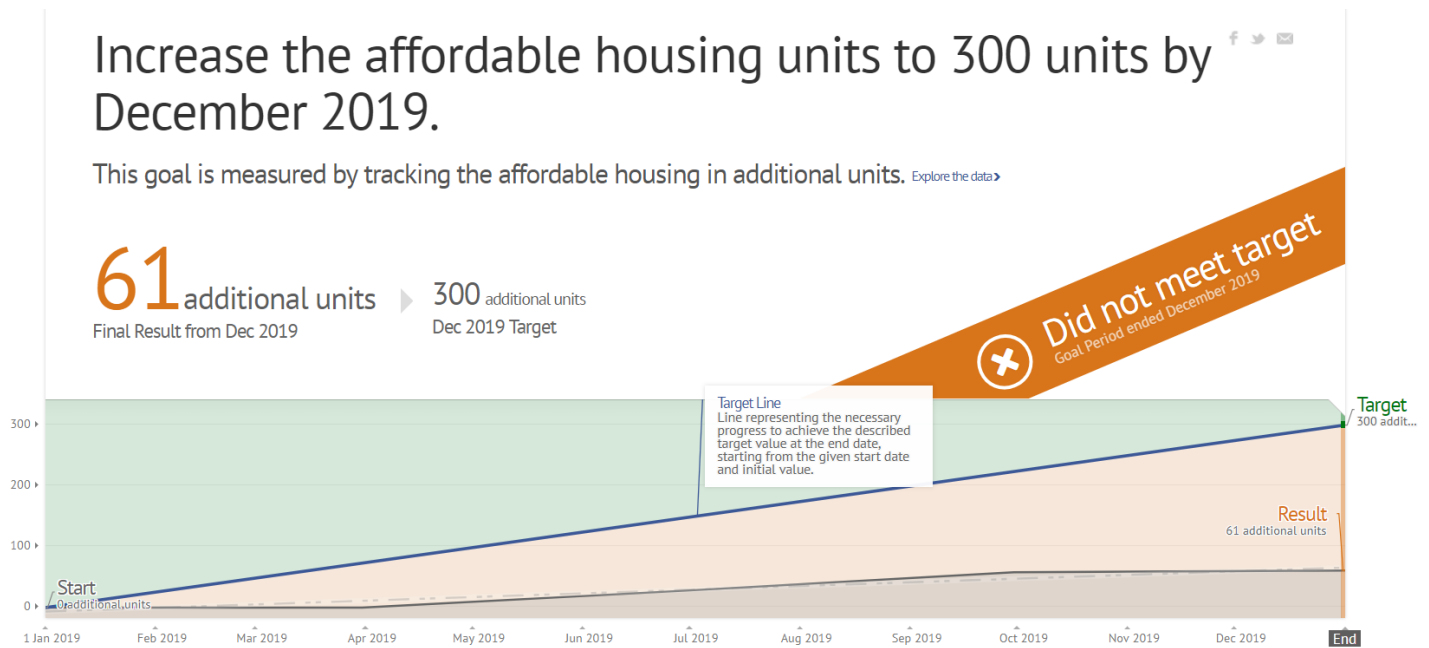
<sup>35</sup> For examples see: Baily, Mike. 2015. Building the Budget around the Community it Serves. <http://mrsc.org/Home/Stay-Informed/MRSC-Insight/June-2015/Building-the-Budget-around-the-Community-it-Serves.aspx>

portions of the work have been completed or if the action is complete. Exhibit 51 includes an [example](#) from Bainbridge Island Comprehensive Plan.

## Measuring Progress Toward an Outcome Goal

Assess whether you are on track to achieve an outcome goal, such as a target number of new affordable units built by a certain year. The city of Tacoma does this in its [Results 253](#) website for performance monitoring across multiple city programs. An example visualization showing cumulative progress over time is shown in Exhibit 55. The city also includes a discussion about the actions it has taken to achieve the goal.

### Exhibit 55. Affordable Housing Stock Goal in Tacoma’s Results 253 Data Portal



Source: [City of Tacoma](#), 2020.

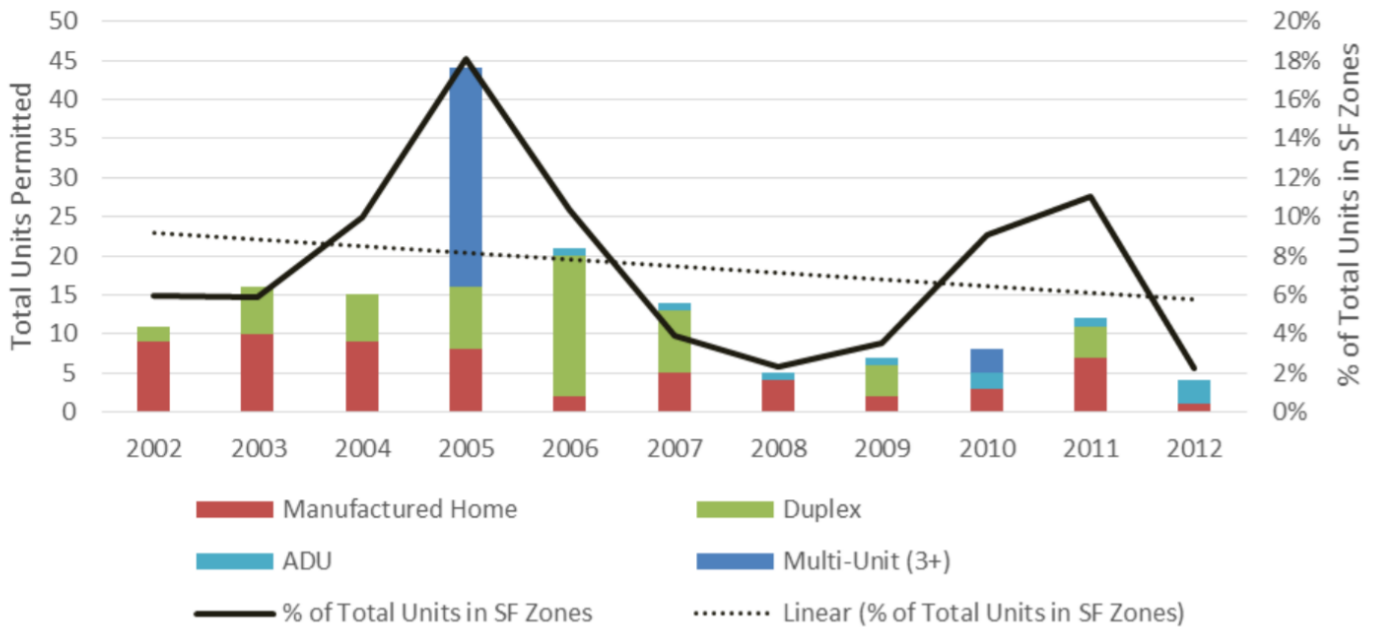
## Monitoring Outcomes over Time

In addition to measuring progress from implementation toward a target goal, it can be helpful to track and visualize a performance metric over time, including before and after implementation of an action. This can be useful for understanding whether the actions taken had their intended effect or not. An example of this kind of tracking can be seen in the "[Draft Reasonable Measures Assessment](#)" conducted in support of the Kitsap County comprehensive plan update in 2015 (Exhibit 56). The visualizations clearly shows the peak of units generated in 2005 followed by fluctuation. The dotted black line showing non-single family unit permits as a percentage of all permits provides useful context, since all permit activity reduced during the last economic recession.

This kind of performance monitoring is best for supporting a diagnosis of what may be the cause of outcomes. For instance, there may have been a change in permit staffing levels one year and an inconsistency in the way applications were handled. Or a peak may be due to a single atypical development that isn't expected to be a trend.

## Exhibit 56. Housing Diversity: Units Permitted in Urban Growth Area (UGA) within Single Family Zones by Housing Type: 2002-2012

(Single family units excluded)



Source: Kitsap County Draft Reasonable Measures Assessment, 2015

### Additional Examples of Monitoring Programs

- Skagit County and cities: The Skagit Council of Government's [Housing Action Plan](#) (2017) has an [annual growth monitoring report](#) that includes population, housing and jobs, as well as households by income level and units available by affordability level.
- The city of Chelan's [Comprehensive Plan](#) (2017) identifies measurable objectives for evaluating the implementation of the plan. These include several measures related to housing and affordability. See Exhibit 1-4.
- Snohomish County releases annual [Growth Monitoring Reports](#) that include residential development profiles showing unit mix produced for each city/UGA.

# Chapter 7: Adopting Your Plan

## Adoption Process

The incentive program in [RCW 36.70A.600\(2\)](#) requires cities to "adopt" their housing action plan. The HAP must fulfill the requirements summarized in Chapter 1 (see Exhibit 2) to be funded through Commerce in 2020-2021. However, jurisdictions may choose to develop and adopt a HAP at any time.

Adoption occurs through a legislative process by ordinance or resolution.<sup>36</sup> By adopting the HAP, council gives planners, city staff and the community greater certainty around creating a work program, budgeting resources and carrying out implementation and monitoring.

Steps in the HAP creation and adoption process are listed in Exhibit 6. HAP Development Process and described in the foregoing chapters. Adoption is the final step before implementation can begin. The adoption process typically involves:

- **Creating a draft HAP:** See recommendations for developing objectives and a sample outline in Chapter 1 (Exhibit 5).
- **Vetting the draft HAP through a public review process:** This should include opportunities for public comment and engagement with the public and stakeholders, as well as review and recommendations by the planning commission, and ultimately a decision by the city council. Generally, there will have been opportunities for public engagement in reviewing the housing needs assessment and considering strategies. The final draft of the HAP will require at least one public hearing prior to adoption ([RCW 36.70A.130\(1\)\(b\)](#)). See [Chapter 2: Community and Stakeholder Engagement](#) for additional guidance on public participation to create a successful public review process.
- **Completing the environmental review process:** In tandem with creating and vetting the draft HAP, planners will need to conduct non-project environmental review under SEPA ([RCW 43.21c](#)). SEPA considers the adoption of plans, policies and programs under any law to be non-project actions<sup>37</sup>, and SEPA applies to these types of actions even though it may not be amending a local government's comprehensive plan or development regulations by itself. Under SEPA, an agency could broadly identify potential environmental implications of different strategies, which could be considered in formulating a final set of HAP strategies to carry forward. Limited exemptions may apply for procedural or other administrative actions. See additional recommendations about integrating the planning and environmental review process below for greatest effectiveness.
- **Preparing an ordinance or resolution for adoption:** The resolution, or ordinance, may include key findings from the housing needs assessment as the rationale for adopting the plan. While a resolution is a formal expression of opinion, will or intent of an official body, an ordinance is a local law.<sup>38</sup> Generally, the HAP can be adopted by resolution as a formal expression of intent to implement the plan.

---

<sup>36</sup> Per [RCW 36.70A.130\(1\)\(b\)](#): Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.

<sup>37</sup> See description of non-project actions at [WAC 197-11-060](#).

<sup>38</sup> See [MRSC's article](#) on ordinances and resolutions (2020).

## Tips for Managing the Adoption Process

The HAP adoption process is similar to other legislative processes under the GMA. Although planners understand and navigate plan approval processes frequently, and therefore should be familiar with the process, below are tips for managing the adoption process to a successful conclusion.

**Plan for adoption at the beginning:** Preparing for adoption should begin when establishing the project plan and schedule and public participation plan at the start of the project. Establish a critical path, and work backward from desired legislative action dates with the city council. Allow for some cushion in case more time is needed to respond to public and decision maker comments. Ensure that any administrative appeal periods for environmental review are accounted as well (see Integrating SEPA and Planning below).

**Engage decision makers along the way:** Addressing critical housing needs and defining strategic actions can inspire enthusiasm and concern from a range of stakeholders including elected and appointed officials. Engaging with decision makers early and continuously will create a smoother path for the adoption process.

**Simplify the process:** Integrating the requirements of environmental review and planning can reduce paperwork and align public comment opportunities, which creates a streamlined schedule and a more accessible process for members of the public.

### Commerce Grants and Example HAP Steps and Timelines

For cities receiving grants in 2020, initial adoption of the HAP does not have a deadline in statute, but must be completed by the end of the state biennium, when the funding ends. Each grant contract identifies completion dates for major steps and is a blueprint for managing the adoption process. Other cities or counties not receiving grants could refer to these grants for ideas on completing your own HAP.



## Example Scope of Work for a Housing Action Plan

Note: Items in italics are from RCW 36.70A.600 and MUST be included in the scope of work. Other items are suggestions, and the scope of work may include other local priorities.

Action: The goal is to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single family home market.

<b>Action 1</b>	<b>Existing conditions review</b>
Step 1.1	<i>Analyze population and employment trends, with documentation of projections.</i>
Step 1.2	<i>Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households.</i>
Step 1.3	Collect data on type, size, cost, and age of housing in the city. Collect data on rental properties (e.g. type, size, cost and age) and percentage of housing stock.
Step 1.4	<i>Review and evaluate the current housing element and other policies regarding housing, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions.</i>
Step 1.5	Review land capacity analysis and review ability of existing zoning to provide for housing needs.
Step 1.6	Review the effectiveness of current programs, development regulations and permitting processes related to housing development.
Deliverable 1	Existing Conditions and Needs Analysis Report
<b>Action 2</b>	<b><i>Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates and local religious groups.</i></b>
Step 2.1	Identify groups that should be included in outreach.
Step 2.2	Conduct public outreach to develop goals and objectives.
Step 2.3	Conduct community survey to identify demand for housing types among current population.
Step 2.4	Develop stakeholder groups to gather input from housing advocates, housing providers and social service organizations. Stakeholders may include residents, developers, neighborhood associations, tenants and religious organizations.
Deliverable 2	Public Engagement Plan and Summary of Results
<b>Action 3</b>	<b>Evaluation of policies and tools for increasing housing diversity</b>
Step 3.1	<i>Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified above.</i>
Step 3.2	<i>Consider strategies to minimize displacement of low-income residents resulting from redevelopment.</i>
Step 3.3	<i>Develop a schedule of programs and actions to implement the housing action plan.</i>
Deliverable 3	Draft Housing Action Plan
<b>Action 4</b>	<b>Project Adoption</b>
Step 4.1	Conduct public hearings (staff reports, compile outreach summaries and supporting data) and public hearings before planning commission and city council.
Step 4.2	Make changes to amendments per planning commission and city council recommendations.
Step 4.3	Prepare ordinance and/or resolution for council adoption.
Deliverable 4	Adopted Housing Action Plan

## Comprehensive Plan Amendments

A HAP is not an element of the comprehensive plan or a set of development regulations; it is more like a strategic plan or a functional plan focused on housing. The HAP is designed to inform, evaluate and prioritize policies and regulations. See [Chapter 1: Getting Started](#).

The housing needs assessment component of the HAP can be used as the housing needs assessment part of the housing element. The implementation plan can also be included in the housing element.

Naturally, the HAP process would identify gaps and amendments to policies or regulations to remove obstacles to housing supply and affordability; see [Chapter 3: Housing Policy Framework Review](#). A HAP will create a schedule of actions most likely including some comprehensive plan and development regulation amendments, as well as other types of actions; see [Chapter 6: Implementation and Monitoring](#) for developing an implementation plan.

If a HAP includes some actions that are a substantial departure from the current vision and policies, a jurisdiction could prepare a concurrent set of comprehensive plan amendments with the HAP. This could mean that the HAP is adopted in June 2021, to complete the requirements of the grant, and the comprehensive plan amendments may be included in the annual docket. Alternatively, a comprehensive update to the housing element can be planned for 2022 or the next year, complete with the new housing needs assessment, updated policies and a monitoring program, and changes to regulations and programs can follow once authorized by the housing element policies.

More likely, the HAP will identify actions that will form the basis for a multi-year work program addressed through future annual docketing processes. Through those future dockets, each HAP action can be evaluated and the appropriate adjustments to the comprehensive plan goals and policies and development regulations could be made at that time. Identifying what those changes are prior to the eight-year periodic update required by RCW 36.70A.130 provides an opportunity to ensure that other elements of the plan can be adjusted to be consistent with HAP actions.

## Integrating SEPA and Planning

SEPA ([RCW 43.21c](#)) helps government agencies consider the environment before taking actions, which includes “non-project” actions like the adoption of plans, policies and programs as well as “project” actions like development proposals ([WAC 197-11-060\(3\)](#)).

A HAP would be considered a non-project action. It would undergo SEPA review.<sup>39</sup> A jurisdiction may have several options for completing the SEPA process:

---

<sup>39</sup> Required prior to legislative action per RCW 43.21c.030 and WAC 197-11; there are limited exemptions from SEPA such as WAC 197-11-800(17) Basic data collection, research, resource evaluation, requests for proposals (RFPs), and the conceptual planning of proposals. These may be strictly for information-gathering, or as part of a study leading to a proposal that has not yet been approved, adopted or funded; [this exemption does not include any agency action that commits the agency to proceed with such a proposal](#), which a HAP does. Both Tacoma’s [Affordable Housing Action Strategy](#) and Lacey’s [Affordable Housing Strategy](#) completed non-project SEPA review. These were completed prior to state legislation on HAPs (HB 1923, laws of 2019), and the way the agencies chose to adopt them was to attach them to their comprehensive plan. However, the examples illustrate use of SEPA to consider environmental implications of housing strategies.

- **Relying on existing relevant SEPA documents** and adopting, addending or supplementing them along with threshold determinations as appropriate ([WAC 197-11-600](#)).
- **Creating a new SEPA document** and threshold determination addressing the HAP as a new non-project proposal. This may mean a DNS and a checklist ([WAC 197-11-340](#)). Potentially a DS and EIS could be prepared if the HAP were detailed and identified substantial proposed changes in policies and regulations such that it was important to review the proposals early ([WAC 197-11-360](#)). However, it is more likely that proposed actions in the HAP will be the subject of future staggered work programs with their own review processes so that the HAP activities may be more fully considered and tailored with their own public and environmental review processes.

Local governments are encouraged to integrate the requirements of SEPA and GMA so that the process benefits from environmental information and has a public engagement process that is seamless for the public ([WAC 197-11-235](#) et seq.). In the context of a HAP this would mean defining your likely SEPA path with the initial project schedule and identifying how required notices and public meetings or comment opportunities can be combined. For example, if the local government issues a DNS with a 14-day comment period, that could overlap the draft HAP hearing so that the public comment opportunities are in alignment and people can comment on both the proposals and the environmental review. An integrated SEPA/GMA process can also mean an integrated document (issued in separate volumes and at the same time for coordinated review or integrated in the same document, which may be more complex for future HAP amendments).

### Environmental Review Resources

- [SEPA Handbook \(2018 update\)](#)
- [SEPA Frequently Asked Questions](#)
- [Chapter 197-11 WAC](#)
- [WAC 197-11-210](#) thru 235: GMA / SEPA integration

## Amending Your HAP

HAP objectives and actions are a response to known housing needs, which may change over time. To be an effective strategic guide, the HAP should be reviewed and amended. However, HAPs are not required by statute and may be reviewed and amended as you have resources to do so.

A comprehensive plan is subject to periodic review approximately every eight years, and the plan is to be amended no more than once per year, with some exceptions ([RCW 36.70a.130](#)). Options for a HAP review schedule could include:

- Annual monitoring of housing data to determine if trends show emerging housing needs and adopting HAP amendments on an as-needed basis. This is an adaptive management approach.
- Reviewing the HAP every four years, which is half of the approximately eight year periodic review cycle, allowing enough time to elapse to see trends and ensure the HAP stays current as strategies are implemented.
- Reviewing the HAP with the comprehensive plan periodic review every eight years for a coordinated effort with data collection, targets and related topics such as land capacity review analysis and infrastructure investment which may be under review at a similar time.

Plan to amend your HAP in a process similar to the original HAP adoption (see Exhibit 6. HAP Development Process). The process may be more abbreviated if amendments are more targeted requiring a more tailored public participation process and environmental review.

# Appendix 1: Acronyms

2SSB - Second Substitute Senate Bill  
3-D – 3-dimensional  
ADU – accessory dwelling unit  
AFFH - affirmatively furthering fair housing  
AHAS – Affordable Housing Action Strategy (Tacoma)  
AMI – area median income  
APA – American Planning Association  
BIPOC - Black, Indigenous and People of Color  
BRT – bus rapid transit  
CDBG – Community Development Block Grant  
CLT – community land trust  
CoC - Continuum of Care  
CRF - community revitalization financing  
CWPP – countywide planning policies  
DADU – detached accessory dwelling units  
DAHP - Department of Archeology and Historic Preservation  
DNS – Determination of Non-significance  
DS – Determination of Significance  
du – dwelling unit  
E2SHB - Engrossed Second Substitute House Bill  
EIS – environmental impact statement  
EPA - Environmental Protection Agency  
ESSB - Engrossed Substitute House Bill  
FAR – floor area ratio  
FBC – form based codes  
FHA – Fair Housing Act  
HAP – housing action plan  
HB - House Bill  
HE – housing element  
HIP - Housing Innovations Program  
HNA – housing needs assessment  
HUD - Housing and Urban Development  
IAP2 - International Association for Public Participation  
IBC - International Building Code  
ICDBG - Indian Community Development Block Grant Program  
IRR – internal rate of return  
IZ – inclusionary zoning  
LIHTC – low-income housing tax credit  
MFTE – multi-family tax exemption  
MHA – Mandatory Housing Affordability (Seattle)  
MHP - manufactured home parks  
MRSC – Municipal Research and Services Center  
NHPD - National Housing Preservation Database  
NIMBY – not in my back yard  
OFM - Office of Financial Management

PAO - Planned Action Ordinance  
PDA – Preservation Development Authority  
PRA – Public Records Act  
PRD – planned residential development  
PRSC – Puget Sound Regional Council  
PUD – planned unit development  
RCW – Revised Code of Washington  
REET - real estate excise tax  
ROC – resident owned communities  
RV - recreational vehicle  
SB - Senate Bill  
SEDU – small efficiency dwelling unit  
SEPA – State Environmental Policy Act  
SHB - Substitute House Bill  
SRO – single-room occupancy  
STR – short-term rental  
TDR – transfer of development rights  
TOD – transit-oriented development  
TPP – Transportation Policy Plan  
UGA – Urban Growth Area  
USDA - United States Department of Agriculture  
WAC – Washington Administrative Code  
WSDOT - Washington State Department of Transportation  
WSHFC – Washington State Housing Finance Commission  
YIMBY – yes in my back yard



## Appendix 2: Complete List of HAP Strategies

<b>Revising Zoning Strategies</b>	<b>Process Improvements</b>
Z-1: Reduce Minimum Lot Sizes	P-1: SEPA Threshold Exemption
Z-2: Require a Minimum Density	P-2: SEPA Infill Exemption
Z-3: Upzone	P-3: Subarea Plan with Non-Project EIS
Z-4: Increase Building Height	P-4: Planned Action
Z-5: Integrate or Adjust FAR Standards	P-5: Protection from SEPA Appeals on Transportation Impacts
Z-5: Increase Allowed Housing Types	P-6: Permitting Process Streamlining
Z-6a: Cottage Housing	P-7: Subdivision Process Streamlining
Z-6b: Duplexes, Triplexes and Fourplexes	<b>Affordable Housing Incentives</b>
Z-6c: Townhouses	A-1: Multifamily Tax Exemption
Z-6d: Courtyard Apartments	A-2: Density Bonuses for Affordable Housing
Z-6e: Micro-housing	A-3: Alternative Development Standards for Affordable Housing
Z-7: Increase or Remove Density Limits	A-4: Fee Waivers for Affordable Housing
Z-8: Revise ADU Standards	A-5: Inclusionary Zoning
Z-9: Offer Density and/or Height Incentives for Desired Housing	<b>Funding Options for Affordable Housing Development</b>
<b>Additional Regulatory Standards</b>	F-1: Local Option Taxes, Fees and Levies
R-1: Reduce Off-Street Parking Requirements	F-2: Local Housing Trust Fund
R-2: Relax Ground Floor Retail Requirements	F-3: "Found Land": Surplus Land and Other Opportunities
R-3: Reduce Setbacks, Lot Coverage and/or Impervious Standards	F-4: Partner with Local Housing Providers
R-4: Adopt Design Standards	<b>Other Strategies</b>
R-5: Use a Form-Based Approach	O-1: Strategic Infrastructure Investment
R-6: PUD/PRD and Cluster Subdivisions	O-2: Simplify Land Use Designation Maps
R-7: Manufactured Home and Tiny House Communities	O-3: Local Programs to Help Build Missing Middle Housing
<b>Economic Displacement Strategies</b>	O-4: Strategic Marketing of Housing Incentives
ED-1: Community Land Trusts	O-5: Temporary Emergency Housing
ED-2: Need-based Rehabilitation Assistance	<b>Physical Displacement Strategies</b>
ED-3: Down Payment Assistance	PD-1: Strategic Acquisition and Financing of Existing Multifamily Development
ED-4: Property Tax Assistance Programs	PD-2: Support Third-party Purchases of Existing Affordable Housing
<b>Cultural Displacement Strategies</b>	PD-3: Notice of Intent to Sell / Sale Ordinance
CD-1: Grants/Loans to Directly Support Small Businesses	PD-4: Foreclosure Intervention Counseling
CD-2: Financing Ground Floor Commercial	PD-5: Mobile Home Park Preservation and Relocation Assistance
CD-3: Preservation Development Authorities (PDA) and Ports	PD-6: Mobile Home Park Conversion to Cooperative
CD-4: Commercial Community Land Trust	PD-7: Tenant Relocation Assistance
CD-5: Community Benefits/Development Agreements	PD-8: Just Cause Eviction Protections
CD-6: Micro-retail and Flexible Cultural Space Design	PD-9: "Right to Return" Policies for Promoting Home Ownership
CD-7: Business Incubators, Co-working Spaces and Artisan/Makers Spaces	PD-10: Regulation Short-term Rentals

# Appendix 3: Statewide Housing Requirements and Tools

Recent laws are shown in italics.

REQUIREMENT	GMA	CODE CITIES	CITIES AND TOWNS	COUNTIES	GENERAL PROVISIONS
Residential structures that are occupied by persons with handicaps must be regulated the same as a similar residential structure occupied by a family or other unrelated individuals.	RCW 36.70A.410, WAC 365-196-860	RCW 35A.63.240	RCW 35.63.220	RCW 36.70.990	
Group homes may not be precluded by local zoning. GMA jurisdictions should review list of essential public facilities.	RCW 36.70A.200, WAC 365-196-550		RCW 35.64.140		
Family day-care facilities must be allowed in residential zones.	RCW 36.70A.450, WAC 365-196-865	RCW 35A.63.215	RCW 35.63.185	RCW 36.70.757	RCW 35.21.688
<i>Permanent supportive housing must not be prohibited in areas zoned for multifamily housing.</i>	SHB 2343 (2020)	RCW 35A.21.305			RCW 35.21.689
Manufactured homes must be allowed on all lots. Manufactured housing must not be regulated differently than site built housing, but jurisdictions may require certain standards. <i>Jurisdictions may not use setbacks limits to prohibit placement of a manufactured home on an existing lot.</i>		RCW 35A.21.312, RCW 35A.63.145	RCW 35.63.160-161	RCW 36.01.225	RCW 35.21.684
<i>Tiny homes and recreational vehicles must be allowed as a primary residence in a manufactured home community.</i>	ESSB 5183 (2019)	RCW 35A.63.146, RCW 35A.21.312	RCW 35.63.161	RCW 36.70.493	RCW 35.21.684
Accessory dwelling units must be allowed by communities over 20,000 and counties over 125,000 in population.	RCW 36.70A.400	RCW 35A.63.230	RCW 35.63.210	RCW 36.70.677	
<i>Accessory dwelling units: New GMA definitions and limits to parking requirements.</i>	ESSB 6617 (2020)				
<i>Communities must provide density bonuses for affordable housing located on property owned by a religious organization.</i>	RCW 36.70A.545	RCW 35A.63.300	RCW 35.63.280		

REQUIREMENT	GMA	CODE CITIES	CITIES AND TOWNS	COUNTIES	GENERAL PROVISIONS
<i>A local government is limited in the amount of parking it may require for certain types of development occurring within ¼ mile of a transit stop.</i>	RCW 36.70A.620				
<i>A city may regulate religious organizations that host temporary encampments for the homeless.</i>		RCW 35A.21.360		RCW 36.01.290	RCW 35.21.915
Rent control is prohibited.				RCW 36.01.130	

OPTIONAL HOUSING TOOLS	
GMA cities may enact affordable housing incentive programs.	RCW 36.70A.540, WAC 365-196-870
A city or town may adopt an ordinance to regulate the creation of tiny home communities (2019).	RCW 35.21.686

## Appendix 4: Resources for Funding Affordable Housing in Washington State

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Washington State Department of Commerce (Commerce)	Housing Trust Fund	Provides state and federal funds for affordable housing construction and preservation. HOME Investment and Partnership Program funds are also awarded through the Housing Trust Fund Process.	Low income and special needs populations. Open to local governments, tribes and non-profits. <a href="http://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/">www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/</a>  <a href="http://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/home-program/">www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/home-program/</a>
Commerce	Weatherization	Commerce contracts with local agencies that weatherize low income homes and apartments.	Qualified low income homes and apartments. <a href="http://www.commerce.wa.gov/growing-the-economy/energy/weatherization-and-energy-efficiency/rural-rehab/">www.commerce.wa.gov/growing-the-economy/energy/weatherization-and-energy-efficiency/rural-rehab/</a>
Commerce	Washington (WA) Foreclosure Fairness Program	Provides homeowner foreclosure assistance for offering free housing counseling, civic legal aid and foreclosure mediation.	Washington state homeowners. <a href="http://www.commerce.wa.gov/building-infrastructure/housing/foreclosure-fairness/">www.commerce.wa.gov/building-infrastructure/housing/foreclosure-fairness/</a>  Low and moderate income homeowners can also contact statewide civil legal aid at <a href="http://www.nwjustice.org/get-legal-help">www.nwjustice.org/get-legal-help</a> .
Commerce	Mobile/ Manufactured Home Relocation Assistance Program	Reimburses costs of mobile and manufactured home relocation up to \$7,500 for a single-section home and \$12,000 for a multi-section home. Also reimburses for demolition, removal and down payment for another manufactured home.	Mobile and manufactured home owners with incomes of 80% area median income (AMI). Priority is given to parks closed due to health and safety concerns or park owner fraud. <a href="http://www.commerce.wa.gov/building-infrastructure/housing/mobile-home-relocation-assistance/">www.commerce.wa.gov/building-infrastructure/housing/mobile-home-relocation-assistance/</a>
Commerce	Consolidated Homeless Grant (CHG)	The CHG provides resources to fund homeless crisis response systems to support communities in ending homelessness. Grants are made to local governments and nonprofits. Funding is from document recording fees authorized through the Homeless Housing and Assistance Act.	<a href="http://ch.43.185C.Revised.Code.of.Washington.RCW">Ch. 43.185C Revised Code of Washington (RCW)</a>  <a href="http://www.commerce.wa.gov/wp-content/uploads/2017/01/hau-overview-homeless-housing-system-2017.pdf">www.commerce.wa.gov/wp-content/uploads/2017/01/hau-overview-homeless-housing-system-2017.pdf</a>  <a href="http://www.commerce.wa.gov/serving-communities/homelessness/">www.commerce.wa.gov/serving-communities/homelessness/</a>

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Commerce	Brownfield Revolving Loan Fund (BRLF)	Provides technical assistance and low interest loans for cleanup activities on contaminated properties for redevelopment activities, including affordable housing development.	Local and regional governments, ports, tribes, non-profit agencies and private businesses. <a href="http://www.commerce.wa.gov/serving-communities/brownfields-revolving-loan-fund/">www.commerce.wa.gov/serving-communities/brownfields-revolving-loan-fund/</a>
Washington State Department of Ecology	Redevelopment Opportunity Zones, Brownfield Renewal Authorities, and BRTF Account	The Brownfield Redevelopment Trust Fund (BRTF) Account can be used within a specified redevelopment opportunity zone (ROZ) designated by local governments. The mechanism allows state and local public moneys, and private or non-profit moneys, to be set aside for cleaning up brownfields located within a ROZ. Moneys in the account may be spent only after appropriation by the Legislature and approval by Ecology.	Local governments must meet the eligibility and other requirements for remedial actions grants codified in Chapter 173-322A Washington Administrative Code (WAC).  Overview: <a href="https://ecology.wa.gov/Spills-Cleanup/Contamination-cleanup/Brownfields#Funding">https://ecology.wa.gov/Spills-Cleanup/Contamination-cleanup/Brownfields#Funding</a>  See <a href="https://ecology.wa.gov/DOE/files/fe/fed0108e-520f-4158-8992-bd5078fae9f1.pdf">https://ecology.wa.gov/DOE/files/fe/fed0108e-520f-4158-8992-bd5078fae9f1.pdf</a> for a complete list of brownfield funding opportunities in Washington state.
WA Department of Archeology and Historic Preservation (DAHP)	Federal historic tax credit program	A 20% Federal income tax credit on the qualified amount of private investment spent on certified rehabilitation of a National Register listed historic buildings.	Buildings must be listed on national register of historic places, the property must produce income after rehabilitation (no owner occupied) and projects must be substantial. Rehab must be done according to secretary of the interior standards. <a href="https://dahp.wa.gov/tax-credits">https://dahp.wa.gov/tax-credits</a>  (Web site includes information on other historic tax credit programs including New Market Tax Credit, National Trust Small Deal Fund and Bank of America Historic Tax Credit Fund.)
Washington State Housing Finance Commission (WSHFC)	Low Income Housing Tax Credits (LIHTC)	The nine percent Low-Income Housing Tax Credit Program (LIHTC) allocates federal income tax credit to developers to encourage the construction and rehabilitation of affordable multifamily housing. Housing credit is allocated through an annual competitive process in which projects are evaluated and scored according to the Commission's established criteria.	Affordable housing developers serving very low, low, and moderate income people. <a href="http://www.wshfc.org/mhcf/9percent/index.htm">www.wshfc.org/mhcf/9percent/index.htm</a>



AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
WSHFC	Multifamily bond programs	Multifamily Housing Bonds with 4% Low Income Housing Tax Credit provides access to bond and tax credit financing for affordable housing developers.	Affordable housing developers serving very low, low and moderate income households. <a href="http://www.wshfc.org/mhcf/4percent/index.htm">www.wshfc.org/mhcf/4percent/index.htm</a>
WSHFC	Bond financing for non-profit facilities	Helps 501(c)(3) nonprofits save money through lower-interest loans for construction, capital improvements and equipment.	Non Profits: <a href="http://www.wshfc.org/facilities/index.htm">www.wshfc.org/facilities/index.htm</a>
WSHFC	Manufactured home community investment program	The Commission helps preserve manufactured home communities by allowing them to purchase and manage their communities.	Very low, low and moderate income manufactured home park residents. <a href="http://wshfc.org/mhcf/manufactured.htm">wshfc.org/mhcf/manufactured.htm</a>
WSHFC	Land acquisition (for housing non-profits)	The Land Acquisition Program assists eligible nonprofit organizations in Washington state to purchase land suited for either multifamily or single family affordable housing development.	Eligible non-profits serving very low, low and moderate income households. <a href="http://www.wshfc.org/mhcf/lap/index.htm">www.wshfc.org/mhcf/lap/index.htm</a>
WSHFC	Home mortgage loan programs	The Commission currently operates two mortgage loan programs: Home Advantage and House Key Opportunity and eleven down payment assistance programs. The Commission works through a network of participating lenders who originate and close the loans.	Low and moderate income home buyers. <a href="http://www.wshfc.org/buyers/HomeAdvantage.htm">www.wshfc.org/buyers/HomeAdvantage.htm</a> and <a href="http://www.wshfc.org/buyers/key.htm">www.wshfc.org/buyers/key.htm</a>  The Commission also provides training to lenders, real estate professionals and nonprofit partners on how to originate WSHFC loans and how to teach a WSHFC-sponsored homebuyer education seminar.
WSHFC	Down payment assistance	Programs vary, but the Commission offers down payment assistance loans for homebuyers who use the Commission's programs.	Low and moderate income home buyers. <a href="http://www.wshfc.org/buyers/downpayment.htm">www.wshfc.org/buyers/downpayment.htm</a>

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
WSHFC	Homeowner-ship education programs	Through local partnerships, WSHFC helps homebuyers learn how to purchase and maintain a home. Commission-sponsored homebuyer education seminars are free; open to the public; and include information about the Commission's first mortgage programs, down payment assistance, and other loan programs. Seminars are accepted by all affordable housing loan programs as meeting or exceeding educational requirements.	Low and moderate income home buyers. <a href="http://www.wshfc.org/buyers/education.htm">www.wshfc.org/buyers/education.htm</a>
WSHFC	Sustainable Energy Programs	The Commission offers several ways to affordably develop energy-efficient buildings, upgrade existing buildings and create or conserve energy. Smaller loans are available through the Energy Spark home loan program. The Sustainable Energy Trust (SET) provides low-interest loans for energy-efficiency or renewable energy projects and a tax-exempt or tax-credit bond for larger projects (over \$1 Million).	Homeowners, developers, multifamily property owners and non-profit facilities. <a href="http://www.wshfc.org/energy/index.htm">www.wshfc.org/energy/index.htm</a>

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
US Department of Housing and Urban Development (HUD)	Section 8, Public Housing	<p>The "Section 8" housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly and the disabled to afford decent, safe and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.</p> <p>Public (site-based) housing provides decent and safe rental housing for eligible low-income families, the elderly and persons with disabilities. Public housing comes in all sizes and types, from scattered single-family houses to high rise apartments for elderly families.</p>	<p>Section 8 ad Public Housing programs are administered through Washington's public-chartered housing authorities. Contact your local housing authority for information on eligibility, population priorities and wait lists. <a href="https://www.awha.org/find-a-housing-authority.html">https://www.awha.org/find-a-housing-authority.html</a></p>
HUD	Home Rehabilitation Loan Program (HRLP) (2018)	<p>Provides deferred loans to rural, low-income households that need repairs and improvements on their primary residence for health, safety or durability. Funding for the loan program comes from the Washington Capital Budget.</p>	<p>Low income households in specific rural areas. <a href="http://www.commerce.wa.gov/growing-the-economy/energy/weatherization-and-energy-efficiency/rural-rehab/">www.commerce.wa.gov/growing-the-economy/energy/weatherization-and-energy-efficiency/rural-rehab/</a></p>
HUD	Continuum of Care (CoC) Program	<p>The CoC program provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families.</p>	<p>Adults and families with children experiencing or at risk of homelessness. <a href="https://www.commerce.wa.gov/serving-communities/homelessness/continuum-of-care/">https://www.commerce.wa.gov/serving-communities/homelessness/continuum-of-care/</a></p>
HUD	Emergency Solutions Grants (ESG)	<p>Grants of federal funds to provide street outreach, emergency shelter, rental assistance and related services.</p>	<p>Adults and families with children experiencing or at risk of homelessness. <a href="http://www.commerce.wa.gov/serving-communities/homelessness/emergency-solutions-grant/">www.commerce.wa.gov/serving-communities/homelessness/emergency-solutions-grant/</a></p>

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
HUD	Section 811 Project Rental Assistance (PRA) demonstration	Federal funds provide project-based rental assistance. The program creates collaboration between Commerce and Department of Social and Health Services (DSHS) that will increase rental housing units for persons with disabilities by integrating Section 811 PRA assisted units within existing, new or rehabilitated multifamily properties.	Extremely low-income, non-elderly disabled households. <a href="http://www.commerce.wa.gov/serving_communities/homelessness/hud-section-811-rental-assistance/">www.commerce.wa.gov/serving_communities/homelessness/hud-section-811-rental-assistance/</a>
HUD	Tenant-Based Rental Assistance (TBRA)	Uses federal funds to support communities providing utility, deposit and ongoing rental assistance. Eligible households are referred to TBRA through local coordinated entry systems.	Very low-income households (at or below 50 percent AMI). Find a list of providers at <a href="http://www.commerce.wa.gov/serving_communities/homelessness/tenant-based-rental-assistance-tbra/">www.commerce.wa.gov/serving_communities/homelessness/tenant-based-rental-assistance-tbra/</a>
HUD	Community Development Block Grant (CDBG)	Provides federal funds for the following activities: housing rehabilitation, homeownership assistance, local connections to sewers and affordable housing plans. Can NOT fund new housing construction, but can fund infrastructure in support of new affordable housing.	Eligible rural cities and counties serving low- and moderate-income households in CDBG non-entitlement communities. <a href="http://www.commerce.wa.gov/serving_communities/current-opportunities-2/community-development-block-grants">www.commerce.wa.gov/serving_communities/current-opportunities-2/community-development-block-grants</a>  For urban CDBG entitlement programs, contact the local CDBG program manager. <a href="http://www.hud.gov/states/washington/community/cdbg">www.hud.gov/states/washington/community/cdbg</a>
HUD	Indian Community Development Block Grant (ICDBG) Program	Provides direct grants for use in developing viable Indian Communities, including decent housing, a suitable living environment and economic opportunities, primarily for low and moderate income persons.	Low and moderate income persons in any Indian tribe, band, group or nation (including Alaska Indians, Aleut and Eskimos).  <a href="http://www.hud.gov/program_offices/public_indian_housing/ih/grants/icdbg">www.hud.gov/program_offices/public_indian_housing/ih/grants/icdbg</a>
US Department of Agriculture (USDA) Rural Development	Single Family Housing Guaranteed Loan Program	Assists approved lenders in providing loans to low- and moderate-income households for adequate, modest, decent, safe and sanitary dwellings as their primary residence in eligible rural areas. The program provides a 90% loan note guarantee to approved lenders in order to reduce the risk of extending 100% loans to eligible rural homebuyers.	Low or moderate income households living in a rural area should apply through an approved lender. Eligible applicants may build, rehabilitate, improve or relocate a dwelling in an eligible rural area. <a href="http://www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program">www.rd.usda.gov/programs-services/single-family-housing-guaranteed-loan-program</a>

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
USDA Rural Development	Single Family Housing Direct Home Loans (Section 502 Direct Loan Program)	This program, also known as the Section 502 Direct Loan Program, assists low- and very-low-income applicants to obtain decent, safe and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability. Payment assistance is a type of subsidy that reduces the mortgage payment for a short time. The amount of assistance is determined by the adjusted family income.	Low income individuals in rural area with population of less than 35,000. <a href="http://www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans">www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans</a>  <a href="https://www.rcac.org/housing/502direct-packaging-program/">https://www.rcac.org/housing/502direct-packaging-program/</a>
USDA Rural Development	Single Family Housing Repair (Section 504 Home Repair) loans and grants	This program provides loans to very-low-income homeowners to repair, improve or modernize their homes, or grants to elderly very-low-income homeowners to remove health and safety hazards.	Households with a family income below 50% AMI. Homeowner max loan is \$20,000, max grant is \$7,500, loans and grants can be combined. <a href="http://www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants">www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants</a>
USDA Rural Development	Rural Community Development Initiative (RCDI) Grants	RCDI grants are awarded to help support housing, community facilities and community and economic development projects in rural areas. Can be used to provide training, such as homeownership education, or technical assistance, such as strategic plan development.	Non-profit housing and community development organizations, low-income rural communities and federally recognized tribes. Must be in a rural area, any area other than a city or town with greater than 50,000 population, and urbanized adjacent area to such town/city. 100% match required. <a href="http://www.rd.usda.gov/programs-services/rural-community-development-initiative-grants">www.rd.usda.gov/programs-services/rural-community-development-initiative-grants</a>
Community Development Financial Institution	New Market Tax Credit Program	Permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated <a href="#">Community Development Entities</a> (CDEs) in low-income communities. Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.	The credit provided to the investor totals 39% of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. For more information contact: - New Market Tax Credit Program, Phone: (202) 622-8662. <a href="https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx">https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx</a>



AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Rural Community Assistance Cooperation (RCAC)	Housing Development (Non-profits)	RCAC provides support to develop rental or for sale affordable housing and community facilities in the rural west. Support includes technical assistance in LIHTC, USDA Rural Development 515, 514/516, HOME, CDBG, AHP, tax-exempt bonds, state housing trust funds, project-based Section 8, local and state resources, and conventional financing.	Non-profit organizations in rural areas, on tribal lands and within colonias. <a href="http://www.rcac.org/housing/housing-development/">www.rcac.org/housing/housing-development/</a>
RCAC	Section 523 Mutual Self Help Housing	Low-income borrowers work together under the guidance of a non-profit public housing entity (self-help grantee) to build each other's homes. With a construction supervisor on site, building groups perform at least 65% of the construction work required (known as "sweat equity"). In most cases, the grantee also manages the construction loans, develops the building site, provides homeownership training, offers building plans, qualifies the borrower for his/her mortgage and markets the program in the service area.	Under the USDA contract, RCAC assists grantees in the western United States to successfully complete the production of single-family financed housing under the Mutual Self-Help Housing program. <a href="#">(See the Self-Help Western Region Grantee Guide.)</a>  <a href="http://www.rcac.org/housing/mutual-self-help-housing/">www.rcac.org/housing/mutual-self-help-housing/</a>
Local	Sales and use tax for affordable housing	A local vote, or council approval (as of 2020), would authorize a local sales and use tax of up to 0.1 percent per dollar spent. Funds must be used for construction of affordable housing or behavioral health-related facilities for named groups with incomes of 60% or less of county median income.	Counties (or if not used, a city) may pass a local vote or councilmanically authorize the tax. This sales tax previously required voter approval. Counties have the "right of first refusal"; if a county has not imposed this sales tax by September 30, then any city in that county may impose this tax. <a href="#">RCW 82.14.530</a> (2015), <a href="#">HB 1590</a> (laws of 2020)
Local	Free or discounted public land	Public agencies (local government or utility) can discount or gift land they own for "public benefit," defined as affordable housing for households up to 80% AMI.	Must adopt rules to regulate transfer. <a href="#">RCW 39.33.015</a> (2018)

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Local	Affordable housing property tax levy	A local vote may authorize a levy of up to \$0.50 per \$1,000 assessed value for up to ten years to finance affordable housing for very low income households (equal to or under 50 % AMI). Must declare an affordable housing emergency and have an affordable housing financing plan. Program was expanded in 2020 to allow the use of revenues to include affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for "low-income" households up to 80% of median income.	A county, city or town must pass a local vote to authorize the levy. <a href="#">RCW 84.52.105</a> (1993), <a href="#">Senate Bill (SB) 6212</a>
Local	Affordable and Supportive Housing Sales and Use Tax	RCW 82.14.540 created a revenue-sharing partnership between the state and counties and cities for affordable and supportive housing investments. It authorized a local sales tax option that is a credit against the state sales tax rate of 6.5%. Housing and services may be provided only to persons whose income is at or below 60% of the median income of the city or county imposing the tax.	A "participating" city or county is one that imposed the affordable housing sales tax credit and completed the two required steps for adoption. 1. Passed a resolution of intent by Jan. 28, 2020 2. Adopted legislation to authorize the maximum capacity of the tax by July 28, 2020
Local	Sales and Use Tax for Chemical Dependency, Mental Health Services or Therapeutic Courts	RCW 82.14.460 authorized counties to levy a one-tenth of one percent sales and use tax to fund new mental health, chemical dependency, or therapeutic court service. Any county may impose a mental health and chemical dependency sales tax up to 0.1% for mental health and drug treatment purposes.	Counties only, except for a few cities in Pierce County.

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Local	Real Estate Excise Tax 2 (REET 2)	A 0.25% REET which may be imposed by any city, town or county fully planning under the Growth Management Act (GMA), to be used for “capital projects” specified in the capital facilities plan element of the jurisdiction’s comprehensive land use plan, including affordable housing projects through January 1, 2026. Jurisdictions may only use a portion of REET funds on affordable housing.	For jurisdictions required to fully plan under the GMA, REET 2 may be imposed by the legislative body. Any jurisdiction voluntarily planning under the GMA must have voter approval. <a href="#">RCW 82.46.035</a>
Local	Impact fee waivers	Impact fee waiver for up to 100% of fees for permanently restricted affordable housing (for rental or purchase) for households earning less than or equal to 80% AMI. 80% may be waived; but if 100% of fees are waived, 20% must be paid with other public moneys. A school district receiving impact fees must approve any exemption.	Counties, cities, or towns charging impact fees. <a href="#">RCW 82.02.060</a>
Local	Multifamily tax exemption program	12-year property tax exemption on the value of improvements for 4+ new or rehabilitated, rental or ownership housing units if at least 20% of units are affordable to households earning 115% AMI or less. Must define a “residential targeted area” within an urban center within which the exemption would apply.	Community with a population of at least 15,000; a city or town with a population of at least 5,000 if in Clark, Thurston, Pierce, King, Snohomish, Kitsap or Whatcom Counties; or the largest city or town in a county if there is no city or town with a population of at least 15,000. <a href="#">RCW 84.14</a>
Local	Fee waivers for water or sewer connection	Waiver or delay of tap-in charges, connection or hook-up fees for low-income persons for water, sanitary or storm sewer, electricity, gas or other utility.	No specific income level is detailed (may assume less than 80% AMI). <a href="#">RCW 35.92.380</a> (1980)
Local	Sewage and solid waste fees	Assistance for sewer and solid waste fees.	<a href="#">RCW 35.92.020</a> (5) allows a city or town to provide assistance to aid-low income persons.

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Local	Affordable Housing Incentive Programs	Any GMA city or county may enact or expand affordable housing incentive programs through development regulations or conditions on rezoning or permit decisions, or both, on residential, commercial, industrial, or mixed-use development. The program may include mandatory or optional elements, such as density bonuses within the urban growth area, height and bulk bonuses, fee waivers or exemptions, parking reductions, expedited permitting, or mandatory amount of affordable housing provided by each development.	Incentive or bonuses housing units are for low income rental (50% or less of county median family income) or for purchase (80% of county median family income), or other income levels as needed to address local housing market conditions. Housing must remain affordable for 50 years or jurisdiction may accept payments in lieu of continuing affordability. Payment or property in lieu of housing is acceptable. <a href="#">RCW 36.70A.540</a> (2006)
Local	Community Revitalization Financing (CRF)	The CRF authorizes creation of tax increment areas where community revitalization projects and programs are financed by diverting a portion of the regular property taxes imposed by local governments within the tax increment area.	Counties, cities, towns and port districts. <a href="#">Chapter 39.89 RCW</a> <a href="#">HB 2497</a> (laws of 2020) added creating or preserving permanently affordable housing to the list of eligible public improvements for this funding, required for at least 40 years for rental housing and 25 years for ownership housing.
Local	Local Infrastructure Financing Tool Program (LIFT)	Provides funding for local infrastructure using sales tax, property tax and selected other excise tax increases generated by an economic development project as part of a revenue development area designated by the sponsoring local government.	<a href="#">Ch. 39.102 RCW</a> See <a href="#">HB 2497</a> (laws of 2020) amendments. Must apply to the Community Economic Revitalization Board at Commerce. Not presently authorized.
Local	Local Revitalization Tool (LRF)	Authorizes cities and counties to create “revitalization areas” and allows certain revenues to be used for payment of bonds issued for financing local public improvements within the revitalization area.	<a href="#">RCW 39.104</a> See <a href="#">HB 2497</a> (laws of 2020) amendments. Must apply to the Community Economic Revitalization Board at Commerce. Not presently authorized.

AGENCY	PROGRAM	DESCRIPTION	ELIGIBILITY AND CONTACT INFORMATION
Local	Deferral of property tax	A claimant may apply to defer payment of 50% of special assessments or real property taxes, or both, provided the household's combined disposable income is \$57,000 or less and the claimant must have paid one-half of the total assessments and taxes for the year.	Very-low and low income households. <a href="#">RCW 84.37</a>
Local	Tax deferral for retired persons	Allows eligible agencies to provide tax relief to eligible households (less than 75% AMI).	<a href="#">RCW 84.38</a>
Local	Tax deferral for certain people	Property tax exemption for seniors or veterans with certain qualifications.	<a href="#">RCW 84.36.381</a>