

DEVELOPING AN EFFECTIVE HOUSING ELEMENT

Thursday, March 25, 2021

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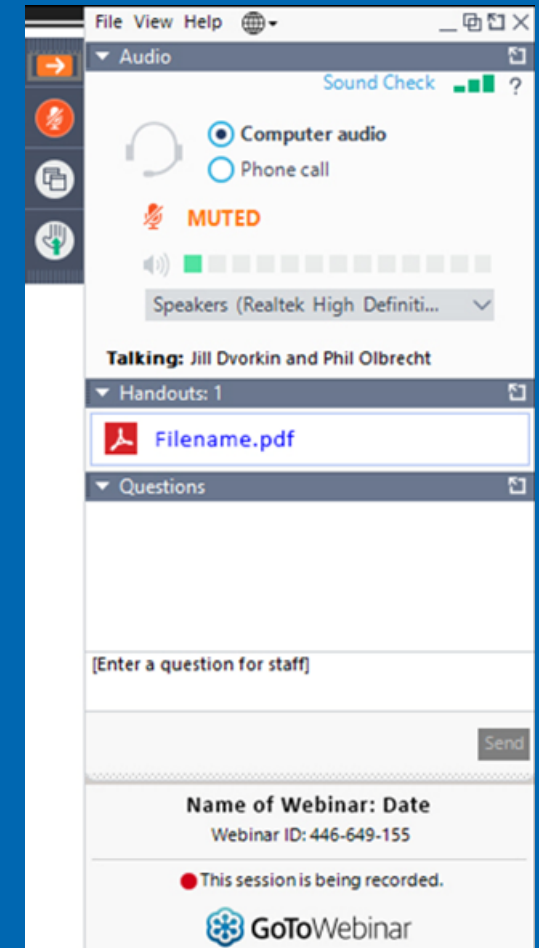
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Guidance for Updating Your Housing Element

to meet evolving community needs

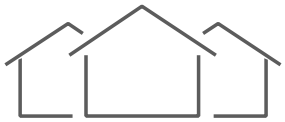
Growth Management Services, in partnership with BERK Consulting
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MARCH 25, 2021



Washington State
Department of
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We strengthen communities



**HOUSING
HOMELESSNESS**



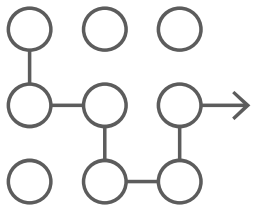
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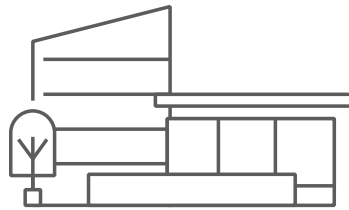
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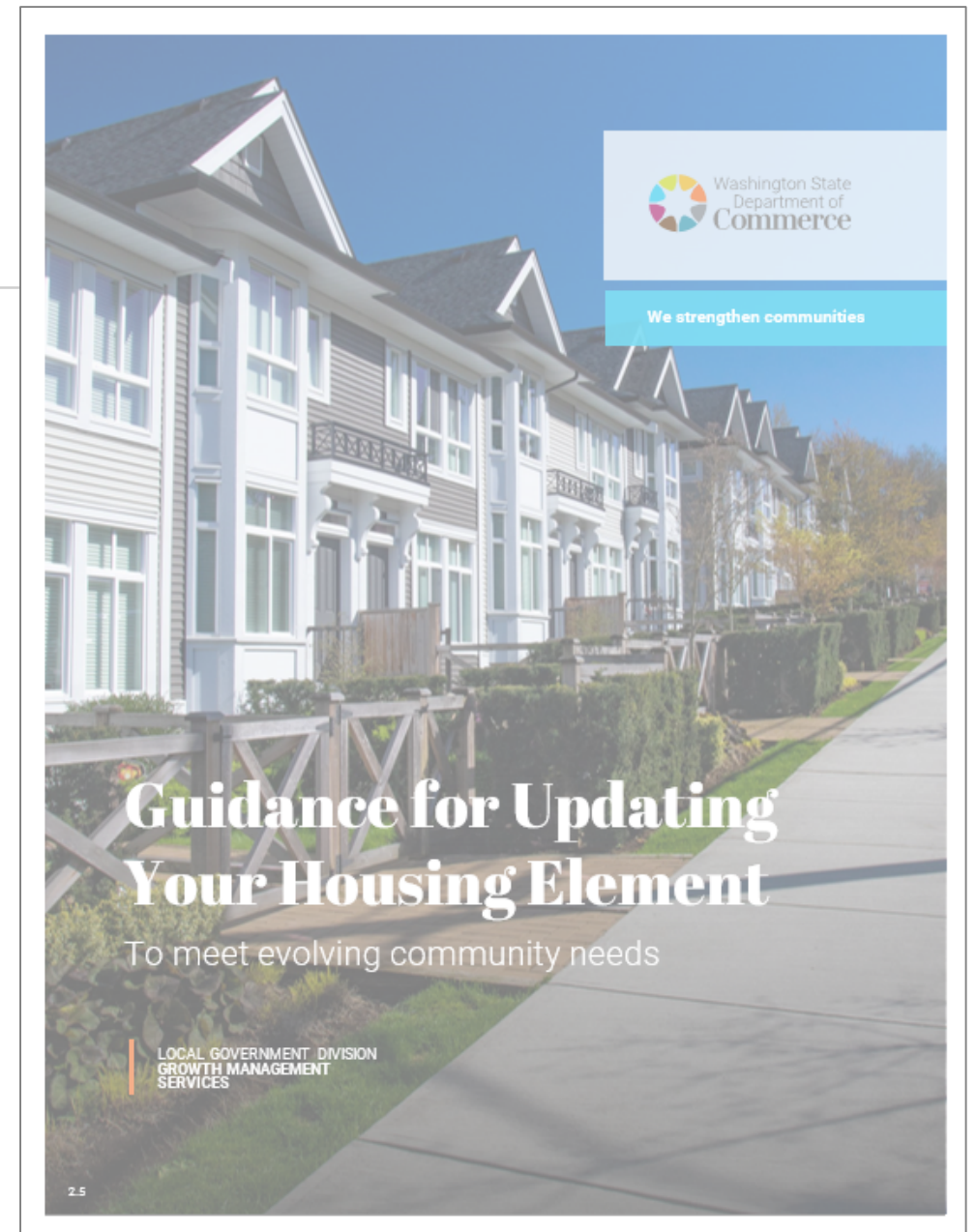
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**COMMUNITY
SERVICES**

Overview

- Goals for housing
- Housing needs assessment (HNA)
- Evaluating goals and policies
- Assessing land capacity
- Matching needs to strategies
- Case study: Island County
- Public engagement and adoption
- Implementation and monitoring
- Questions & answers



What are the State Goals for Housing?

Growth Management Act (GMA):

“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 (1990)

Washington Housing Policy Act:

“It is the goal of the state of Washington to **coordinate**, encourage, and direct, when necessary, the efforts of the public and private sectors of the state and to **cooperate** and participate, when necessary, in the attainment of a **decent home in a healthy, safe environment for every resident of the state.**”

RCW 43.185B.007 (1993)

Policies must be consistent

Countywide planning policies must include policies “***that consider the needs for affordable housing, such as housing for all economic segments of the population and parameters for its distribution***”

(RCW 36.70A.200(3)(e))

Multicounty planning policies are required in King, Pierce, Kitsap and Snohomish county. (Vision 2050)



Requirements of a Housing Element

RCW 36.70A.070(2) sets out the requirements for a housing element:

1. **Housing needs assessment (HNA):** an inventory and analysis of existing and projected housing needs
2. **Goals, policies and objectives** for the preservation, improvement and development of housing
3. **Residential land capacity analysis** to identify sufficient land to accommodate growth targets
4. **Assess provisions for all economic segments** (housing needs at all income levels)

Exhibit 1. Required and Recommended Topics for a Housing Element

Topic	Guidance
Housing needs assessment	
○ Community profile (population and household characteristics)	● Required
○ Population trends	● Required
○ Housing inventory	● Required
○ Gap analysis by income level	● Required
○ Units needed to manage projected growth	● Required
○ Land capacity analysis	● Required
○ Housing market conditions	<i>Recommended</i>
○ Workforce profile and employment trends	<i>Recommended</i>
○ Special housing needs	<i>Recommended</i>
Outreach and engagement	
○ Public engagement plan	● Required
○ Broad public and stakeholder engagement	● Required
Housing element review	
○ Evaluate progress to meet housing targets (including types and units)	<i>Recommended</i>
○ Evaluate achievement of housing element goals and policies	<i>Recommended</i>
○ Evaluate implementation of the schedule of programs and actions	<i>Recommended</i>
Goals, policies and objectives	
○ Goals, policies, objectives and mandatory provisions for the preservation, improvement and development of housing.	● Required

What is Needed in a Housing Element Update?

The scope of an update depends on many factors:

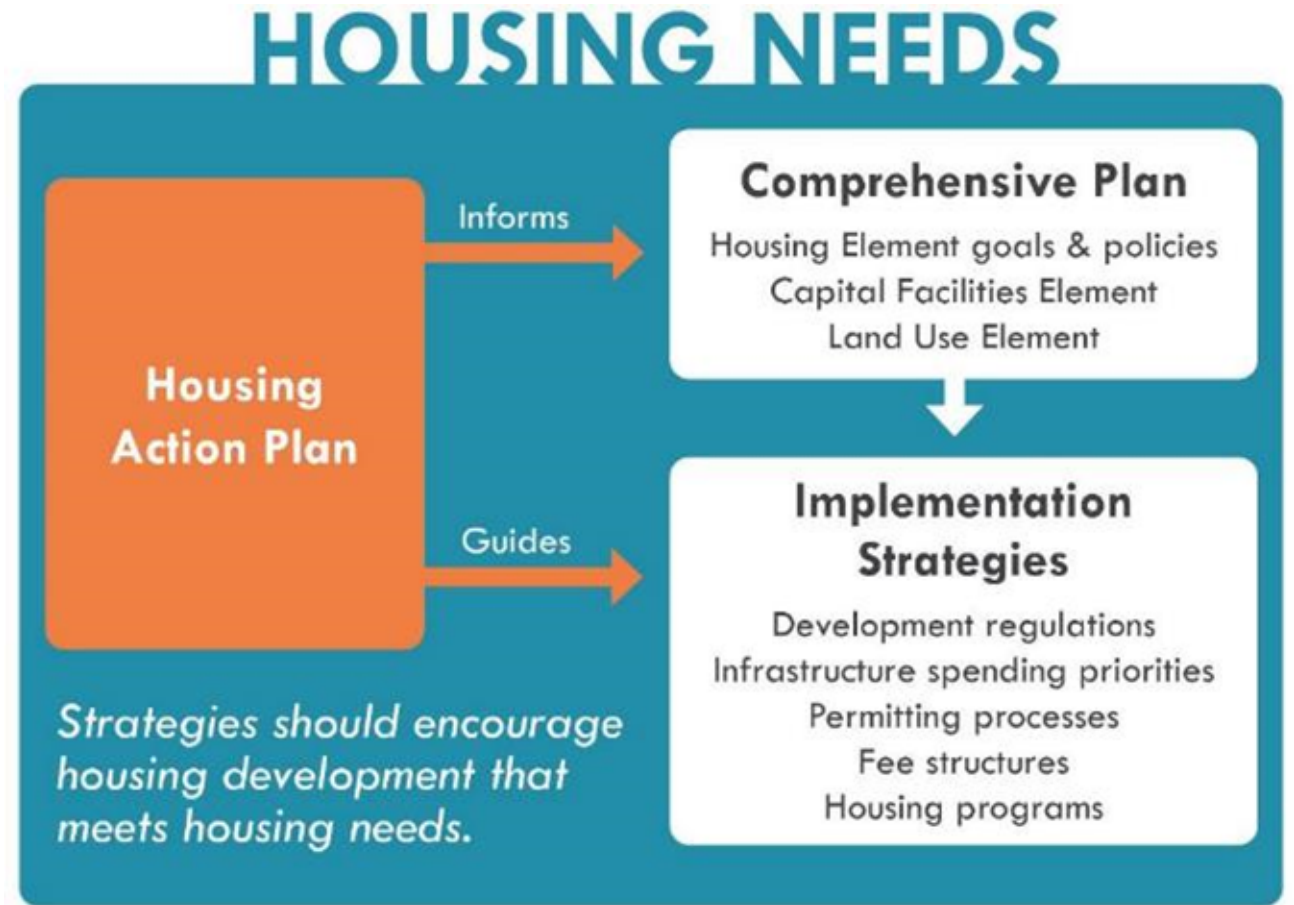
- Age and quality of existing housing element
- Changing physical context, including growth
- Alignment with changing state, regional or county policies
- Changing demographics and housing needs
- Changing community objectives

What related policy changes may be needed in other comprehensive plan elements?
(transportation, capital facilities, land use, etc.)



Relationship of a Housing Element to a HAP

- HB 1923 provided grant funding for cities to prepare housing action plans (HAPs)
- HAPs inform both the housing element and housing implementation strategies (regulations, programs, incentives)



Our experiences shape our approach to planning

- Community need
- Politics
- Local circumstances
- State laws and rules shape our planning, but our experiences and approaches are unique.
- Opportunity to share

Stevens County

Citizens Alert!!!!

The Stevens County Board of Commissioners is about to make a decision that will devastate personal property rights for **all** property owners that own property in beautiful Stevens County. Please attend the Board of Commissioners Meeting on:

Tuesday, March 14th at 10:00 A.M.
Stevens County Courthouse, Room 215, Colville

If the Commissioners proceed with the Final Draft Comprehensive Plan mandated by the State's Growth Management Act **we will lose:**

- **The Owner Builder Exemption which currently allows our citizens to build their own home without government interference.**
- **Land Use Decisions at the Local County Level. All authority for Land Use would be given over to a Governor appointed (non-elected) board that determines how we are to use our land.**

Please call your Stevens County Commissioner to take a stand for liberty and vote for a "**NO ACTION DECISION**" concerning G.M.A.

Stevens County Commissioners
Office phone: (509) 684-3751
FAX: (509) 684-3751

Tony Delgado – District 1 – Home
Merrill Ott – District 2 – Home
Malcolm Friedman – District 3 – Home

Concerned Property Owners of Stevens County

2. Developing Goals and Policies

- Goals and policies describe how the community proposes to address identified needs
- Goals = statements of desired outcomes or intended achievements
- Policies = specific statements guiding actions and providing framework for future decision-making
- Goals and Policies should be developed with implementation in mind.

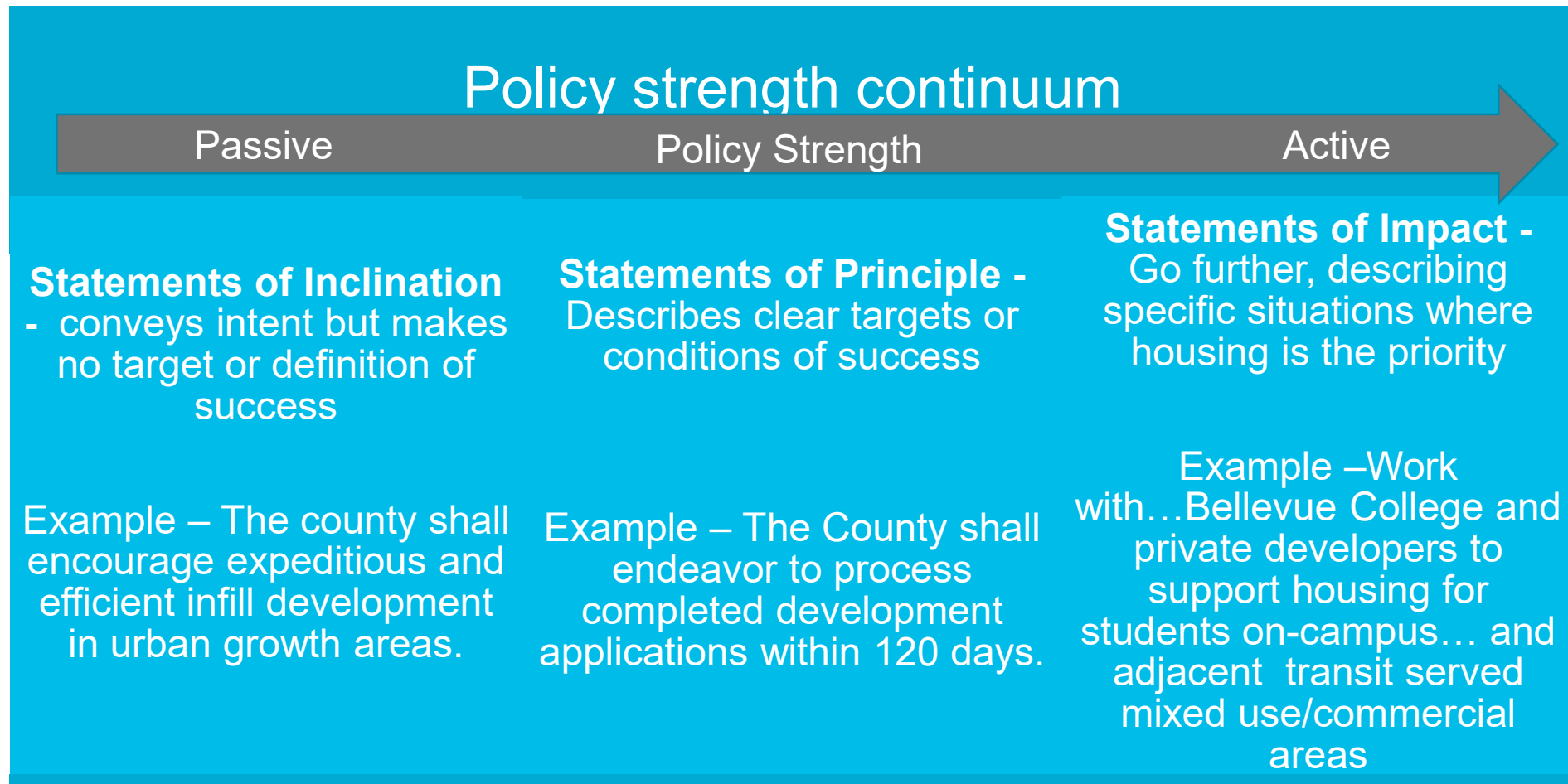
EXAMPLE:

GOAL: Provide for a range of housing opportunities to address the needs of all economic segments of the community.

POLICY: Support zoning which allows duplexes, triplexes, and townhome development in a variety of single-family residential zones.

FUTURE IMPLEMENTATION: Zoning and development regulation changes to facilitate duplexes, triplexes, and townhome development in single family zones.

Developing Goals and Policies



Words Matter

- Ensure
- Must
- Require
- Support
- Promote
- Encourage
- Should
- Consider

Source: PSRC, - 2014

Consider defining key terms

- “*Shall*” means implementation of the policy is mandatory and imparts a higher degree of substantive direction than “should”.
- “*Should*” means implementation of the policy is expected but its completion is not mandatory.
- “*May*” means the actions described in the policy are either advisable or are allowed.
- Providing definitions is another way to communicate with stakeholders and elected officials about how the policy will be implemented.

The GMA Housing Element (HE)

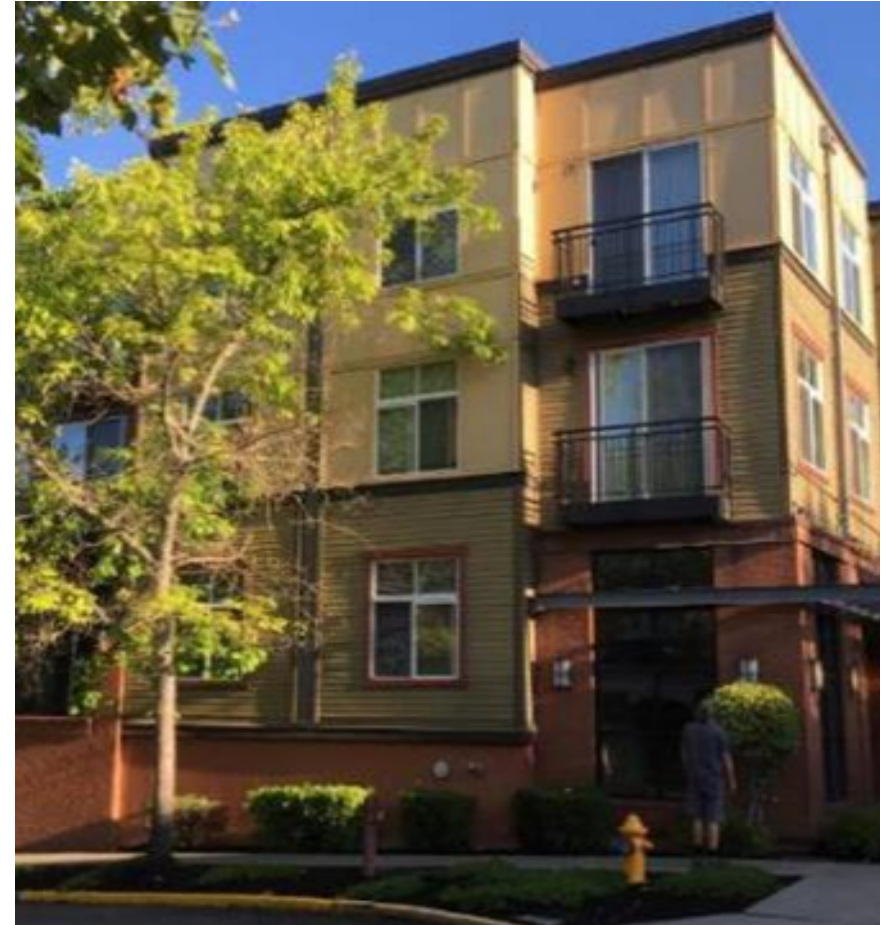
- Inventory and analysis of existing and projected housing need...to manage projected growth.
- Goals and policies for the preservation, improvement, and development of housing.
- Sufficient land for housing (low income, multi-family, group homes, etc.).
- Adequate provisions for existing and projected needs of all economic segments of the community.

Additional policy issues to address:

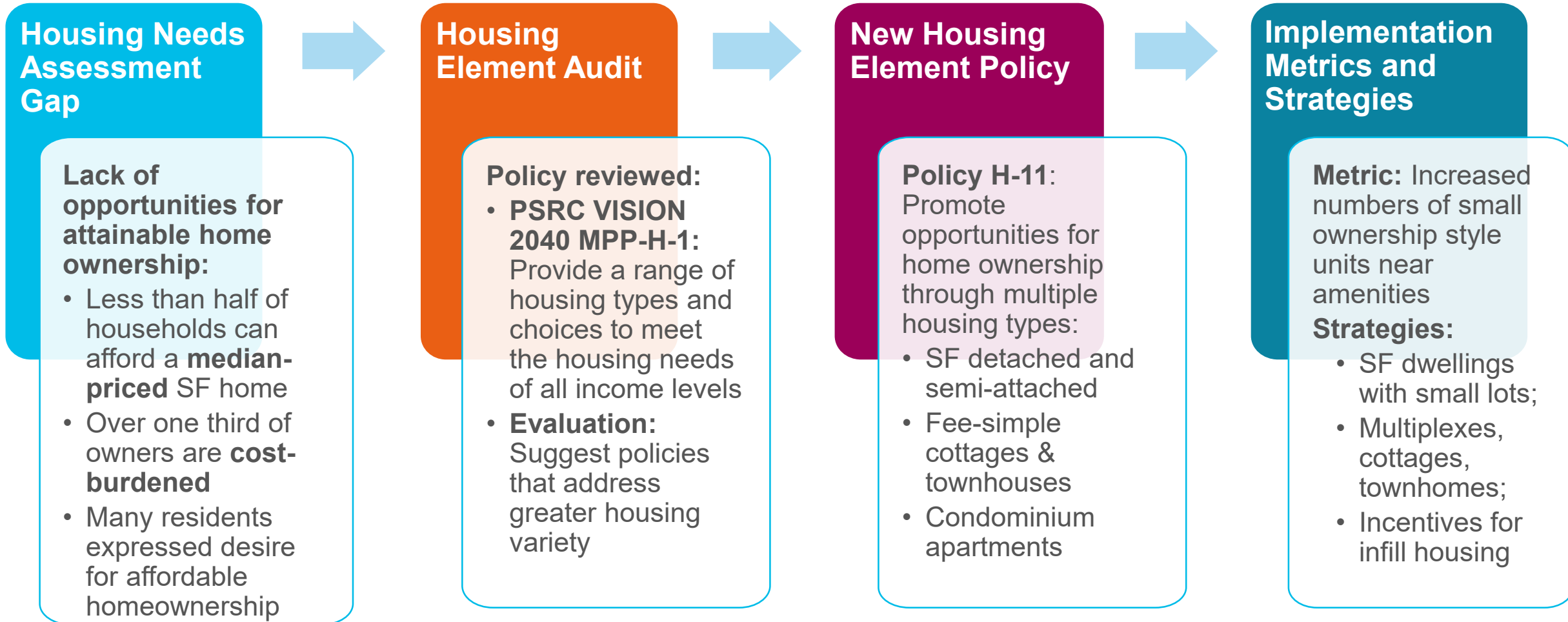
- Equity
- Housing design
- Special needs housing
- Displacement
- Climate change
- Housing supply
- Historic character
- Sustainability

Evaluate existing HE before updating your Plan

- Review progress in meeting housing targets, or objectives for housing types.
- Consider how current Housing Element goals and policies are working:
 - Have you implemented the policies in your Plan?
 - Are your passive and active policies working?
 - Should you consider removing or updating existing policies as your Plan is updated?
- Communicate with elected officials early on.
 - May not have been in office during last Plan update
 - Feedback where there are gaps

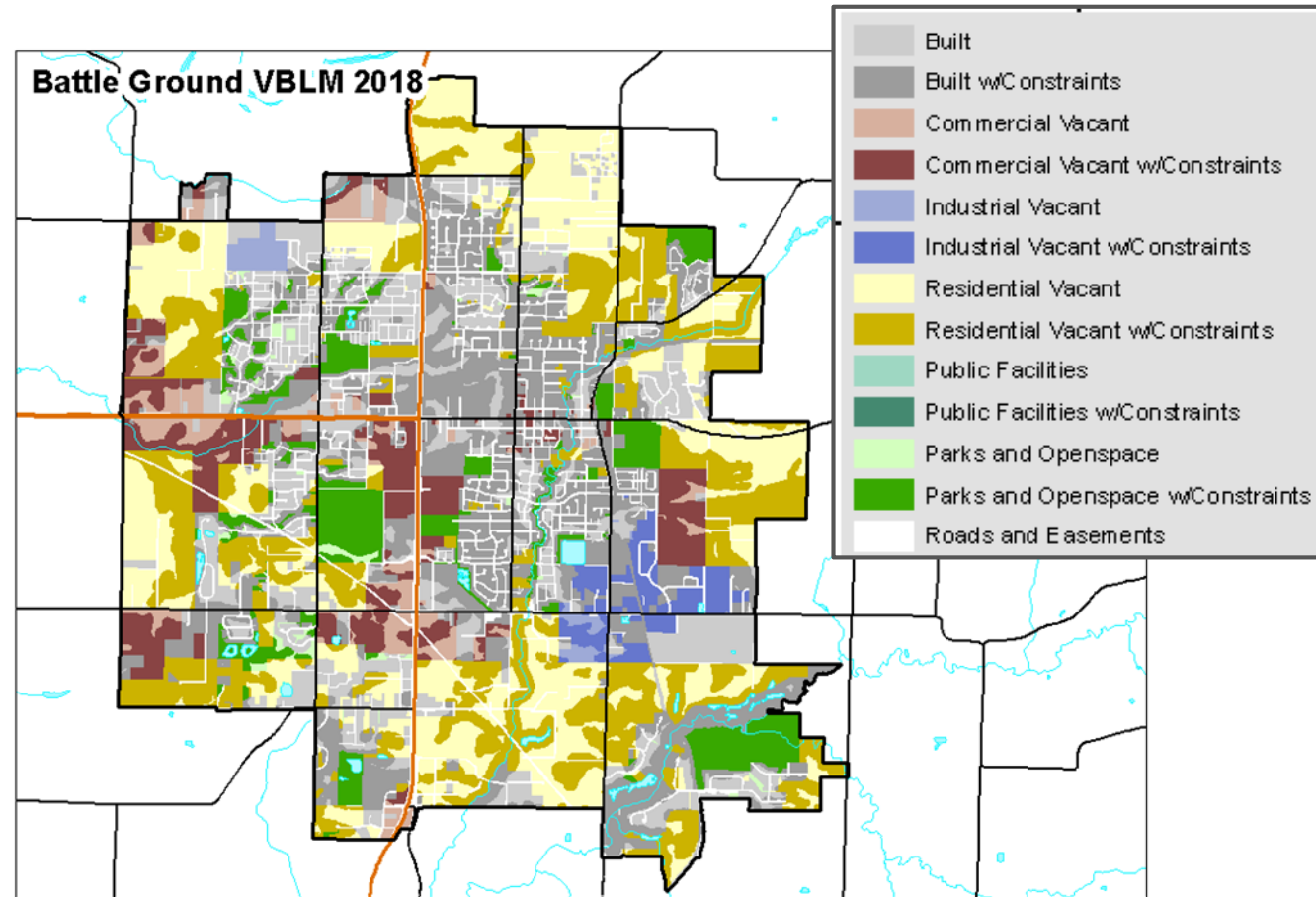


Looking ahead: Auburn Housing Element Update



3. Assessing Land Capacity to Meet Needs

- GMA requires that housing elements “identify sufficient land for housing”
- Plans must also provide sufficient capacity to accommodate housing growth
- Zoning must provide capacity for **identified housing needs**
- A Land Capacity Analysis (LCA) is one way to assess capacity in order to meet your growth target



Land Capacity Analysis

General steps:

1. Determine amount of vacant, partially used / underutilized lands, and land with redevelopment potential (housing and employment breakdown)
2. Subtract land that will not be developed with residences.
3. Identify infrastructure gaps that prohibits development.
4. Apply assumptions of future densities to undeveloped or underdeveloped land.
5. Apply deduction factors (critical areas, rights of way, etc.) to land.
6. Subtract housing that exists on current parcels.

Key questions:

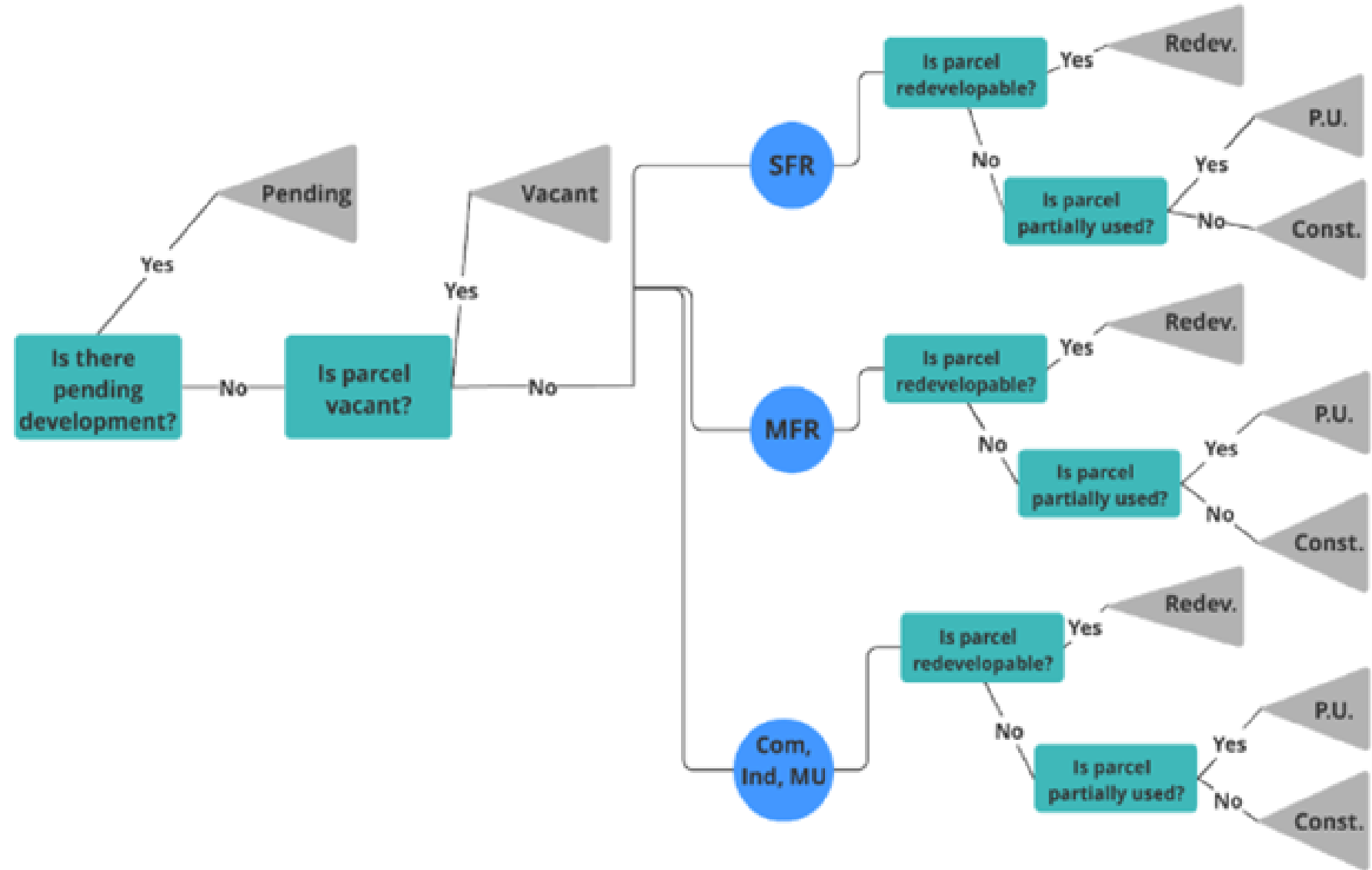
- Is there enough capacity for total housing needed?
- Is there enough zoned capacity for each category of housing-by-housing type?

Other questions:

- Is capacity in areas of opportunity?
- Have you developed a record to support your decisions?

Land Classification

Example: Snohomish County



Note: SFR = Single-Family Residential; MFR = Multifamily Residential; Com = Commercial; Ind = Industrial; MU = Mixed-Use; Redev. = Redevelopable; P.U. = Partially Used; Const. = Constant.

A Few Things to Consider

- The process and requirements are different for Buildable Lands vs. non-Buildable Lands jurisdictions.
- Buildable Lands jurisdictions will build on work already completed. May only need to add additional information such as:
 - The capacity of parcels under the updated Plan is land use/rezones take place.
 - The capacity of parcels after Buildable Lands report was completed.

Buildable
Lands
Jurisdictions:

- King
- Pierce
- Snohomish
- Kitsap
- Clark
- Thurston
- Whatcom

Example for Calculating Housing Growth Target

Variable	Value	Notes
Estimated population in 2020	95,490	Source: OFM, 2020
Population target, 2040	110,387	Source: City of Yakima, 2017; Yakima County, 2017
Target population growth, 2020-2040	14,897	Target population minus 2020 population
Average household size	2.7	Source: American Community Survey Table S1101, 5-year estimates 2014-2018
Target household growth, 2020-2040	5,517	Planned population growth divided by assumed household size (assumes no growth in group quarter population)
Target housing unit growth, 2020-2040	5,808	Assumes 5% vacancy ⁵ (divide households by 0.95)
Average annual housing unit production needed to achieve target in 2040	290	Target housing unit growth divided by planning period (20 years)

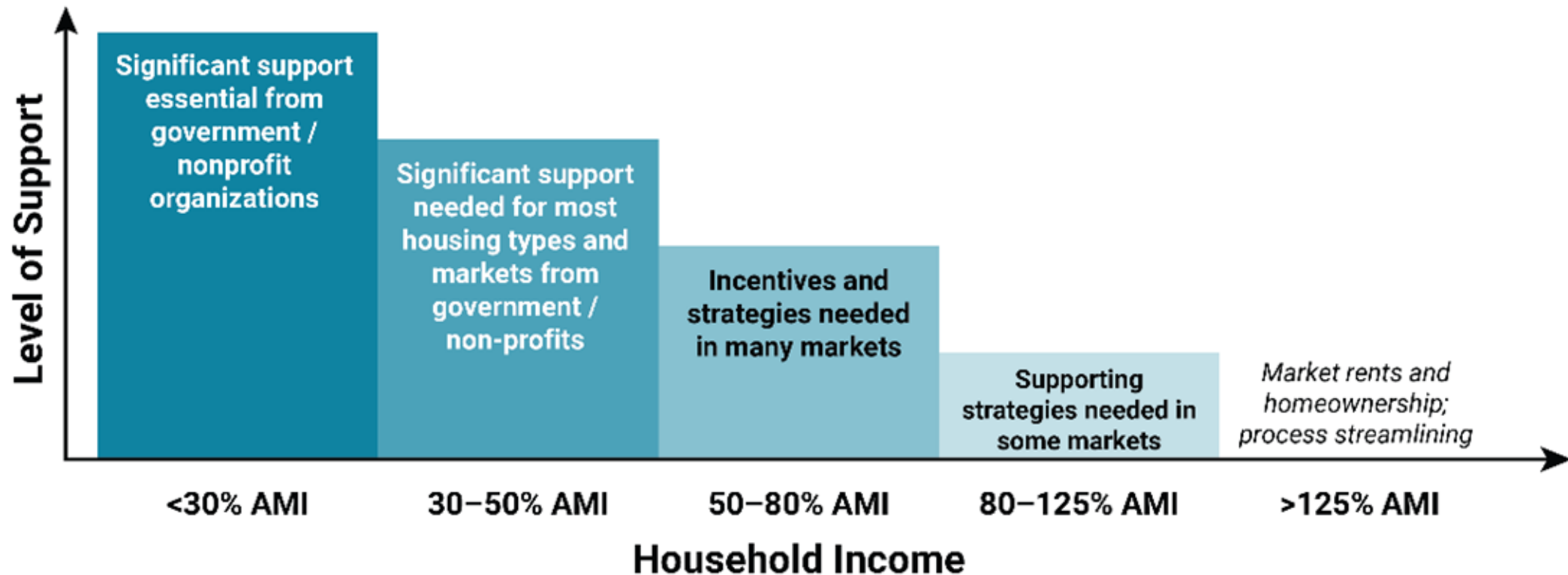
4. Assess Provisions for all Economic Segments

- University Place's HNA assumes two scenarios for future distribution of housing
- Need to support the production of more affordable housing including moderate and middle-income options

Income Category	Housing Gap Scenario 1) UP Status Quo	Housing Gap Scenario 2) UP Fair Share	Scenario 1	Scenario 2
Extremely Low (<30%)	1,210	1,267	14.4%	15.1%
Very Low (30-50%)	1,337	1,372	16.0%	16.4%
Low Income (50-80%)	1,945	1,977	23.2%	23.6%
Moderate Income (80-100%)	1,312	1,243	15.7%	14.8%
Over 100%	2,573	2,519	30.7%	30.1%
<i>Total</i>	<i>8,378</i>	<i>8,378</i>	<i>100%</i>	<i>100%</i>

Strategies Needed for All Economic Segments

Strategies needed for different income levels...



Housing Type Assumptions

- Will need to make some assumptions about the types of housing that will be needed for each economic segment

Household Income Level (AMI = Area Median Income)	Housing Types (Examples only: Conduct local market analysis)
Greater than 120% AMI	Single family homes, condominiums
80 - 120% AMI	Small lot single family, duplexes or triplexes, townhomes, row houses, condominiums
50-80% AMI	Apartments, accessory dwelling units, manufactured homes
30-50% AMI	Subsidized apartments, SROs, shared housing
Below 30% AMI	Subsidized apartments, tiny homes villages, permanent supportive housing

Housing Strategies to Address Needs

- Commerce's HAP Guidance includes six categories of housing strategies to implement policies

Revising Zoning Strategies:

regulating building heights, density levels, permitted uses

Additional Regulatory Strategies:

adjusting parking requirements, setbacks, design standards

Process Improvements:

smoother, faster, and/or more predictable permitting

Housing Incentives:

fee waivers, multifamily tax exemptions, inclusionary zoning

Funding Options for Affordable Housing:

grants, loans, and new revenue streams

Other Strategies:

strategic infrastructure improvements, ADU financing or design assistance, etc.



Case Study: Island County

Challenges

- Do not have direct authority over cities/towns land use planning
- Do have direct planning authority over Freeland Non-Municipal Urban Growth Area (NMUGA), but no sewer system yet
- RAIDs can accommodate higher densities
 - Boundaries cannot be expanded over time
 - Only infill development permitted
 - Lots available for infill have to have enough room for septic and drainfield capacity because no sewer available
- Rural areas have limited allowable densities

Governor's Smart
Growth
Community
Award winner in
2018 for Smart
Housing Strategy
Award



Case Study: Island County

- **Unprecedented public engagement**
 - Community survey, stakeholder interviews, presentations to community groups, open house, library drop-in day – used to “ground truth” data
 - Consistent findings between quantitative and qualitative data
- **Innovative solutions due to very small urban growth areas**
 - Freeland NMUGA – Automatic density shifts, transitional uses
 - Map out potential available properties for non-profit and for-profit development of multi-family housing
- **Planned for housing element implementation and monitoring**
 - Working to start tracking housing development to help ground-truth growth and development data and inform reasonable measures and UGA expansions

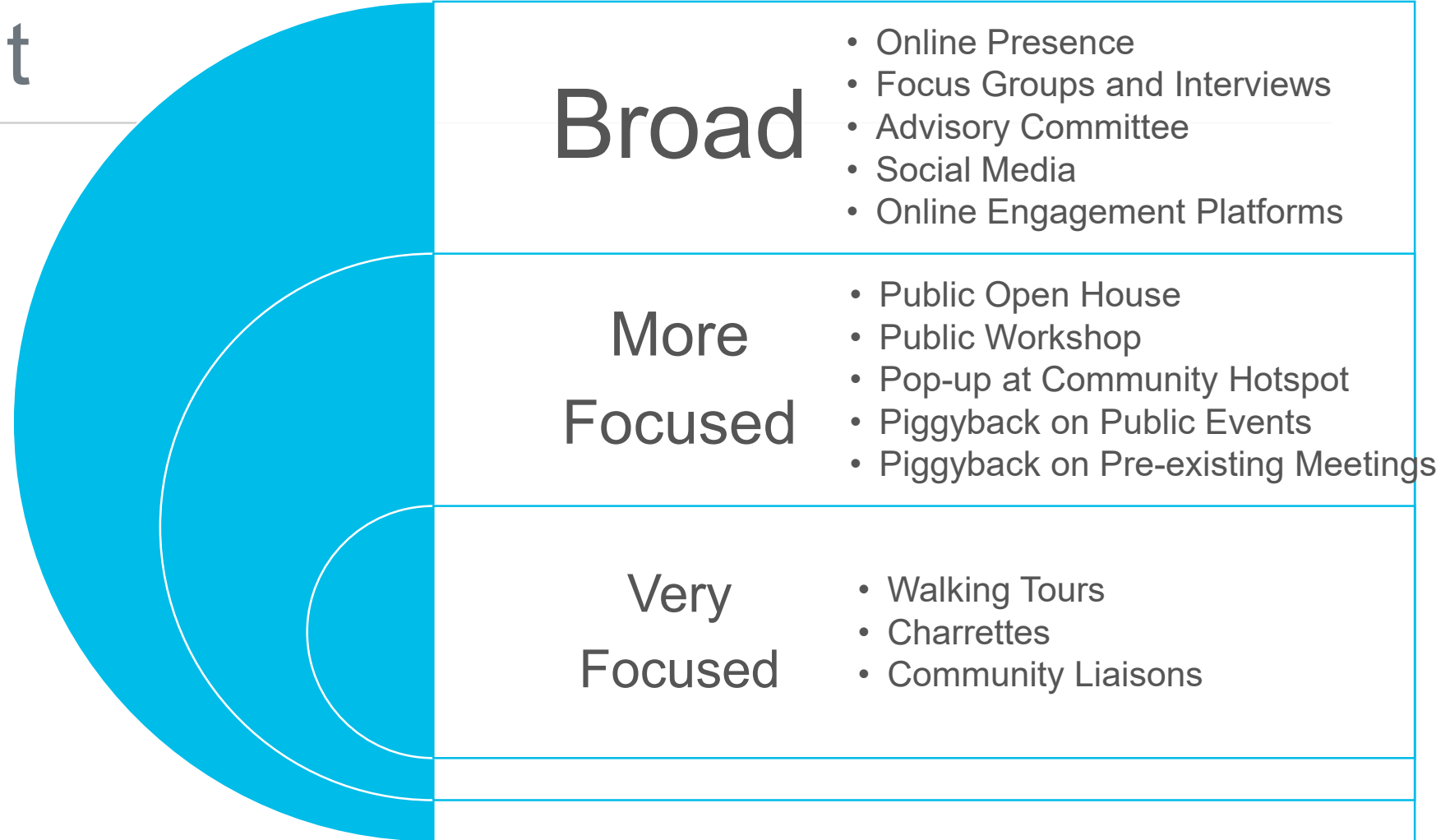
Public Engagement

- GMA requires a public participation plan
- Although created early, expect to revisit the process and update it as needed to fill in gaps
- An engagement plan should identify:
 - Engagement goals
 - Audience for engagement
 - Appropriate engagement activities
 - Rough engagement schedule/timeline with re-evaluation opportunities
 - Media contacts and timelines for communication about the project
- Prioritize at-risk communities



Public Engagement

- How much you engage stakeholders will vary depending on:
 - Audience
 - Point in the process
 - Extent of HE update
 - Size and type of community
 - Complexity of housing issues
 - Strategies under consideration
- Options for engaging stakeholders include (at right):



Adoption Process

- Public participation plan
- Housing needs assessment
- Policy evaluation
- Draft housing element amendments or update
- 60-day notice of intent to adopt
- Environmental document under SEPA
- Planning Commission review, hearing and recommendation
- City Council / Board of County Commissioners review, hearing, decision

Tips for Adoption:

- Plan for adoption at the beginning
- Engage decision makers along the way
- Simplify the process
- Integrate SEPA

5. Strengthen your Housing Element with Implementation and Monitoring Plans

“Implementation Plans” can be included:

- Directly in a housing element
- Separate in annual or multi-year plan

Implementation steps may include:

- Developing a housing action plan to identify short- and long-term strategies
- Adopting new development regulations
- Creating new programs, including funding programs
- Budgeting for new programs

WAC 365-196-410

- (2)(f) discusses Implementation Plans for housing elements
- (2)(f)(iv) notes that the “housing element should include provisions to monitor the performance of its housing strategy”



Example Implementation Plan

Action 2

Research and identify methods for tracking vacation rentals in unincorporated Island County for the purposes of better understanding any potential impacts on housing availability and to inform future Buildable Lands Analyses.

- **Related Goals and Policies:** H 3.6
- **Lead Department:** Island County Planning and Community Development
- **Supporting:** Treasurers Office
- **Timing:** 2018-2020

7 Actions, 3 Categories

- Procedural
- Regulatory
- Outreach and Partnerships

Action 4

Conduct a review of development standards to identify unnecessary barriers to the development of higher density housing types such as clustered housing, planned residential developments, accessory dwelling units, guest cottages, farm labor housing and multifamily development in desired locations. Prepare and implement corresponding code updates.

- **Related Goals and Policies:** H 2.5, H 2.6, H 2.8, H 2.9, H 2.10, H 2.11, and H 2.12
- **Lead Department:** Island County Planning and Community Development
- **Supporting:** Island County Public Works and Public Health
- **Timing:** 2018-2021

Example Implementation Plan

- An implementation planning matrix is useful to organize and prioritize actions

Priority	Timeline	Type	Lead Party	Who can assist?	Investment
Policy H-3: Encourage the development of workforce housing supply in mixed-use centers.					
<i>Strategy H-3.1.1: Conduct a market study to determine which kinds of incentives will maximize impacts.</i>					
High	6 months	Administrative	Community and Economic Dev Dept.		Staff – 0.5 FTE
<i>Strategy H-3.1.2: Develop and adopt new density bonus program.</i>					
High	1 year	Legislative	City Council	Community and Economic Dev Dept.	Staff – 0.5 FTE

Example Monitoring Program

- **Monitoring programs:**
 - Track progress towards achieving housing goals
 - Evaluate effectiveness of implementing actions
- **Example framework for performance measurement:**

Action	Goal	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 200 new DADUs before 2024 (50 units per year)

Monitoring: Housing Production Compared to Growth Target

Exhibit 2: Permitted Housing Units in City of Yakima, 2015 - 2019

Housing Type	2015	2016	2017	2018	2019	Total
Single Family	114	107	90	144	89	544
Duplex	26	40	32	70	96	264
Multifamily with 3 & 4 unit in structure	3	0	3	36	35	77
Multifamily with 5 + unit in structure	0	0	0	15	616	631
Mobile Home	15	10	18	15	16	74
Total New	158	157	143	280	852	1,590
Demolitions (all types)	40	29	27	48	55	199
Net New Units (all types)	118	128	116	232	797	1,391
Average Annual Net New Units (2015-2019)	278					

- 1,391 units were produced during 2015-2019, or about 278 per year
- This is slightly short of 290 units per year needed to meet growth target
- Building permits show an increase in multifamily and attached housing following 2017 Comprehensive Plan update and implementing actions
- Monitoring this trend moving forward is important

Design Monitoring to Be Easy

Integrate your monitoring program with established practices

- Comprehensive plan monitoring programs
- Annual reports or updates to elected officials
- Buildable lands reports
- Growth monitoring

Reporting on outcomes can be done in multiple ways

- Implementation progress
- Measuring progress toward an outcome goal
- Monitoring outcomes over time

Examples

- Skagit County and cities have an annual growth monitoring report
- Chelan's Comprehensive Plan (2017) identifies measurable objectives for evaluating implementation of the plan
- Snohomish County releases annual growth monitoring reports

Commerce Resources and Q & A Time



Housing Action Plans

A housing action plan (HAP) is an optional tool, described in RCW 36.70A.600(2), that defines strategies and implementing actions that promote greater housing diversity, affordability and access to opportunity for residents of all income levels. Please click on the pages under the "Housing Action Plan" tab for resources, example documents, housing images, presentations and HAP webpages.



Commerce housing planning webpage

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

Commerce EZ View resource page

https://www.ezview.wa.gov/site/alias__1976/37311/default.aspx

Questions?



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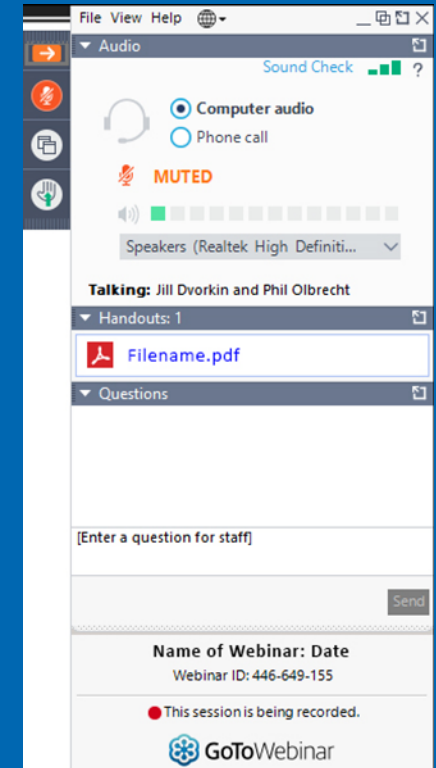
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2. Enter your inquiry in the “Questions” dialogue box and click the “Send” button.





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March 24, 2021, 10 AM - 11:30 AM

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