

KING COUNTY GROWTH MANAGEMENT PLANNING COUNCIL AGENDA ITEM

AGENDA TITLE: Housing

PRESENTED BY: Interjurisdictional Staff Team (IJT)

Background

When the County revised the Countywide Planning Policies in 2012, the new policies took a very different approach to addressing affordable housing for lower-income households.

The original CPPs had estimated the countywide percentages of total future housing units that would need to be affordable for households at different income levels. The estimates indicated that 17% of net household growth should be affordable to households with incomes between 50% and 80% of the median income, and either 20% or 24% of new units should be affordable to households with incomes below 50% of median. These percentages were then translated into specific numeric targets in each income range for every jurisdiction, based on the total growth target assigned to that jurisdiction.

Experience under the original CPPs showed that the method for setting affordability goals was having limited effect. For instance, some cities in the southern portion of the county contain a larger share of private-market housing units that are affordable to households below 80%, or even 50%, compared to other parts of the county. At the same time, even with the significant efforts several east side cities have made to increase the number of affordable housing units, those cities have not been able to achieve the affordability targets established for them in the earlier CPPs.

The 2012 revisions to the CPPs recognized the disparate conditions for affordable housing that exist in different portions of the county. In developing the 2012 approach, the analysis first defined the countywide need for affordable housing and then directed each jurisdiction to conduct its own analysis of affordable housing needs and then to devise its own strategies for meeting those needs.

Another difference between the new policies and the earlier ones is that need is defined as a percentage of total housing stock, rather than of only new housing stock. This is a more realistic assessment because it acknowledges both of existing supply and deficiencies of affordable housing.

Key policies in the Housing chapter include:

H-1 Address the countywide need for housing affordable to households with moderate, low and very-low incomes, including those with special needs. The countywide need for housing by percentage of Area Median Income (AMI) is:

10-80% of AMI (moderate)	16% of total housing supply
30-50% of AMI (low)	12% of total housing supply
30% and below AMI (very-low)	12% of total housing supply

H-3 Conduct an inventory and analysis of existing and projected housing needs of all economic and demographic segments of the population in each jurisdiction. The analysis and inventory shall include:

- a. Characteristics of the existing housing stock, including supply, affordability and diversity of housing types;
- b. Characteristics of populations, including projected growth and demographic change;
- c. The housing needs of very-low, low, and moderate-income households; and
- d. The housing needs of special needs populations.

H-5 Adopt policies, strategies, actions and regulations at the local and countywide levels that promote housing supply, affordability, and diversity, including those that address significant share of the countywide need for housing affordable to very-low, low, and moderate-income households. These strategies should address the following:

- a. Overall supply and diversity of housing, including both rental and ownership;
- b. Housing suitable for a range of household types and sizes;
- c. Affordability to very-low, low, and moderate income households;
- d. Housing suitable and affordable for households with special needs;
- e. Universal design and sustainable development of housing; and
- f. Housing supply, including affordable housing and special needs housing, within Urban Centers and in other areas planned for concentrations of mixed land uses.

H-8 Tailor housing policies and strategies to local needs, conditions and opportunities, recognizing the unique strengths and challenges of different cities and sub-regions.

Among the efforts jurisdictions across the county have initiated to help increase the availability of affordable housing are:

- zoning changes to increase potential supply of housing
- zoning incentives that provide building height or density bonuses for projects that include or fund affordable housing
- multifamily tax exemption
- transfer of development rights to preserve existing affordable housing
- no maximum densities
- accessory dwelling units
- parking reductions
- SEPA exemptions
- inclusionary zoning
- partnerships with non-profit housing developers
- voter-approved property tax levies that fund affordable housing.

Even with these efforts, jurisdictions are not able to close the gap between the need for and the availability of affordable housing. Seattle's Mayor and City Council believe that housing affordability in the city is at a crisis level. Other jurisdictions face varying degrees of the same problem.

Analysis:

There are a few cities in the county with affordable housing programs that require developers to participate. A mandatory approach offers an additional set of tools that could help cities ensure that more housing is affordable to their residents. The existing CPPs do not preclude or explicitly encourage a mandatory approach.

The CPPs' Housing Technical Appendix includes this statement:

As stated in policy H-5, local jurisdictions need to employ a range of strategies for promoting housing supply and housing affordability. The Puget Sound Regional Council's Housing Innovations Program Housing Toolkit presents a range of strategies.

PSRC's Toolkit lists inclusionary zoning and commercial linkage fees among the regulatory and financial "tools that are most effective for producing units less than 80% AMI."

While changing the CPPs is not a prerequisite to mandatory approaches, such approaches could play a more important role in future efforts to address affordable housing needs. To signal this potential role, it could be helpful to add language to the CPPs encouraging jurisdictions to consider the full range of potential programs, including mandatory programs, when they are developing strategies to meet their local housing need.

Staff Recommendation:

To further clarify existing policy, the IJT recommends that the CPPs be amended as follows:

H-8 Tailor housing policies and strategies to local needs, conditions and opportunities, recognizing the unique strengths and challenges of different cities and sub-regions. Jurisdictions may consider a full range of programs, including mandatory programs, that will assist in meeting the jurisdiction's share of the countywide need for affordable housing.