

AFFORDABLE HOUSING COMMITTEE

Wednesday, July 27, 2022, 1:00 p.m. – 3:30 p.m.

Agenda

- 1:00 p.m. **Introductions and Agenda Review**
- 1:10 p.m. **Adoption of May 18, 2022 Meeting Minutes**, action item
- 1:15 p.m. **Community Partners Table**, briefing
- 1:25 p.m. **GMPC Motion 21-I Accountability Framework update**, direction
- 2:05 p.m. **GMPC Motion 21-I Establishing Jurisdictional Affordable Housing Needs**, direction
- 3:25 p.m. **Wrap Up and Next Steps**
- 3:30 p.m. **Adjourn**

Meeting Minutes

Reference material: [Draft May 18, 2022 AHC Meeting Minutes](#)

Council Chair Claudia Balducci

Affordable Housing Committee Chair

King County Council

Community Partners Table

Sarah Ballew

Change Management and Policy Consultant
Headwater People

GMPC Motion 21-1 Accountability Framework

Reference material: [Staff Report](#)

McCaela Daffern

Regional Affordable Housing Implementation Manager
King County Department of Community and Human Services

Goals for Today

- Staff will:
 - ✓ Remind you of the AHC-recommended accountability framework for equitably meeting King County affordable housing needs
 - ✓ Brief you on a revised schedule for responding to Growth Management Planning Council (GMPC) Motion 21-1
 - ✓ Brief you on:
 - progress to develop comprehensive plan review standards
 - progress to develop a comprehensive plan certification pilot program
 - a draft plan to respond to 2021 GMPC member amendments
- Committee may:
 - ✓ Ask questions
 - ✓ Provide feedback to staff on the draft comprehensive plan certification pilot program recruitment handout

AHC 2022 Work Phases

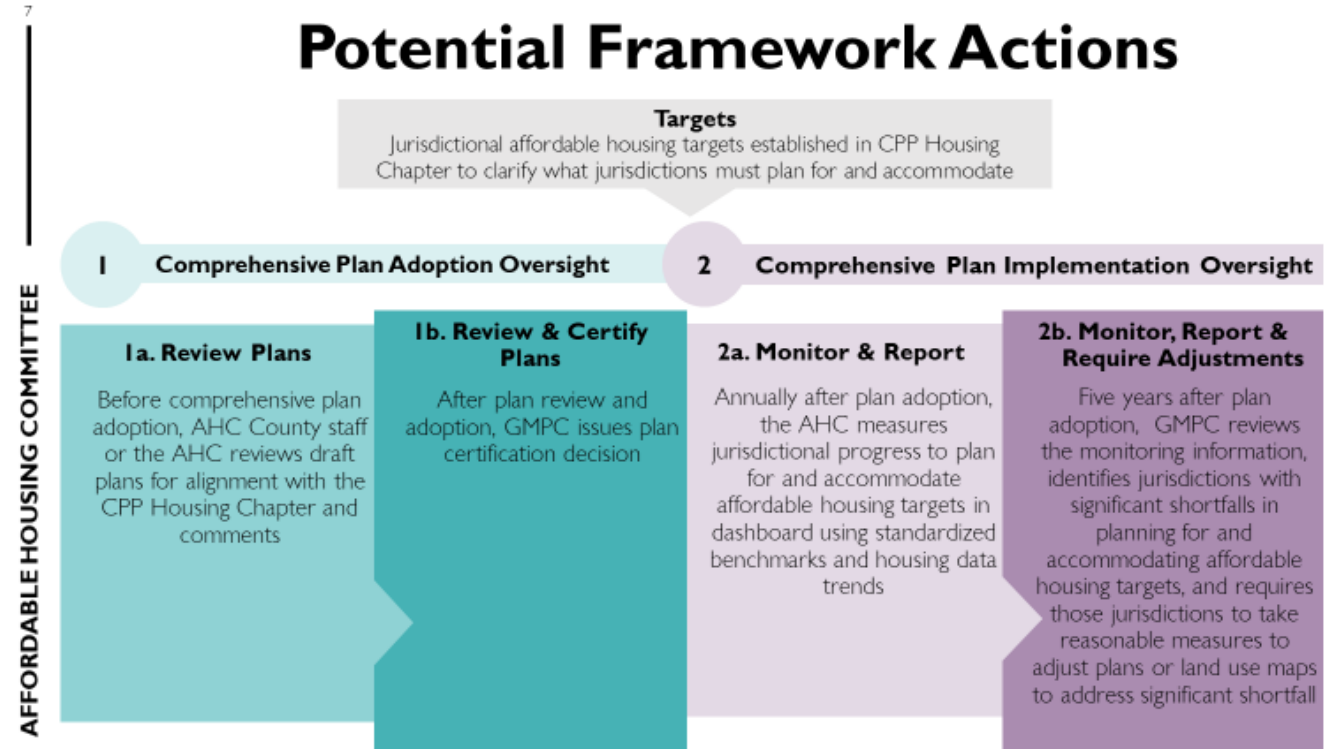


** Phases 2 and 3 are behind schedule due to Commerce delays; AHC fall meeting schedule will be revised to ensure completion by the end of 2022*

AHC Recommended Accountability Actions

In May, the AHC recommended:

- Establishing a three-part accountability framework for equitably meeting affordable housing needs across King County
 1. Review Plans
 2. Monitor & Report
 3. Require Adjustments
- Piloting a housing-focused comprehensive plan certification program to determine feasibility and effectiveness



Accountability Framework Components

By the end of the year, the AHC will recommend to the GMPC:

- **Jurisdictional affordable housing targets** that clarify the amount of housing need a jurisdiction will be held accountable to planning for and accommodating
- **CPP amendments necessary** to implement the approved three-step accountability framework
- **Plan review standards** that the AHC would use when commenting on comprehensive plan alignment with the CPP housing chapter
- **Comprehensive plan pilot proposal**
- **Description of how/if the framework and amendments address GMPC member amendments** proposed in 2021

Comprehensive Plan Review Standards

Scope of Work

- AHC must transmit to the GMPC recommended comprehensive plan review standards/checklist and CPP amendment(s) to establish plan review as a required activity

Status

- Staff are addressing Interjurisdictional Team (IJT) and Housing Interjurisdictional Team (HIJT) feedback on draft standards, such as:
 - How can the standards best support the chief intent of plan review?
 - Create a separate standard for each CPP Housing Chapter policy?
 - Include guidance to meet the standard that may not work for all jurisdictions?
 - Where a CPP Housing Chapter policy states the need to implement, not just adopt a policy, what type of documentation is sufficient?

Next Steps

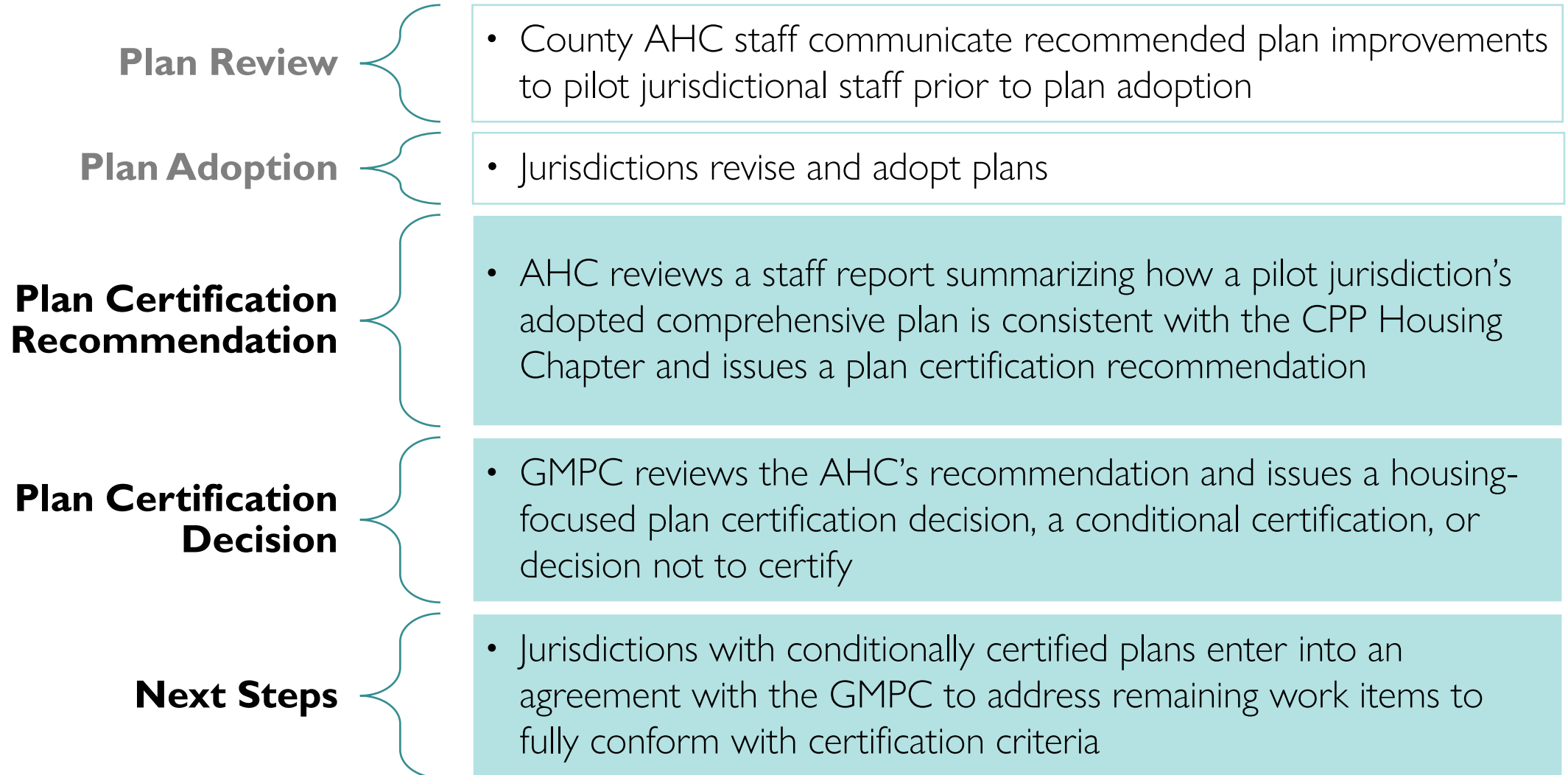
- Aug/Sept: Staff refines draft standards
- Sept: Commerce expected to release draft guidance on how to demonstrate the provision of sufficient capacity of land
- Oct: AHC provides feedback on draft standards
- Dec: AHC approves standards

Comprehensive Plan Certification Pilot

Intent of plan certification pilot

- Pilot with ~5 jurisdictions in 2023-2026 to examine feasibility, refine concept, and gauge whether plan certification produced more impactful results than would otherwise have occurred
- Full detail available in Appendix 2 (page 8) of the accountability framework staff report

Comp Plan Pilot Certification Process



Comprehensive Plan Certification Pilot

AHC's Next Steps

- AHC staff to recruit jurisdictions to join Aug-Oct 2022 to demonstrate sufficient interest
- Participants should be geographically diverse and represent jurisdictions with a range of capacity, can join learning cohort, and may be eligible for technical assistance from King County AHC staff
- Include program details in adopted recommendation to GMPC

2021 GMPC Member Amendments

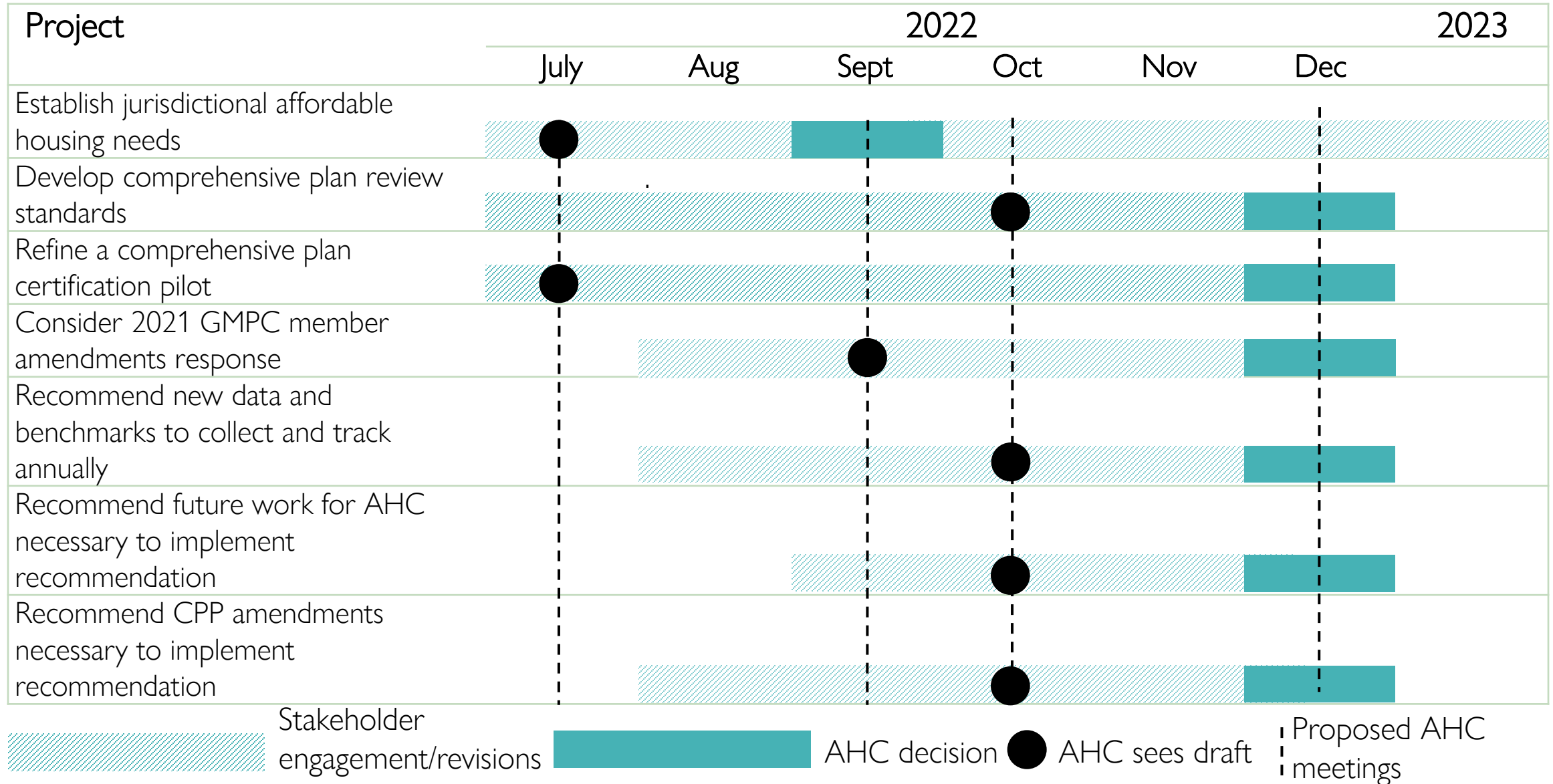
Scope of Work

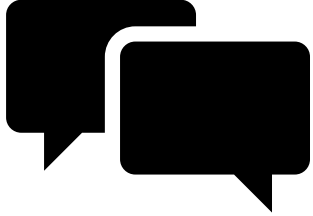
- AHC must transmit to the GMPC documentation of how they considered the range of Development Patterns chapter and Housing Chapter amendments proposed by GMPC members in June 2021

Proposed Process for AHC Consideration of 2021 GMPC Member Amendments

- Over the summer, HIJT will review GMPC member amendments and provide a recommendation for addressing each one
- AHC will receive these recommendations in Sept and provide feedback in Sept and Oct
- In Dec, the HIJT and the AHC Chair will include GMPC member amendments and recommendations for addressing each one in a consent agenda
 - AHC members may pull specific amendments for discussion before voting on the consent agenda

Revised GMPC Motion 21-1 Schedule





Questions

- Is there anything staff should consider while refining the accountability framework?
- Do you recommend any changes to the plan certification pilot recruitment process or handout?

GMPC Motion 21-1 Establishing Jurisdictional Affordable Housing Need

Reference material: [Staff Report](#)

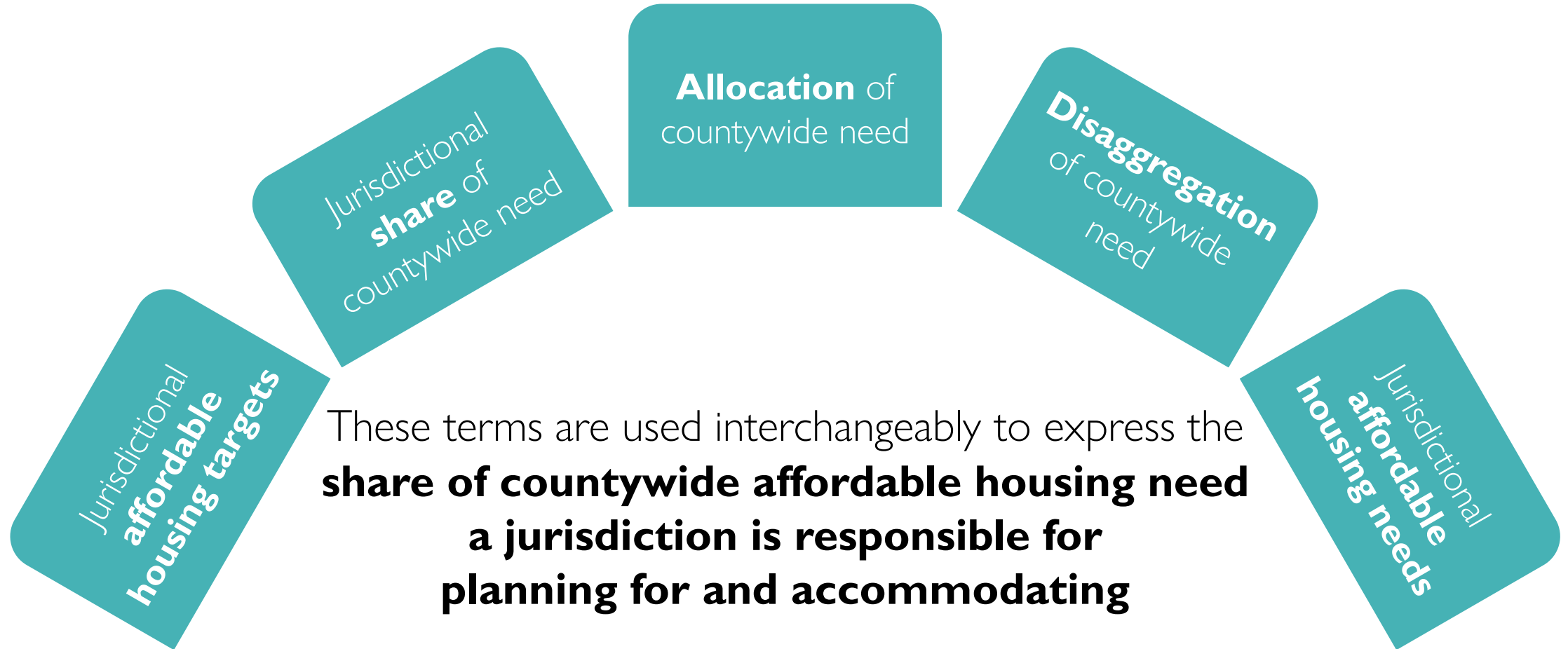
Sunaree Marshall

Housing Policy and Special Projects Manager
King County Department of Community and Human Services

Goal for Today

- Staff will:
 - ✓ Brief you on a revised project schedule for establishing affordable housing targets
 - ✓ Share preliminary draft *by income level* countywide need projections
 - ✓ Describe *by income level* allocation options under development for AHC consideration
 - ✓ Orient you to a dashboard tool to assist you in evaluating options in September
- Committee may:
 - ✓ Ask questions
 - ✓ Provide feedback to staff on target option refinements

What are Affordable Housing Targets?



Affordable Housing Targets Are Also ...

An expression of need

- They reflect what's needed without considering the cost of, resources available for, or barriers to building that housing

Different than growth targets

- They are not the same thing as growth targets, which are an expression of future housing growth

A guide for where and how need is addressed

- They guide how much housing at different income bands a jurisdiction plans for and accommodates

Required

- They are now required by the Growth Management Act (GMA) and requested by the GMPC

Based on Evolving Information from the State

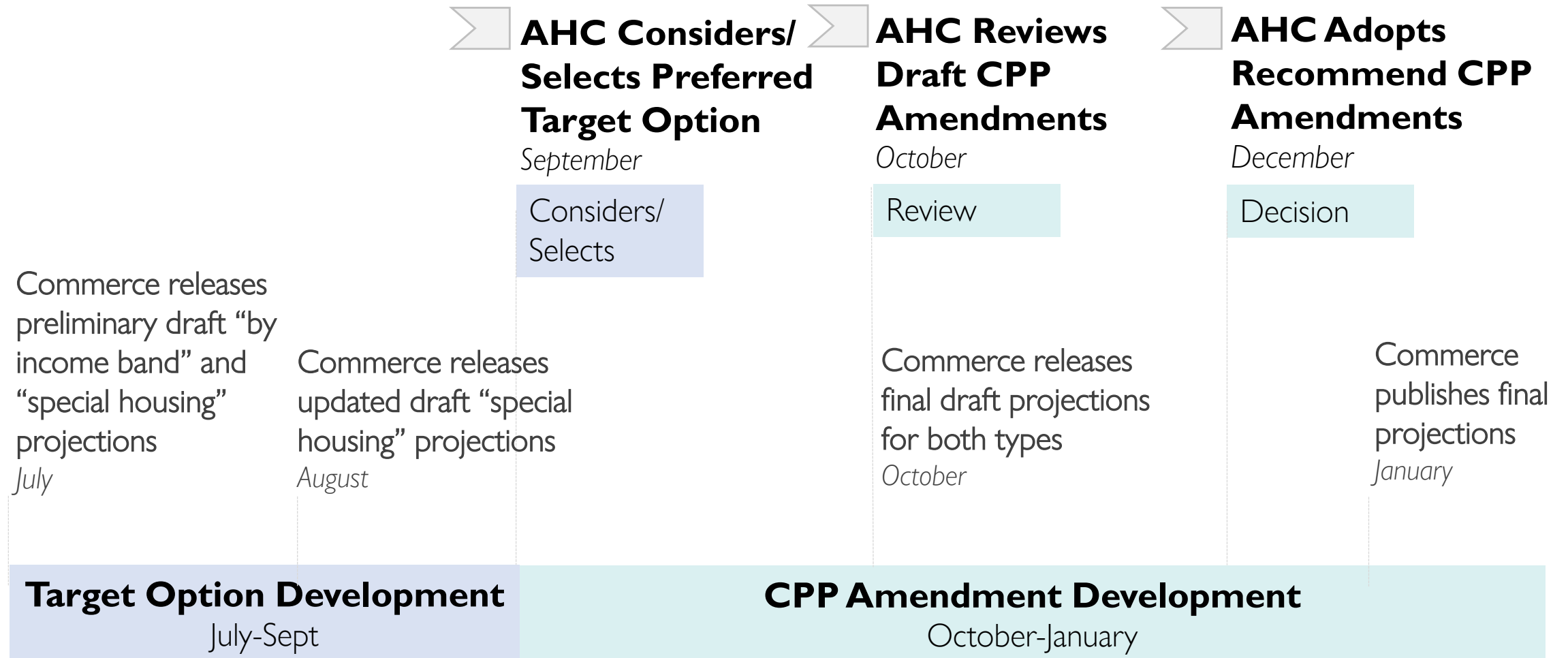
Washington jurisdictions must use Commerce's countywide need projections

- Commerce is projecting two types of countywide affordable housing need (2020-2044):
 - **By income level:** 0-30%, 30-50%, 50-80%, 80-120%, >120% AMI
 - **Special housing:** permanent supportive housing and emergency housing/shelter
- Also providing guidance on how cities and counties could allocate need to jurisdictions

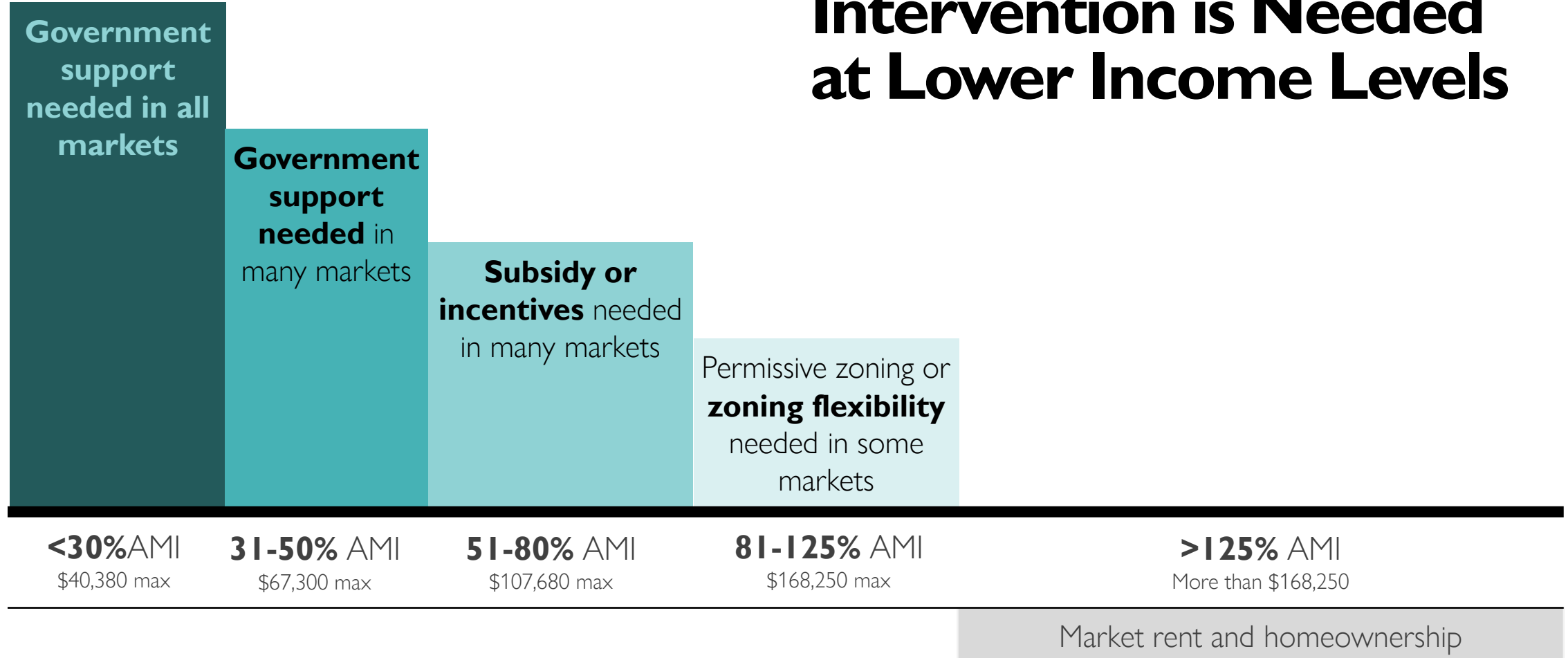
Commerce's need projections and allocation guidance is delayed and still evolving

- Commerce delayed in releasing needed information to develop target options
- Special housing:
 - Projections not available in time for inclusion in this presentation
 - King County AHC staff coordinating with King County Regional Homelessness Authority
- Countywide need projections and allocation guidance for both types will be finalized in the fall/winter, so draft countywide need projections shared today will change

Revised Project Schedule for Targets



Greater Government Intervention is Needed at Lower Income Levels



Footnote: AMI totals are calculated using the 2022 HUD Median Family Income for the Seattle-Bellevue WA HUD Metro FMR Area, then multiplying that by the AMI percentages shown. Totals are similar to the 4- person household HUD Section 8 Limits, which are only available up to 80% AMI, but may have small differences due to additional adjustments HUD uses to calculate exact limits.

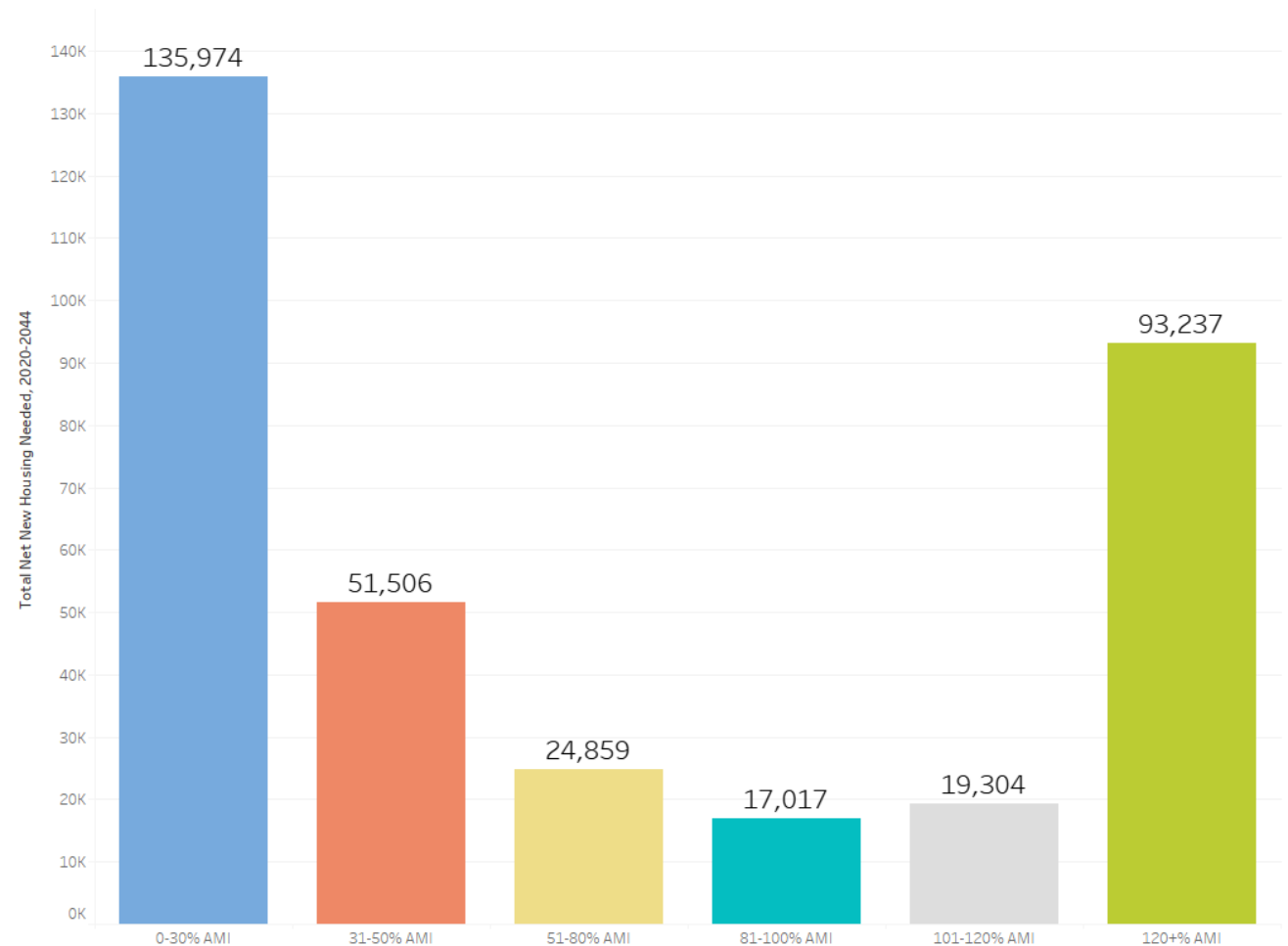
Draft Projected Countywide Need | By Income

Information based on **draft** projections from Commerce. **Subject to change.**

| Income Category | Housing Production Needed to Eliminate Renter Cost Burden | Housing Needed for Homeless Population | Pct of Households by Income Level (CHAS 2018) | Additional Housing to Address Household Growth | Total Net New Housing Needed, 2020-2050 |
|-----------------|---|--|---|--|---|
| 0-30% | 65,909 | 46,721 | 12.2% | 23,344 | 135,974 |
| >30%-50% | 27,340 | 5,191 | 9.9% | 18,975 | 51,506 |
| >50-80% | 4,687 | | 10.5% | 20,172 | 24,859 |
| >80-100% | 20 | | 8.9% | 16,996 | 17,017 |
| >100-120% | 7 | | 10.0% | 19,296 | 19,304 |
| >120% | - | | 48.6% | 93,237 | 93,237 |
| Total | 97,963 | 51,912 | 100% | 192,000 | 341,895 |

Draft Projected Countywide Need | By Income

- Total *by income level* net new housing needed (2020-2044) is 341,895 units
- Includes unmet demand for affordable housing in 2020 and a prediction of future affordable housing need by 2044
- Does not consider the cost of, resources available for, or barriers to building that housing
- Each jurisdiction must plan for and accommodate their share



Source: Commerce's [DRAFT Housing Needs Allocation Tool \(HNAT\)](#), released July 22, 2022, with PSRC Vision 2050 scenario and 2044 projection year selected

Commerce's Draft Minimum Standards for Allocating Need

Counties and cities can choose any method of allocating need, but must meet Commerce's minimum allocation standards

1. The county must select a total housing need projection within the range of the low, medium, and high countywide housing needs projections published by Commerce
2. The selected countywide housing need projection for each *income level* and *special housing* needs must be consistently derived from the same Commerce projection series
3. The sum of all allocated housing needs to local jurisdictions in a county must equal the total countywide housing need projection. This should be true for each income level, permanent supportive housing, and emergency shelter/housing.
4. Each jurisdiction's allocation of projected housing needs by income level and for permanent supportive housing and emergency housing must be documented in their comprehensive plan housing element
5. **NEW** Allocations must be consistent with any relevant CPPs or multicounty planning policies that address housing. This includes any population and housing targets that have already been adopted in these policies.

Stakeholder Engagement on Allocation Options

HIJT CPP WG / IJT:

- Gave input on weighting factors
- Discussed tension between simple allocation methods that are easy to explain vs. complex methods that provide nuance

CPT: When asked where affordable housing is needed most, they said everywhere

HIJT:
Reflected on the planning/policy implications for projected countywide need. It's a big number.

KC Planning Directors:
Meeting July 28

AHC/ GPMC:
Meeting July 27

Allocation Principles

- Staff are developing three target options for Committee consideration in September
- Refinements from July - September will ensure alignment with these **key principles**:

1. Increase housing choices for low- and moderate-income households in areas with fewer affordable options currently

2. Promote a more equitable distribution of housing choices across all jurisdictions

3. Align with the GMA, Regional Growth Strategy, CPPs, and Commerce's minimum countywide need allocation standards

Option I: Focus on new growth

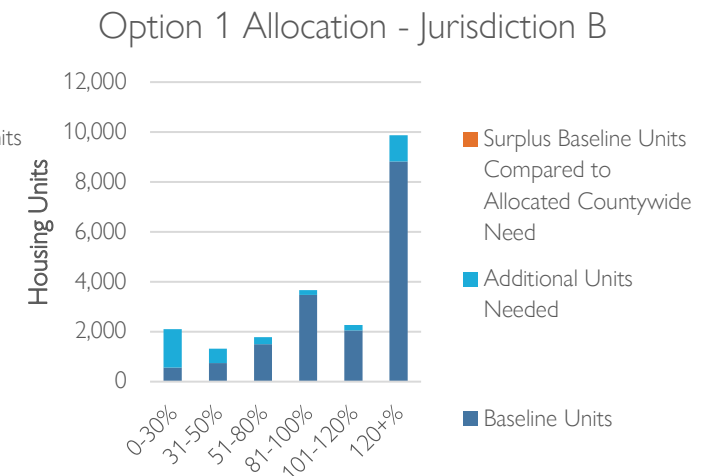
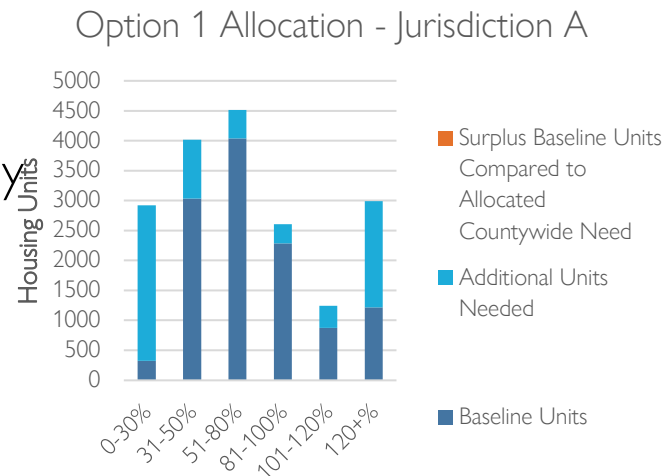
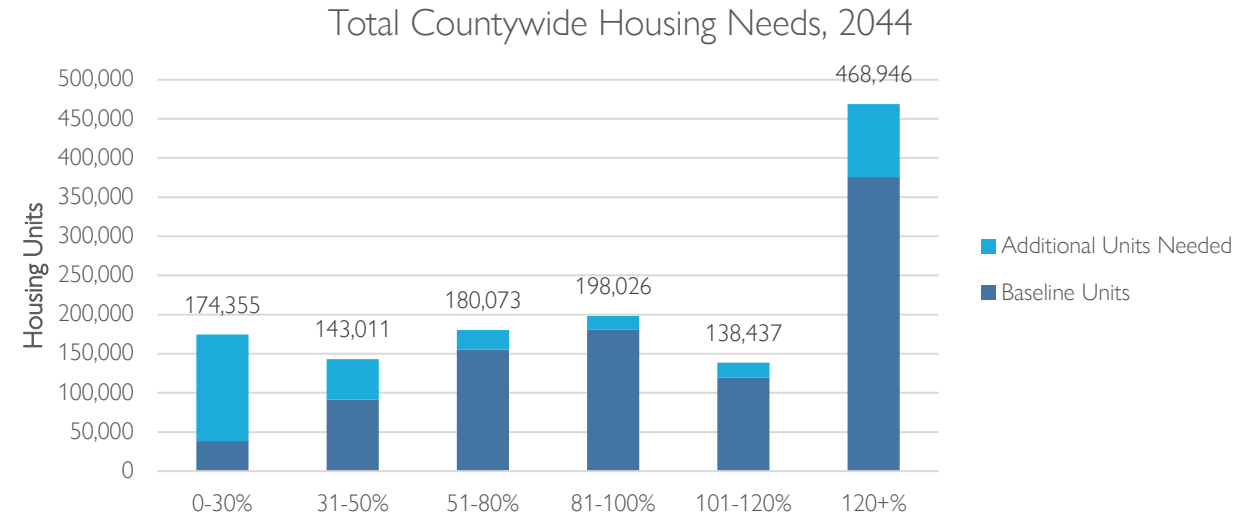
Same shares of new housing growth are affordable in every jurisdiction

Summary

- All jurisdictions allocate the same percentage shares of their net new housing growth target by income level, including units for moderate, low, very low, and extremely low-income households
- All countywide housing needs are accommodated through new housing production
- Total new units allocated to each jurisdiction is limited to their share of planned countywide housing growth
- Similar to an allocation process used in King County before the CPPs were amended in 2012
- Based on method established by Commerce

Option 1: Focus on new growth | Example

- + Jurisdiction need allocations are perceivably more achievable since additional affordable housing is only within the bounds of new growth countywide
- Jurisdictions will only plan for affordable housing need within the bounds of new growth, so lower growth targets in unaffordable communities lead to little change
- Jurisdictions with higher growth targets relative to others in their regional geography allocated more need, but only some places well served by transit
- Smaller impact on addressing historic disparities



Source: Commerce's [DRAFT Housing Needs Allocation Tool \(HNAT\)](#), released July 22, 2022, with modifications to reflect preliminary King County housing growth targets

Option 2: Focus on 2044

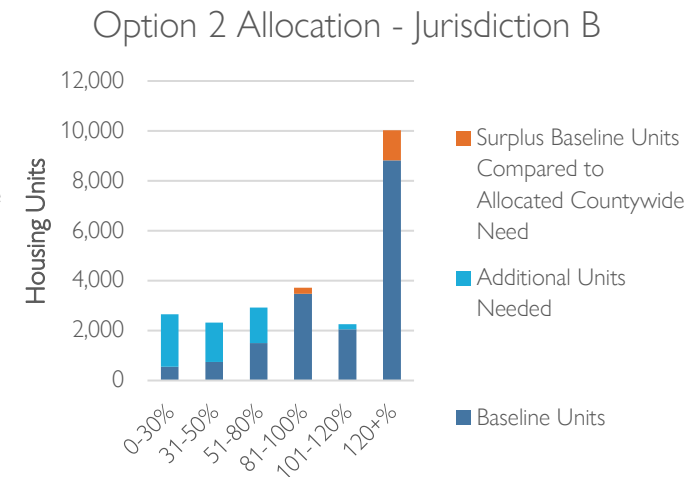
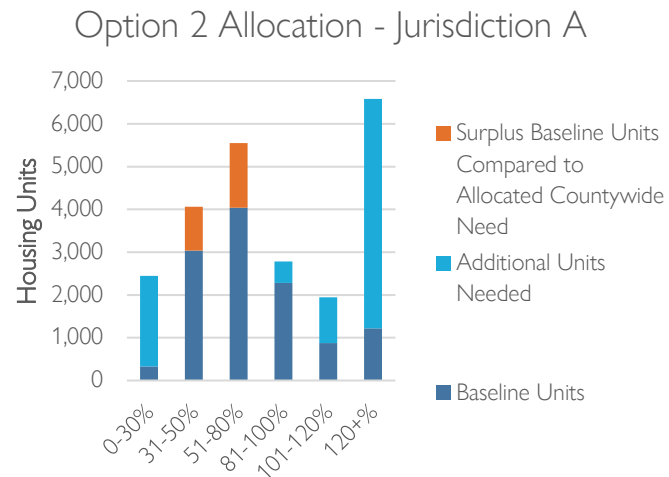
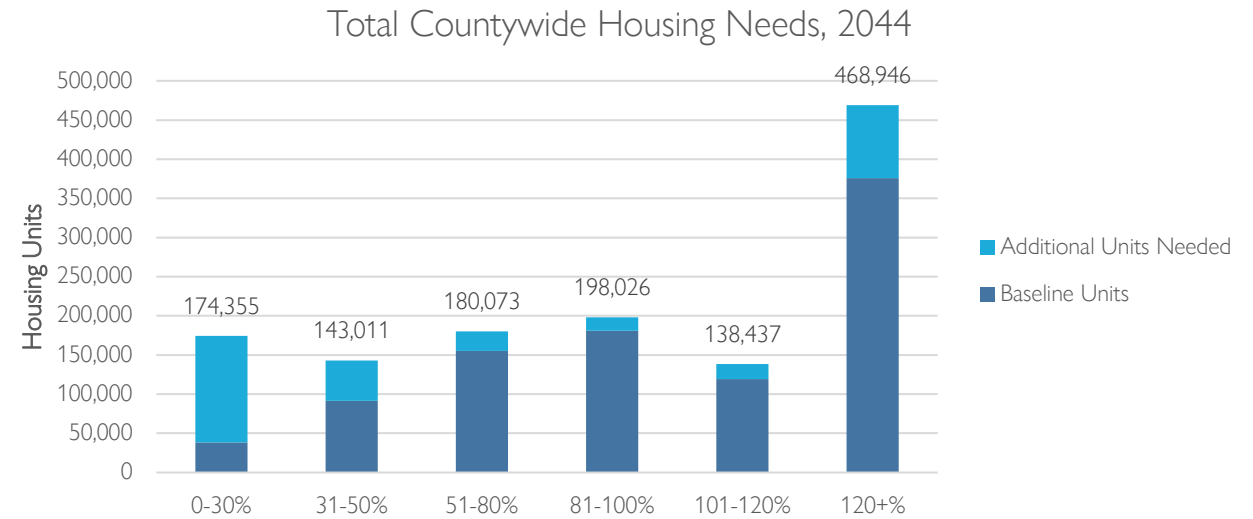
Same shares of total housing stock in 2044 are affordable in every jurisdiction

Summary

- Each jurisdiction should plan to provide the same percentage share of their total housing supply at each income level as needed countywide by 2044
- Allocations of need are based in part on the estimated 2020 housing supply by affordability level. Jurisdictions with less low-income housing are thus allocated higher amounts in lower AMI bands
- Allocations do not assume that all net new countywide housing needs will be met through new housing production
- Similar to the way jurisdictions were guided to project their share of countywide need in the 2021 amended CPPs
- Based on method established by Commerce

Option 2: Focus on 2044 | Example

- + Method calculates the total amount of additional units needed to bring each jurisdiction's supply into alignment with total countywide needs
- Can result in “surplus/negative” units where a jurisdiction's baseline supply is greater than its own share of projected need
- Can result in significantly more additional units needed than implied in growth target, leading to challenging planning requirements for jurisdictions with high land costs and less affordable housing
 - But those needs could be addressed through vouchers, purchase of market housing, subregional contributions, etc.



Source: Commerce's [DRAFT Housing Needs Allocation Tool \(HNAT\)](#), released July 22, 2022, with modifications to reflect preliminary King County housing growth targets

Option 3: Focus on New Growth Adjusted for Local Factors

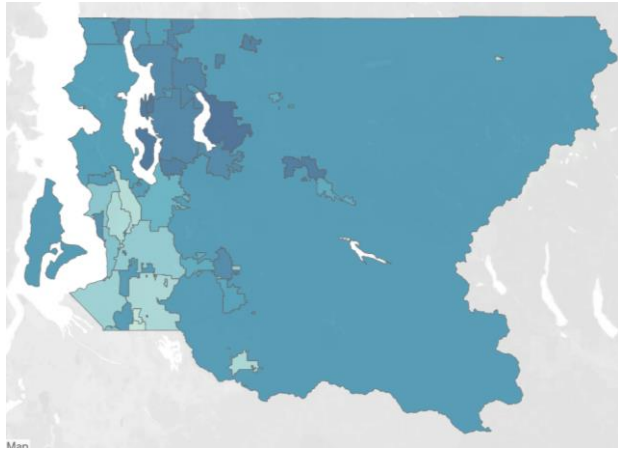
Same shares of new housing growth are affordable in every jurisdiction and adjusts outputs within each income band by certain factors

Summary

- Jurisdictions initially receive a total new unit allocation equal to their % share of total countywide growth. Then applies weighting factors to adjust the total new unit need allocation within a jurisdiction
- Divides final allocation into different income levels by analyzing how many units currently exist in each jurisdiction at each income level, and then places more of that jurisdiction's allocation at income levels where they have less housing than the countywide average
- All countywide housing needs accommodated through new housing production
- Total new units allocated limited to each jurisdiction's share of planned countywide housing growth
- Adapted from method developed by the Metropolitan Council in the Twin Cities

Option 3

Potential Adjustment Factors

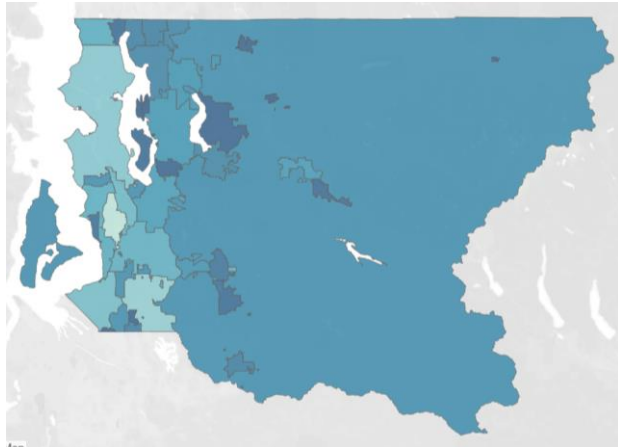


Factor 1



% share of housing that's affordable

Jurisdictions shaded darker receive more allocated need to increase affordable housing in places with fewer affordable options today

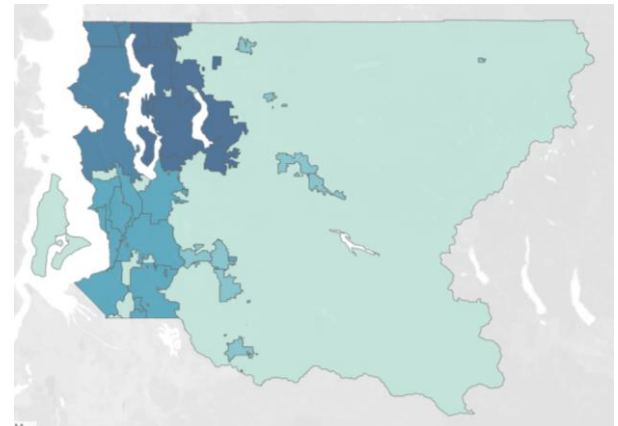


Factor 2

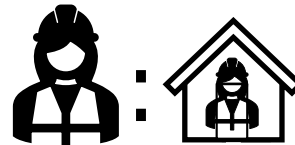


% share of housing that's income restricted

Jurisdictions shaded darker receive more allocated need to increase affordable housing in places with fewer affordable options based on what's likely to remain affordable



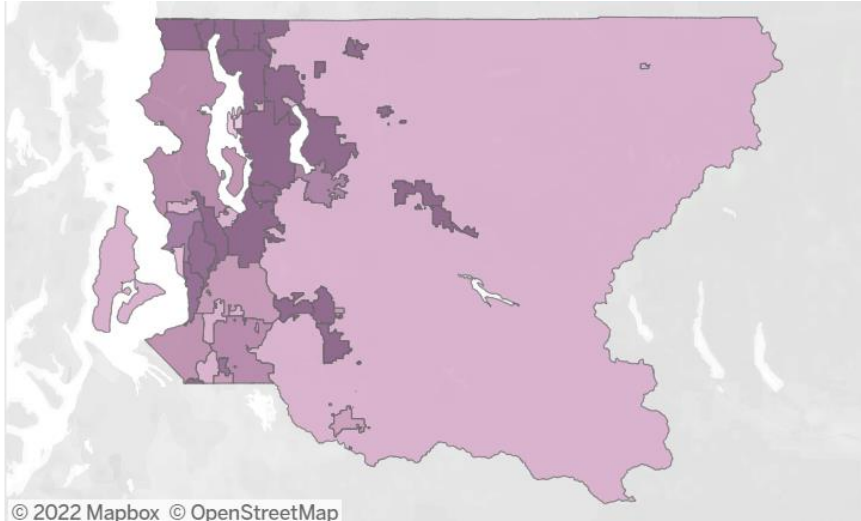
Factor 3



Ratio of low-wage jobs to low-wage workers

Jurisdictions in darker subregions receive more allocated need to increase the chance that a low-wage worker can live near their place of employment

Option 3 | Potential Factor Weights

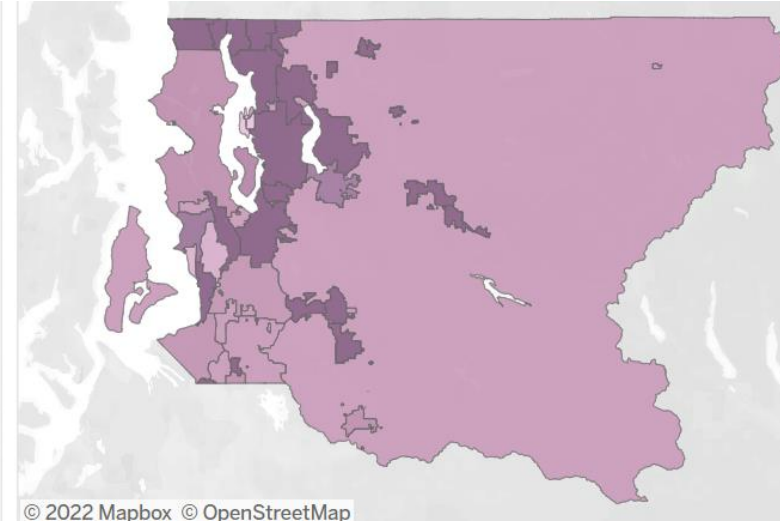


Option 3A

50% share of housing that is affordable because this is a more stable and place-based indicator

25% share of housing that is income-restricted because renters find housing on the broader housing market that's not income-restricted

25% ratio of low-wage jobs to low-wage workers because workers are more likely to move than housing units



Option 3B:

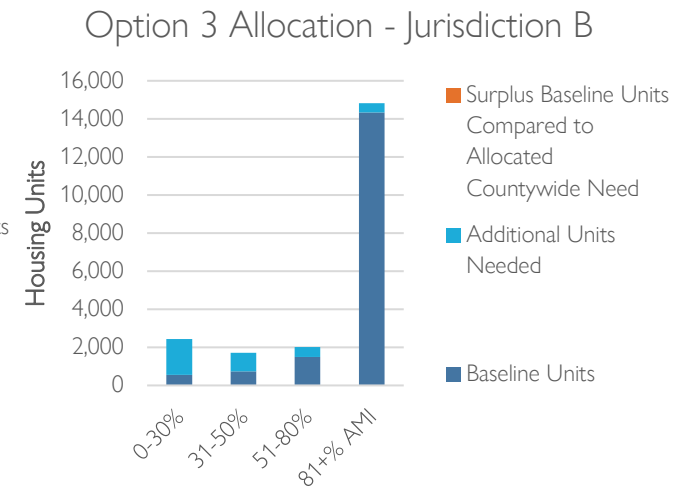
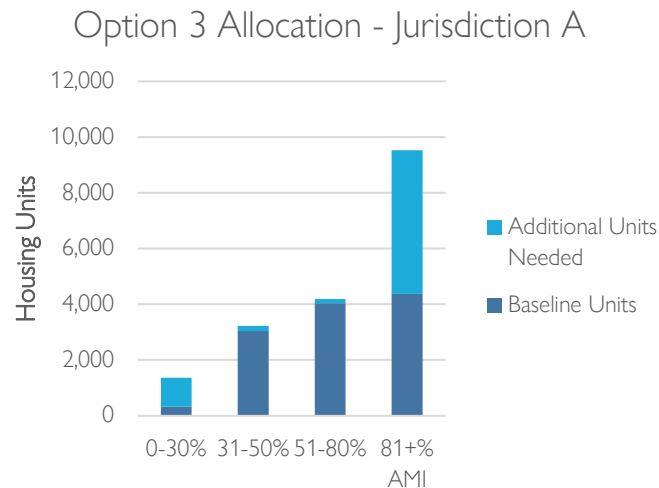
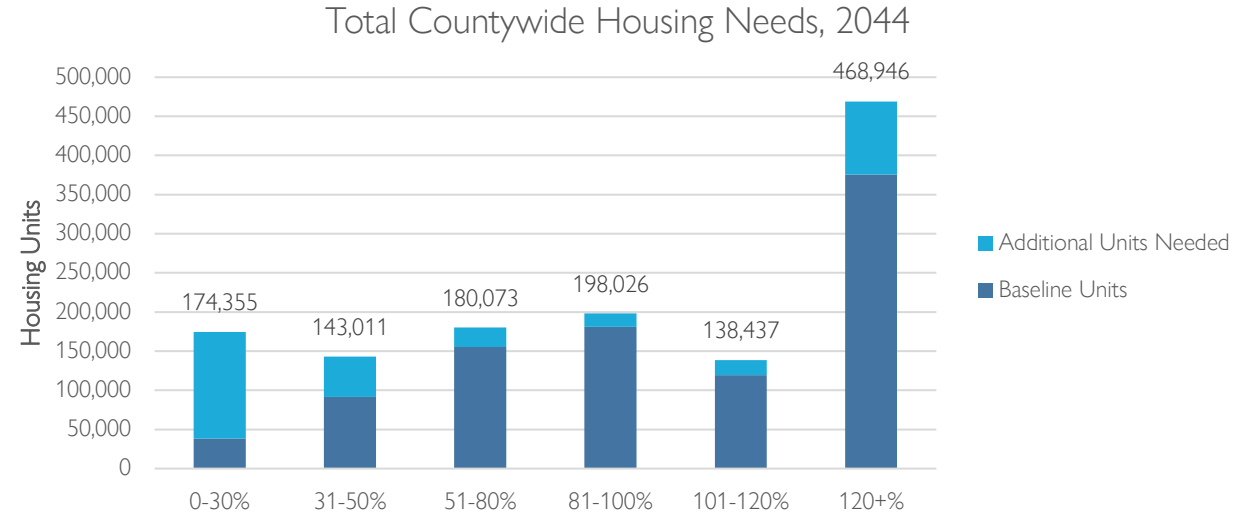
66% share of housing that is affordable because this is a more stable and place-based indicator

33% share of housing that is income-restricted because renters find housing on the broader housing market that's not income-restricted

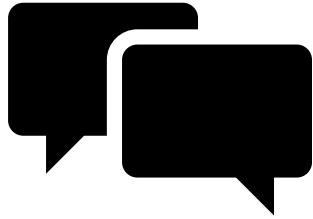
0% ratio of low-wage jobs to low-wage workers because method is difficult to explain and highly sensitive to methodological decisions

Option 3: Focus on New Growth Adjusted for Local Factors Using Option 3A | Example

- + Provides for more flexibility to address local policy objectives than the other options
- + Potentially recognizes affordability supply and jobs/worker imbalances across jurisdictions
- Complex in both process and mathematics



Sources: Baseline Units and Total Countywide Housing Needs from Commerce's [DRAFT Housing Needs Allocation Tool \(HNAT\)](#), released July 22, 2022, additional units needed allocations from Option 3 methodology developed by King County DCHS 36



Questions?

Is there anything staff should consider while developing the target options?

THANK YOU