

State-Projected Housing Needs

Implementing HB 1220

Laura Hodgson

SENIOR PLANNER

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Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



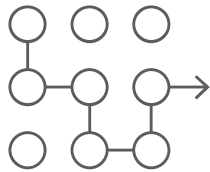
INFRASTRUCTURE



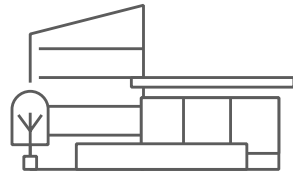
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



**CRIME VICTIMS &
PUBLIC SAFETY**



**COMMUNITY
SERVICES**

Agenda:

HB 1220: changes to housing element requirement

Project work plan and timeline

Early thoughts on methodology and assumptions

Stakeholder engagement/communications

Other Commerce housing updates



HB 1220:

Changes RCW 36.70A.070 (2) The Housing Element

Changes GMA housing goal:

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

Requires Commerce to provide projected housing need to local governments:

- For moderate, low, very low, and extremely low-income households
- For permanent supportive housing, emergency housing and emergency shelters

Local housing element to:

- Identify sufficient capacity of land for identified housing needs
- Within UGAs, moderate density housing options including, but not limited to duplex, triplex, townhomes
- Document barriers to housing availability such as gaps in local funding, development regulations, etc.
- Consider housing locations in relation to employment locations
- Consider role of ADUs

HB 1220

Disparate impacts, displacement and exclusion

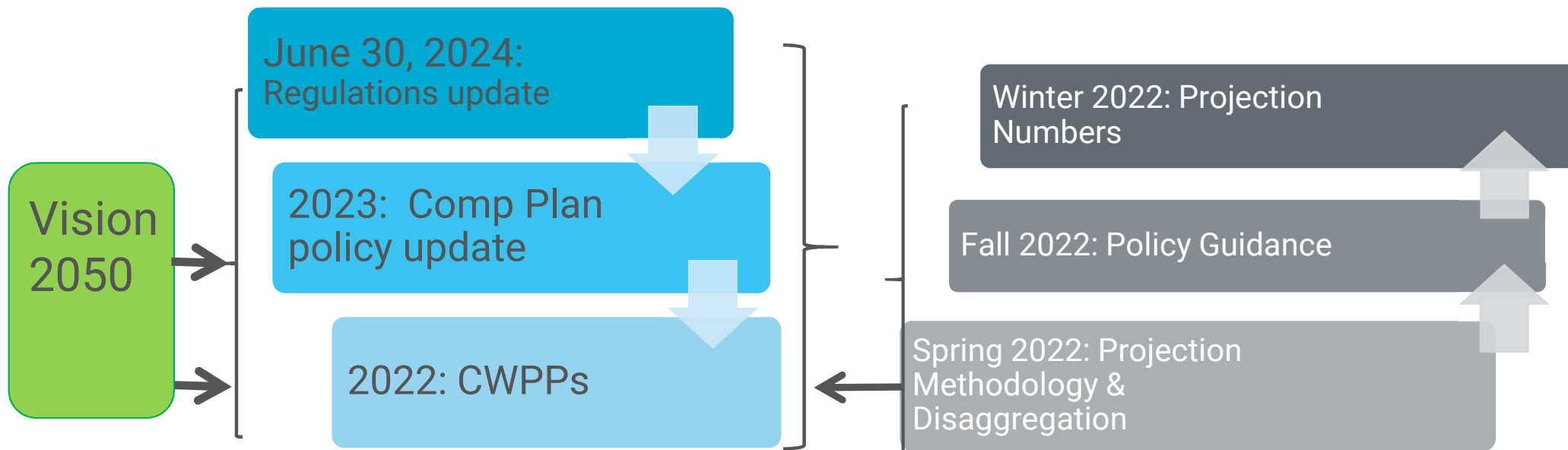
- **Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing:**
 - Zoning that may have a discriminatory effect
 - Areas of disinvestment and infrastructure availability
- **Begin to undo racially disparate impacts, displacement and exclusion in housing**
- **Identify areas at higher risk of displacement and establish anti-displacement policies including:**
 - Preservation of historic and cultural communities
 - Investments in housing for lower income segments
 - Equitable development initiatives and land disposition policies
 - Inclusionary zoning and community planning requirements
 - Tenant protections

Work Plan on Projected Housing Needs

Jan - Aug	Methodology for projecting countywide housing needs by income
Jan - May	Methodology for disaggregating projected housing needs
Jan - Jun	Methodology for projecting special housing needs
May – Nov	Policy guidance a) Guidance to evaluate barriers to achieving needed housing typologies b) Policies for missing middle housing, ADUs, housing location
Dec	Projections of housing needs by income band, including special housing needs (once OFM data is released)
Nov 2022 - Feb 2023	Two webinars
Feb – May 2023	Countywide housing need profiles

2024 Periodic Update Timeline

County/city periodic update
process: working backwards



Early Thinking about Methodology/Assumptions

Projected housing needs methodology

- Consistent with OFM countywide population projections
- Account for household size, vacancy, group quarters
- Account for historic underproduction
- Test with various size counties

Break down housing needs by income band

Special housing needs

- Data: point-in-time counts (PIT), HMIS, and others
- Engage stakeholder groups in focus group meetings for more information

Disaggregating countywide projections

- Recommendations for countywide planning policies
- Zoning assumptions

Stakeholder Engagement

- Webpage and list serve with quarterly updates
 - <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/>
- Engage with county and city planners
- Two focus groups for PSRC region (projected housing needs and disaggregation methodologies)
- Focus groups to determine special housing needs
- Advisory group for all methodologies and guidance
- Public drafts of methodology and guidance with opportunity to comment

Advisory group membership

- State OFM / WSHFC / Commerce
- WSAC / AWC
- BIA / WLIHA
- Housing authorities and homelessness authority
- Buildable lands
- Western and eastern counties
- Large and small cities
- Rural housing

HB 1220: More provisions

Siting special and emergency housing: By September 30, 2021

- Cities may not prohibit **transitional housing or permanent supportive housing** in any zones in which **residential dwelling units or hotels are allowed**.
- Effective September 30, 2021, a code city shall not prohibit indoor emergency shelters and indoor emergency housing in any zones **in which hotels are allowed**, except where provisions allow for these uses in the majority of zones within 1 mile of transit.
 - Reasonable occupancy, spacing, and intensity of use requirements may be imposed but may not prevent siting of required number of units.
 - Moratoria not allowed.

[MRSC Insight Blog - Changing Your Zoning Code to Accommodate Housing and Shelters for the Homeless](#)

GMS Grants

- **\$34.6 M for Connecting (affordable) Housing to Infrastructure Program (CHIP)**
 - For local governments or public utilities that imposed a sales and use tax
 - Pays for utility improvements or system development charge waivers
 - For projects with 25% affordable housing units for 25 years
 - Grants still open after first round; **second round due early March.**
- **\$5M for Housing Action Plan Implementation (HAPI) grants**
 - \$3.5M awarded to 44 cities
 - Second round closed Feb 4. – awards early March
- **\$2.5 M for Transit-Oriented Development Implementation (TODI)**
 - 11 grants awarded for subarea planning and environmental review - **closed**

Other Commerce Work

- **Multifamily Tax Exemption (MFTE) Guidance**
 - Developing guidance for local governments (Summer 2022)
 - Conducting study with per legislative direction (Winter 2022)
 - Developing auditing program.
- **Transit-Oriented Development (TOD) Proviso**
 - Awarded to Housing Development Consortium (HDC), in partnership with Sound Communities
 - Technical assistance for affordable housing and equitable TOD
- **Forthcoming Washington Advisory Code (WAC) update on housing changes**

Questions?



Washington State
Department of
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www.commerce.wa.gov



Anne Fritzel

HOUSING PROGRAMS MANAGER

Anne.Fritzel@commerce.wa.gov

360.259.5216

Laura Hodgson

SENIOR PLANNER IMPLEMENTING HB 1220

Laura.Hodgson@commerce.wa.gov

360.764.3143