

HB 1220: Racially Disparate Impacts Work

Implementing HB 1220 (laws of 2021)

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SENIOR PLANNER

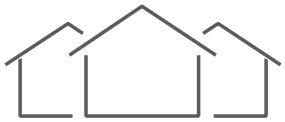
GROWTH MANAGEMENT SERVICES

11/10/2022



Washington State
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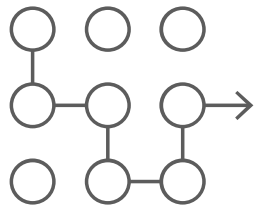
INFRASTRUCTURE



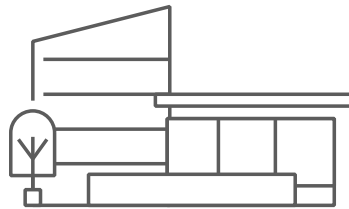
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HB 1220:

Changed RCW 36.70A.070 (2): The Housing Element

Changed 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 (referred to as special housing needs)

Local housing element to:

- Identify sufficient capacity of land for identified housing needs
- Within urban growth areas (UGAs), moderate density housing options
- 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 accessory dwelling units (ADUs)

How are housing needs projected?

Project total housing needs

- Use OFM population projection as a base
- Account for household size, vacancy, group quarters

Project special housing needs

- Engage stakeholder groups for input
- Use best available data
- Account for those not in the data
- Project needs with Monte Carlo analysis and risk factors

Break down housing needs by income band

Draft projection methodology posted Oct 12th

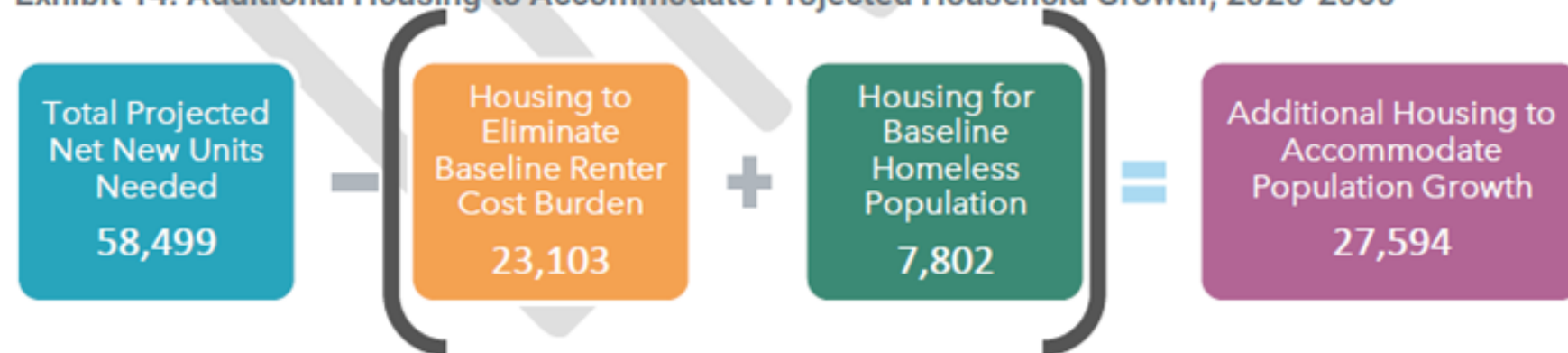
Housing Units by Income Band	Area Median Income (AMI)
Emergency housing/shelters	NA
Extremely low:	0-30% AMI, including some PSH*
Very low	31-50%
Low	51-80%
Moderate	81-120%
Other	Above 120%

Projected housing needs by income level

Exhibit 11. Overview of Methodology to Project Net New Housing Needs by Income Level



Exhibit 14. Additional Housing to Accommodate Projected Household Growth, 2020-2050



Housing for All Planning Tool (HAPT)

- Excel spreadsheet tool available from Commerce
- Includes housing needs projections for all counties
- Use it to allocate projected countywide housing needs among all jurisdictions in the county
- User can adjust allocation by changing percent shares of growth by jurisdiction
- Two methods for allocation available
- Tool ensures that 100% of all countywide housing needs are allocated to jurisdictions

Allocation Guidance

1. County selects target for countywide population growth
2. County identifies projected countywide housing needs associated with that population target
3. County and cities work together to determine allocations of countywide need among jurisdictions
 - Needs for all income levels
 - Needs for permanent supportive housing (PSH) and emergency housing
4. Jurisdictions document their allocated share of projected housing needs in their comprehensive plan

Projected Housing Needs for Kitsap County

Table 1: OFM GMA Population Projections, 2044

Kitsap County Projected Population, 2044

	Low	Medium	High	VISION 2050
Projected Population (2044)	256,224	331,802	440,177	344,137

Table 2: Projected Countywide Housing Needs Based on User Inputs

Kitsap County

Population Target = 331,802

	Affordability Level (% of Area Median Income)								Emergency Housing/Shelter Beds
	Total	0-30% Non-PSH	0-30% PSH	30-50%	50-80%	80-100%	100-120%	120%+	
Total Future Housing Needed (2044)	140,044	11,254	1,926	16,792	37,788	21,231	13,940	37,114	2,070
Estimated Housing Supply (2020)*	110,914	4,098	139	11,737	33,907	19,338	12,078	29,617	472
Net New Housing Needed (2020-2044)	29,130	7,156	1,787	5,055	3,881	1,894	1,861	7,497	1,598

* Note: Supply of PSH in 2020 is beds. However, projections of Net New Housing Needed (2020-2044) are in housing units. See Overview tab for details.

Next steps for jurisdictions for PHN

Allocate countywide housing needs by income bracket

- Recommend counties use existing coordination process for allocating
- Agree on projected housing needs allocation

Accommodate allocations by income bracket (land capacity)

- Do land capacity analysis
- Identify capacity for allocated housing needs by income bracket
- Make adjustments to zoning to accommodate housing needs

Document programs and actions needed to achieve housing availability

- Review other regulations, fee structures, incentives, etc. which influence housing

Update comprehensive plan policies and regulations

HB 1220: More changes...

Racially disparate impacts (RDI), 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
- Identify and implement policies and regulations to begin to undo racially disparate impacts, displacement and exclusion in housing
- Identify areas at higher risk of displacement
- Establish anti-displacement policies

Definitions

- **Racially disparate impacts:** When policies, practices, rules or other systems result in a disproportionate impact on one or more racial groups
- **Displacement:** The process by which a household is forced to move from its community because of conditions beyond their control
- **Exclusion in housing:** The act or effect of shutting or keeping certain populations out of housing within a specified area, in a manner that may be intentional or unintentional, but which nevertheless leads to non-inclusive impacts
- **Displacement risk:** The likelihood that a household, business or organization will be displaced from its community

RDI Guidance Development Process

- Created an Advisory Work Group (planning staff from across the state)
- Worked with Advisory Work Group to:
 - Define terms
 - Review and test methodology and policies
- Interviewed Equity Experts
- Compile Recommendations into Draft Guidance Document
- Publish Draft Guidance and Host an Online Open House
- Public Comment Period
- Finalize Guidance and Present Webinar (Dec 2022) ★ We are here

RDI Evaluation Methodology: Policy and Regulation Evaluation

Understand your community: Identify measures to evaluate racially disparate impacts, exclusion and displacement and populations at risk

Analyze data: Examine data for racially disparate impacts, exclusion and displacement and identify areas of higher displacement risk

Evaluate policy: What policies contribute to disparate impacts, displacement or exclusion?

Revise policy: What new or improved policies are needed to undo impacts? Prevent displacement?

Review and revise regulations: What regulations and programs are needed to address and undo impacts?



Community
engagement
throughout

RDI Evaluation

Step 1: Understand your community

- Identify data measures to evaluate similarities or differences in equity issues across different races (e.g., home ownership, cost burden, access to community amenities, etc.)
- Identify populations most likely to experience racially disparate impacts, displacement or exclusion in housing
- Review these measures and populations with community organizations and representatives

RDI Evaluation

Step 2: Analyze the data

- Review demographic data
- Evaluate measures identified in step 1 by race to determine RDI
 - Homeownership rates by racial and/or ethnicity groups
 - Rates of housing cost burden by racial and/or ethnicity groups
- Review data that may be indicators of displacement (e.g. demolitions, foreclosure, evictions)
- Review over- or under-representation of subgroups (exclusion)
- What are the specific housing barriers encountered locally?
 - Where does residential zoning contribute to disparate impacts or exclusion?

RDI Evaluation

Step 3: Evaluate Existing Policies

- **Evaluate existing policies to see if they:**
 - Support or challenge the GMA housing goal?
 - Address identified racially disparate impacts, displacement and exclusion?

Criteria	Evaluation
The policy supports the GMA housing goal and addresses RDI, exclusion or displacement.	S: Supportive
The policy can help achieve the GMA housing goal but may be insufficient or does not address RDI, displacement and exclusion in housing.	A: Approaching
The policy may challenge the city's ability to achieve the GMA housing goal or contributes to RDI, displacement or exclusion. The policy's benefits and burdens should be reviewed to improve the equitable distribution of benefits and burdens.	C: Challenge
The policy does not impact the city's ability to achieve the GMA housing goal.	NA

RDI Evaluation

Step 4: Policy revisions

- How can existing policies be strengthened?
- What additional policies can begin to undo disparate impacts, exclusion and displacement?
- How will you monitor and assess RDI, (anti) displacement and exclusion over time?

Step 5: Regulatory review and revisions

- Ensure policies and implementing regulations are consistent and connected
- Regulatory changes should be guided by the updated policies
- Code updates required with comprehensive plan per RCW 36.70A.130

Commerce Guidance Document

- Commerce guidance will recommend what a local government must do to address RCW 36.70A.070(e) – (h)
 - Recommend analysis of racially disparate impacts (RDI), displacement and exclusion
 - Identify areas at risk of displacement
 - Analyze housing policies and regulations
 - Identify and implement policies and regulations to address RDI, displacement and exclusion
 - Establish anti-displacement policies
- Examples of policy and regulatory options, and how to identify areas at risk of displacement, will be provided

Communities may find...

- Current policies are lacking or insufficient to address RDI, exclusion and displacement
- Policy and regulation amendments will be needed, some of which will build on existing plan policies:
 - Increase affordable housing production
 - Preserve existing safe and affordable housing
 - Provide for a diverse mix of housing opportunities throughout the jurisdiction
 - Help existing communities thrive and existing households stay in their homes
 - Monitor impacts of code amendments on housing, including displacement
 - Pay attention to equity and displacement in making decisions on infrastructure and other public investments

Next Steps

- Incorporate feedback on RDI Guidance
- Final RDI guidance published in early December
- Webinar on December 6th on completed RDI Guidance

*We still have assistance available for this RDI work with our middle housing grants for PSRC cities. Contact Mary Reinbold at mary.reinbold@commerce.wa.gov.

More details on RDI Guidance

- [RDI Guidance Document](#)
- [RDI Guidance Open House recording](#)
- [PSRC webinar in October on RDI Guidance](#)
- Recording of presentation on full HB 1220 project at [Eastern Washington Planners Forum on 10/26](#) (Video passcode: k#gErr2M; RDI portion starts at 48:10)

Discussion



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