

Climate Change and Housing: 2021 Changes to the GMA

Growth Management Services

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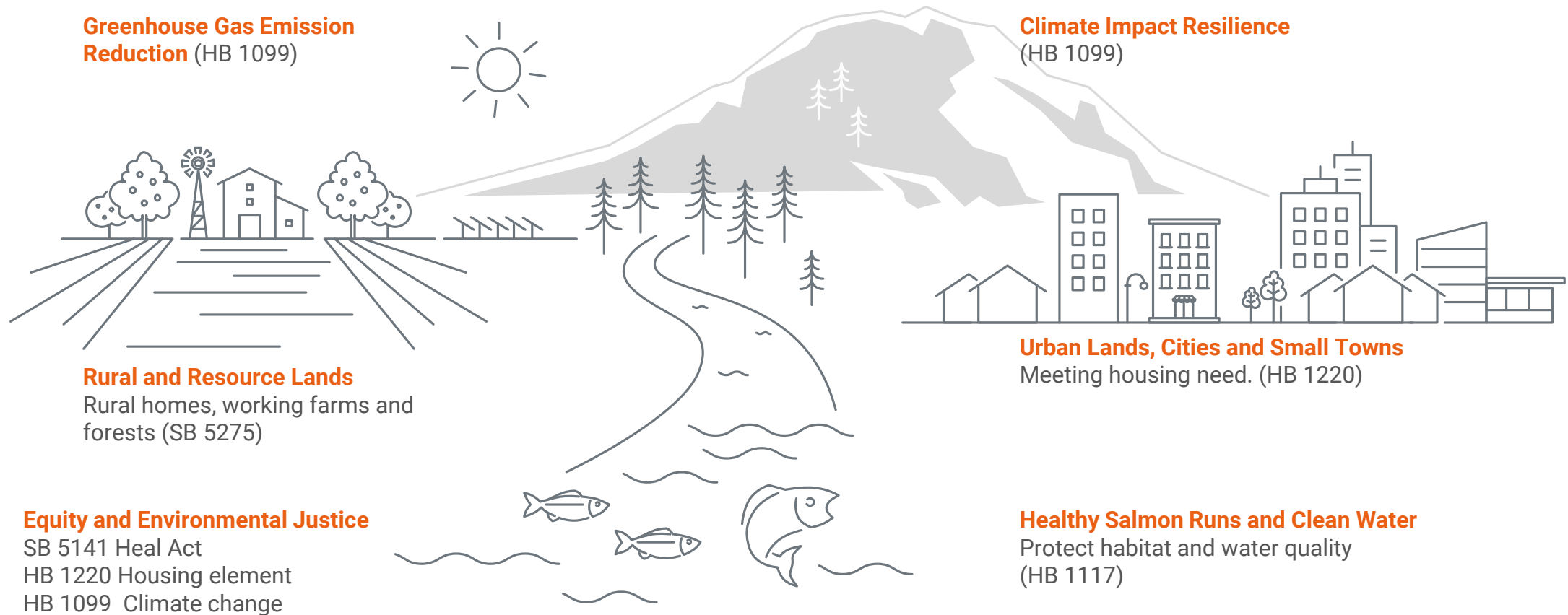
HOUSING PROGRAMS MANAGER

10-19-2021



Washington State
Department of
Commerce

Major Legislation from 2021 Session



Climate Change Initiatives

Resilience



- Model Resilience Element
- Habitat Cobenefits
- Fish Passage Barriers

GHG Reduction



- Identify Practical Measures
- Level Setting
- Integration with GMA Framework
- Scaled Implementation
- Environmental Justice

2021: Lots of new ways to plan for housing

- **HB 1220**
 - Planning for homeless housing
 - Changes to the GMA Housing Element Requirements
- **Housing Grant Programs**
- **New tools to funding housing**
 - MFTE
 - TIF



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 in housing

- **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

HB 1220: More housing provisions

Siting special and emergency housing: By September 30, 2021

1. Cities may not prohibit

- **permanent supportive housing or**
- **transitional housing**

in any zones in which **residential dwelling units or hotels are allowed**.

2. A code city shall not prohibit

- **indoor emergency shelters and**
- **indoor emergency housing**

In any zones in which hotels are allowed, except where provisions in most zones exist within 1 mile of transit.

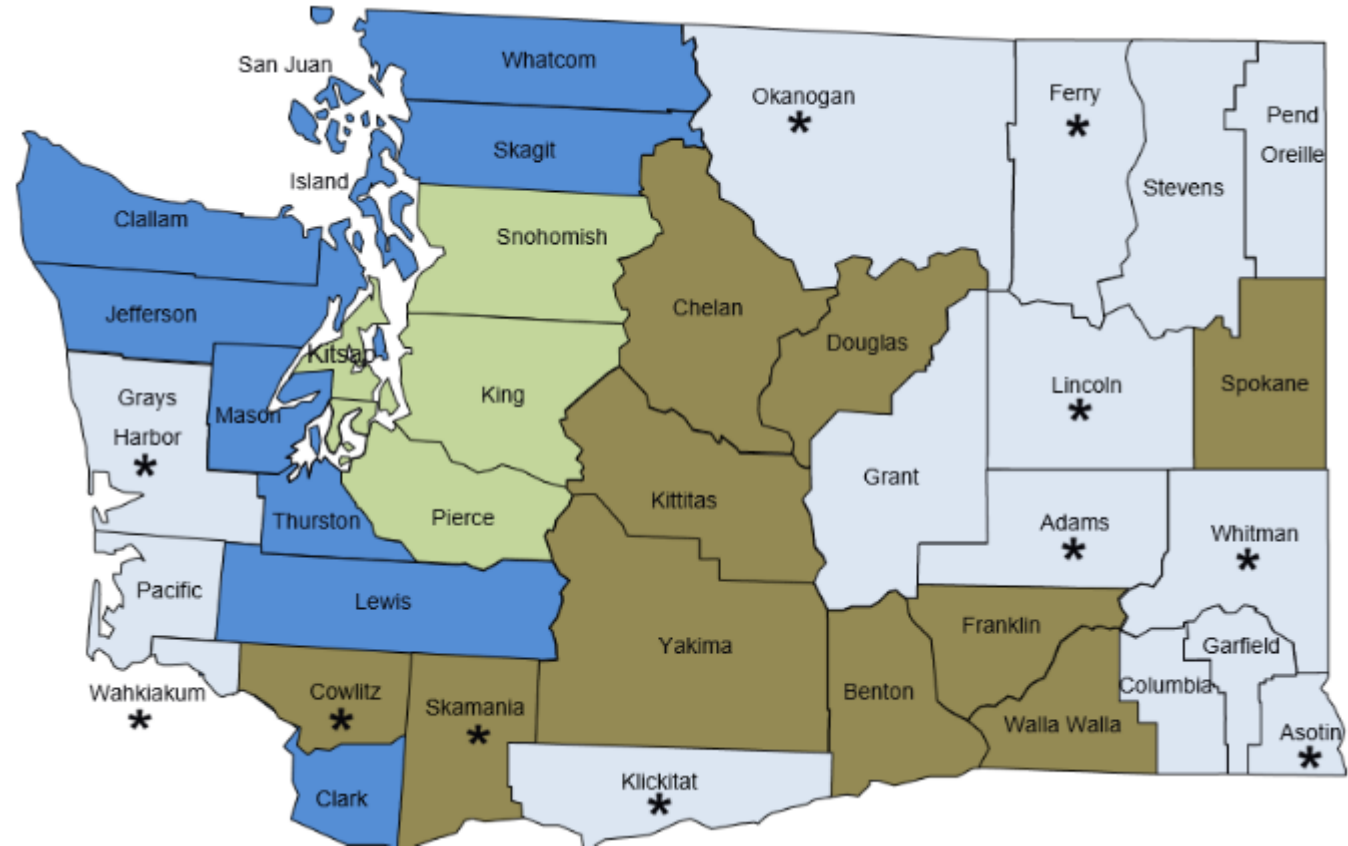
- Reasonable occupancy, spacing, and intensity of use requirements may be imposed but may not prevent siting of required number of units.
- Moratoria not allowed.

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

Must be completed by the next periodic review and update

Must review, and if necessary, revise the comprehensive plan and development regulations for consistency with:

- Changes to state law
- Recent court cases
- Updates to countywide (and multicounty) planning policies



Periodic Update Schedule; Due June 30 of Indicated Year



* Starred counties are partially planning under the Growth Management Act

Three grant programs in 2021-2023 (\$42.1 Million)

HAPI \$5M for grants to implement RCW 36.70A.600 (HB 1923) Housing action plans (HAPs) and implementation of HAPs. Grants of \$75k/\$100k through June of 2023. (CLOSED)

TODI \$2.5 M for subarea planning and environmental review Transit-oriented development plans, SEPA, code changes (Grants of \$250k, capital funds through June of 2025) (CLOSED)

CHIP \$34.6 M for utility connections to affordable housing For local governments or public utilities that imposed a sales and use tax(OPENS SOON). Grants of up to \$2.5M per jurisdiction

HAPI

Legend			
●	Required	●	Previous requirement
○	Recommended	●	New requirement

Housing Action Plan RCW 36.70A.600
 Housing Element Update RCW 36.70A.070(2)

A Housing Action Plan to set up your Housing Element?

	Housing Action Plan RCW 36.70A.600	Housing Element Update RCW 36.70A.070(2)
Housing Needs Assessment	-	-
▪ Existing and projected housing needs for all income levels	●	●
▪ Existing & projected housing needs for emergency housing, shelters and permanent supportive housing	○	●
▪ Population trends	●	●
▪ Employment trends	●	○
▪ Land capacity analysis (now to include housing for all income groups, emergency and permanent supportive housing and moderate density)	○	●
Community Engagement		
▪ Broad public engagement (including residents)	●	●
Housing Policy Framework Review		
▪ Evaluate progress to meet housing targets (# and types)	●	○
▪ Evaluate achievement of housing element goals and policies	●	○
▪ Evaluate implementation of the schedule of programs and actions	●	○
▪ Review development regulations such as zoning, street standards, etc. document barriers to housing	○	●
▪ Review permitting process that impact development of housing and document barriers	○	●
▪ Review free structures (impact fees, utility connections, permits, that influence housing development and document barriers)	○	●
▪ Evaluate housing programs and local funding and document barriers	○	●

Mandatory Housing Policies		
▪ Increase supply of housing affordable to all income levels	●	●
▪ Preserve existing housing	○	●
▪ Increase variety of housing types, include moderate density housing options such as duplex, triplex, townhomes within UGAs.	●	●
▪ Consider the role of accessory dwelling units in meeting housing need	○	●
▪ Consider housing location and employment location	○	●
▪ Evaluation of the potential efficacy of proposed strategies	○	
Strategies to Minimize Displacement		
▪ Identify local policies/ regulations that result in racially disparate impacts including zoning, disinvestment and infrastructure availability.		●
▪ Identify and implement policies to begin to undo racially disparate impacts , displacement, and exclusion in housing.		●
▪ Identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning, regulations, and capital investments.	●	●
▪ Establish antidisplacement policies , including preservation of cultural and historic communities, equitable development initiatives, inclusionary zoning, tenant protections, land disposition policies, and land for affordable housing.	●	●
Implementation Plan		
▪ Schedule of programs and actions to implement recommendations	●	○
▪ Monitoring plan to track outcomes of implemented actions	○	○

CHIP GRANT

Funds utility portions of “affordable housing development to increase supply of affordable and high-quality living units.”

Amount	Eligible Applicants	Funding Detail and Prioritization
\$16.3 million ARPA	Cities, counties, public utility districts that imposed a sales and use tax	Priority is utility improvements within a Qualified Census Tract (QCT)
\$10.7 million ARPA	A city or county with a population of 150,000 or less, and that imposed a sales and use tax	Prioritized for utility improvements for projects located within a QCT.
\$7.6 million STATE CAPITAL FUNDS	All cities, counties, public utility districts that imposed a sales and use tax	Prioritized for <ul style="list-style-type: none"> • System development charge waiver programs • Waived fees • Utility improvements in non-QCT jurisdictions

CHIP

Eligibility cities/counties: Passed state sale and use tax
Funds: Connection fees and utility extensions for new affordable housing

QCTs

- | | |
|--------------|-------------|
| Bellingham | Spokane |
| Auburn/King | Renton |
| RTA | Federal Way |
| Marysville | Spokane |
| Ellensburg | Valley |
| Bremerton | Spokane |
| Mount Vernon | Forks |
| Kent | Tukwila |
| Burien | Tacoma |
| SeaTac | Lakewood |
| Olympia | Yakima |
| Des Moines | Vancouver |
| Snohomish | Longview |
| Port Angeles | Seattle |
| Everett | Lynnwood |



Multifamily Tax Exemption Program (MFTE)

- **Added 20-year “permanently affordable” program**, 25% of units affordable (balance are market rate), must be managed by local government or non-profit.
- **Expanded the program to all jurisdictions**, may offer 12- or 20-year program until 2026.
- **Requires Commerce to develop:**
 - Program guidance
 - A legislative study
 - An audit program
- **Now allows a “group of buildings”** instead of one multifamily building
- **“High cost” provisions discontinued**

HB 1189: Tax increment financing. RCW 39.114

***Local ordinance finding that:** The public improvements proposed to be paid or financed with tax allocation revenues are expected to encourage private development within the increment area and to increase the assessed value of real property within the increment area.*

- Must designate the increment area for term of tax increase (<25years)
- Eligible improvements (streets/ sidewalk, street lights, water/sewer, brownfield mitigation, electric, broadband, rail, **long-term affordable housing**, low-income childcare facilities)
- Available to cities, counties, towns and port districts.

Normal property tax assessment: Previous year's total levy + 1% + new construction

With TIF: Normal tax assessment + TIF assessed increase X levy rate / 1000)

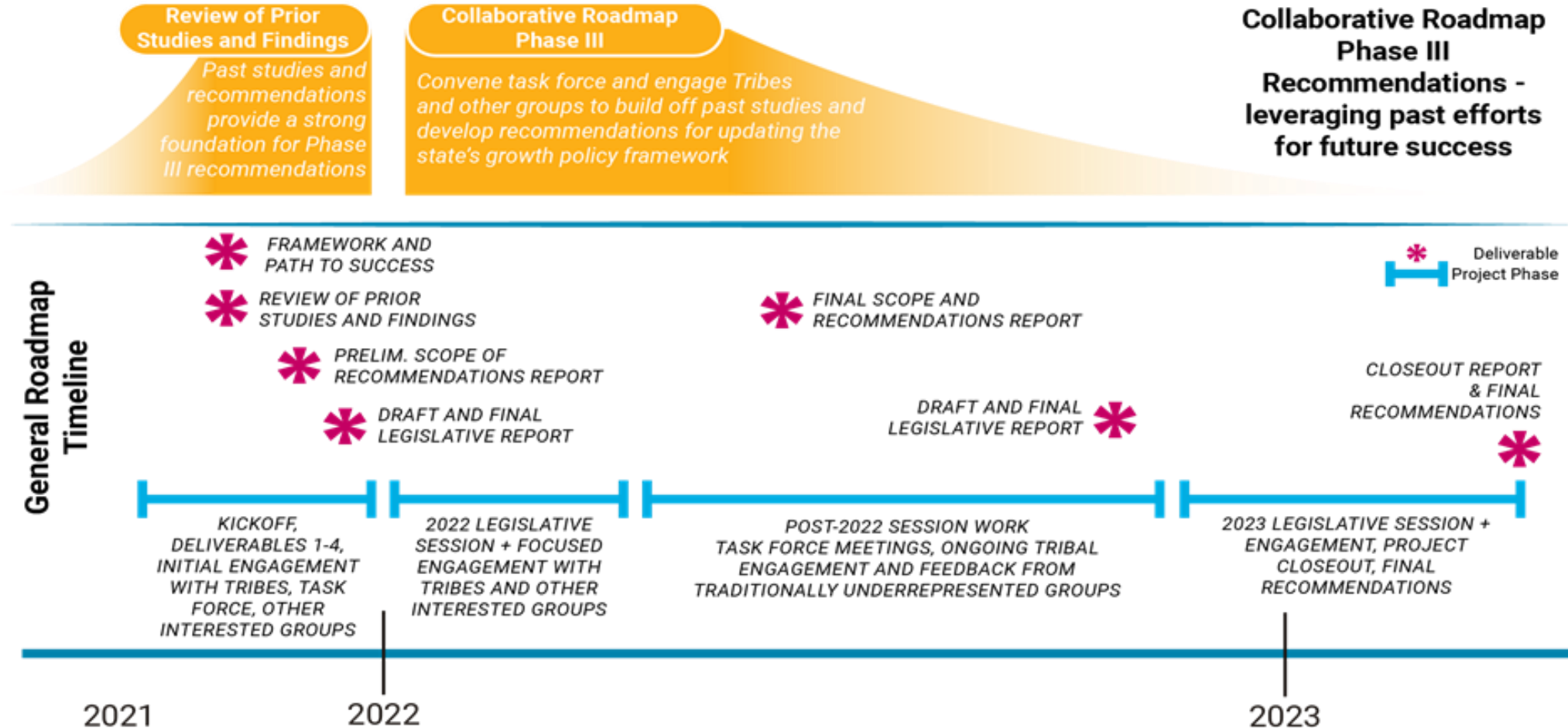
Other housing bills

- **SB 5235: “Removing arbitrary limits on housing options”**
A city or town may not regulate the number of unrelated persons that occupy a household, *except when regulated under state law, short term rentals, occupant load or health and safety provisions.*
- **HB 1070: Local tax revenue for affordable housing (RCW 82.14)**
- **E2SSB 5141: Healthy Environment for All (HEAL) Act** implements 2020 *Environmental Justice Task Force* recommendations and requires state agencies take actions to reduce environmental and health disparities and improve the health of all Washington state residents. (Many codified in the GMA)

GMS Housing Resources

- [Growth Management Grants - Washington State Department of Commerce](#)
 - [Sign up for alerts](#)
- [Growth Management Planning for Housing - Washington State Department of Commerce](#)
 - Housing needs assessment guidance
 - Housing action plan guidance
 - Housing element guidance – to be updated again
 - [EZ View Web Site: Affordable Housing Planning Resources \(wa.gov\)](#)
- MRSC – www.mrsc.org
- PSRC – Regional housing strategy www.psrc.org

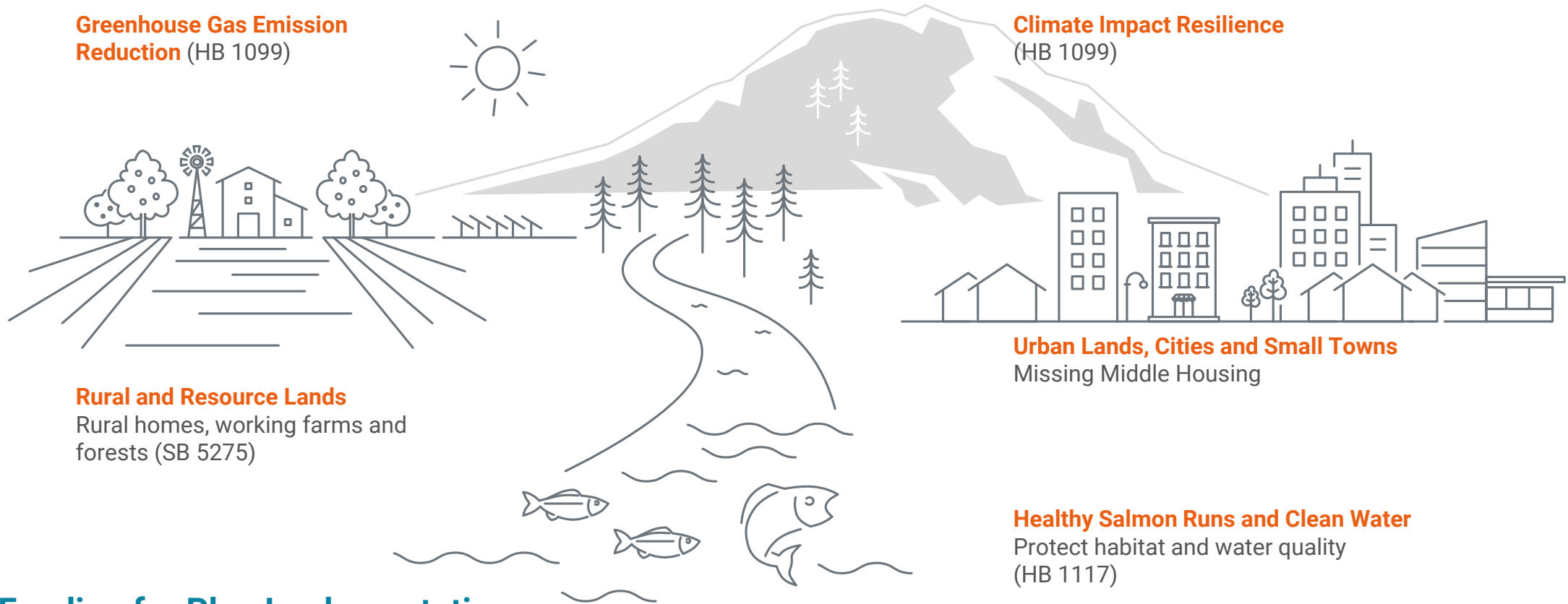
Collaborative Roadmap Process



Looking Ahead

Greenhouse Gas Emission Reduction (HB 1099)

Climate Impact Resilience (HB 1099)



Rural and Resource Lands
Rural homes, working farms and forests (SB 5275)

Urban Lands, Cities and Small Towns
Missing Middle Housing

Healthy Salmon Runs and Clean Water
Protect habitat and water quality (HB 1117)

Funding for Plan Implementation

Thank you!

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