

# Understanding the housing landscape

Inland Northwest Partners Spring Meeting

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Mary M Reinbold, AICP

SENIOR PLANNER

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Washington State  
Department of  
**Commerce**

# We strengthen communities



HOUSING AND  
HOMELESSNESS



INFRASTRUCTURE AND  
BROADBAND



SMALL BUSINESS  
ASSISTANCE



ENERGY



PLANNING AND TECH  
ASSISTANCE



COMMUNITY  
SERVICES AND FACILITIES



CRIME VICTIMS AND  
PUBLIC SAFETY



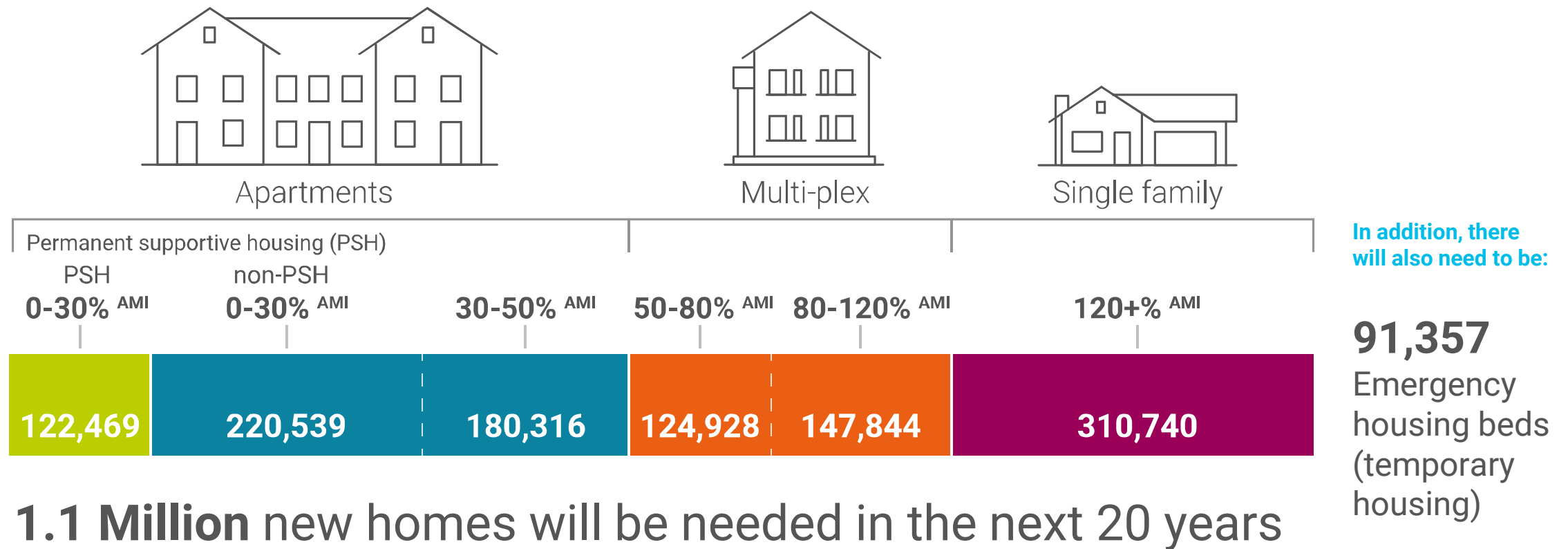
ECONOMIC  
DEVELOPMENT

# Housing in Washington



# Understanding Washington's housing need

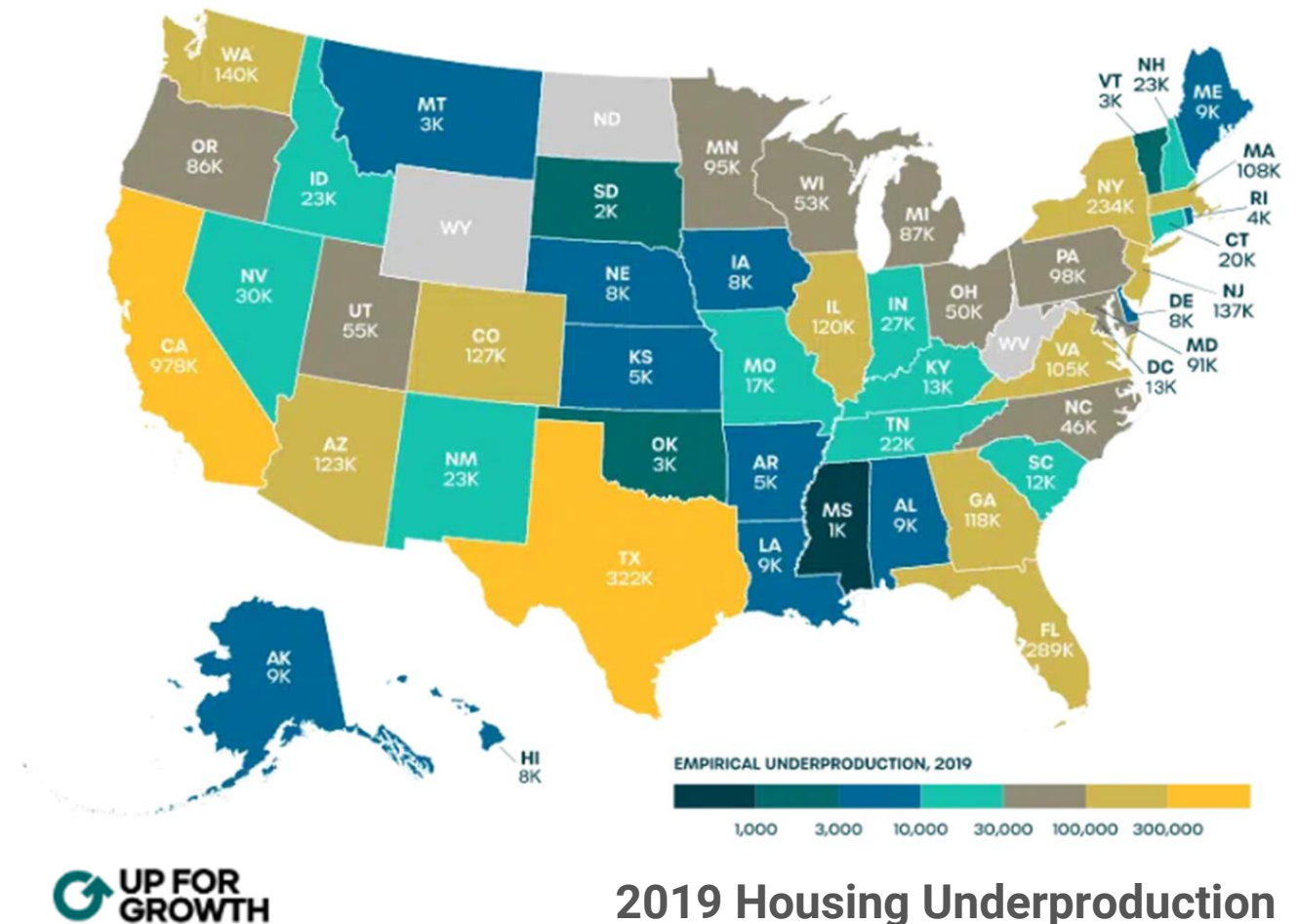
Future housing needs broken down by area median income (AMI) groups





# How we got here

- Between 2000-2015, new housing production in Washington State fell 225,000 homes short of meeting housing needs (UpForGrowth, 2020)
- In 2019, 30% of Washington households were cost-burdened, which is a sign of under supply
- Housing costs have been increasing rapidly, rising faster than median income



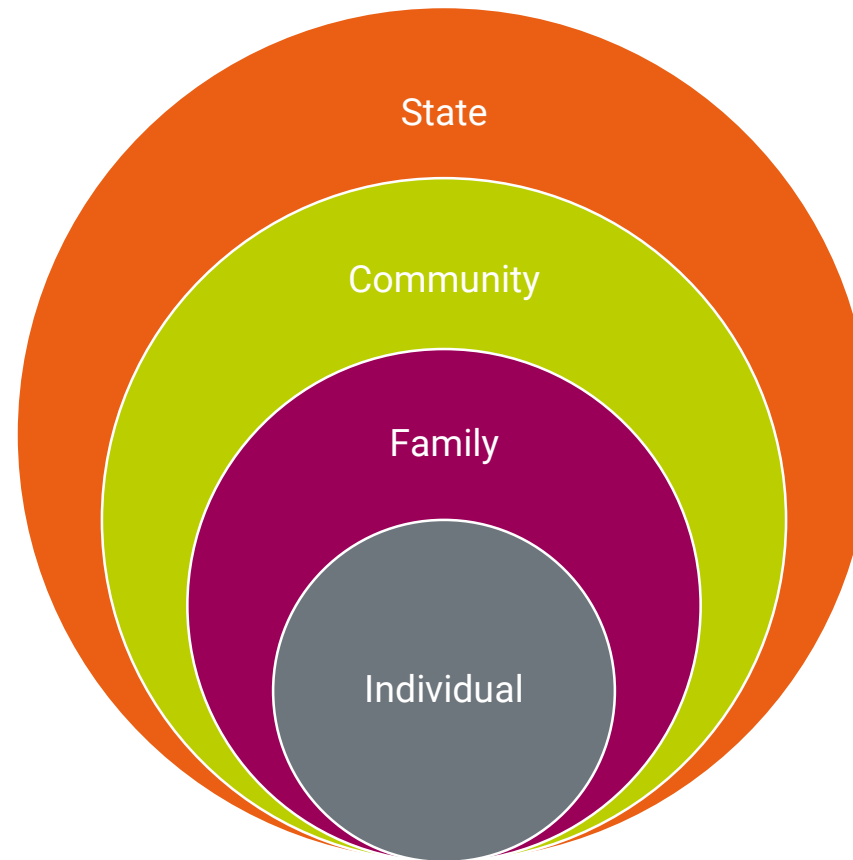
2019 Housing Underproduction

# Pathways to housing security in WA

## Macro Level Factors:

interact with micro-level factors and increase vulnerability to homelessness:

- Social exclusion
- Limited Social Safety Nets
- Income Inequality/Poverty
- Social and Economic Policy
- Economic Volatility
- Natural Hazards (COVID)



## Micro Level Factors:

interact with macro-level factors and can create turning points in a housing trajectory and facilitate entry into homelessness:

- Adverse financial event
- Health emergency
- Job loss/detachment from labor market
- Limited educational attainment
- Intimate partner violence
- Family instability

<https://ruckelshauscenter.wsu.edu/projects/current-projects/pathways-to-housing-security/>

# The risks of insufficient housing

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- Existing and recruiting business are unable to attract workers because housing is unavailable.
- Residents are spending more on housing and have less to spend in the community.
- People are forced out of their homes and onto the street.
- Unable to afford food and necessities.
- Vacant/second homes

# Housing Opinion Survey





**Housing costs and homelessness** are the top two issues throughout Washington state

4,329 people surveyed across 12 counties in English, Chinese, Spanish, and Vietnamese

[Link to full survey report](#)



**77%** say rents are too high

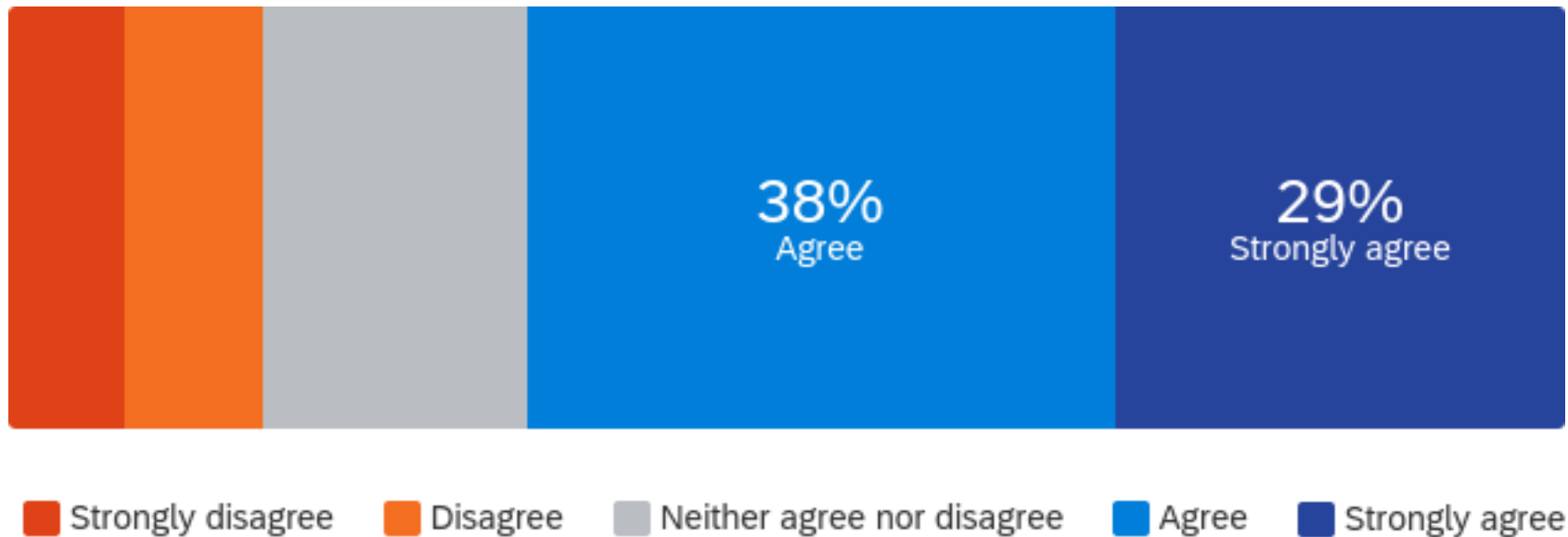
**75%** say it costs too much to buy a home

**83%** say more reasonably priced housing is needed in their communities

# Most agree their community needs more diverse and affordable housing types.

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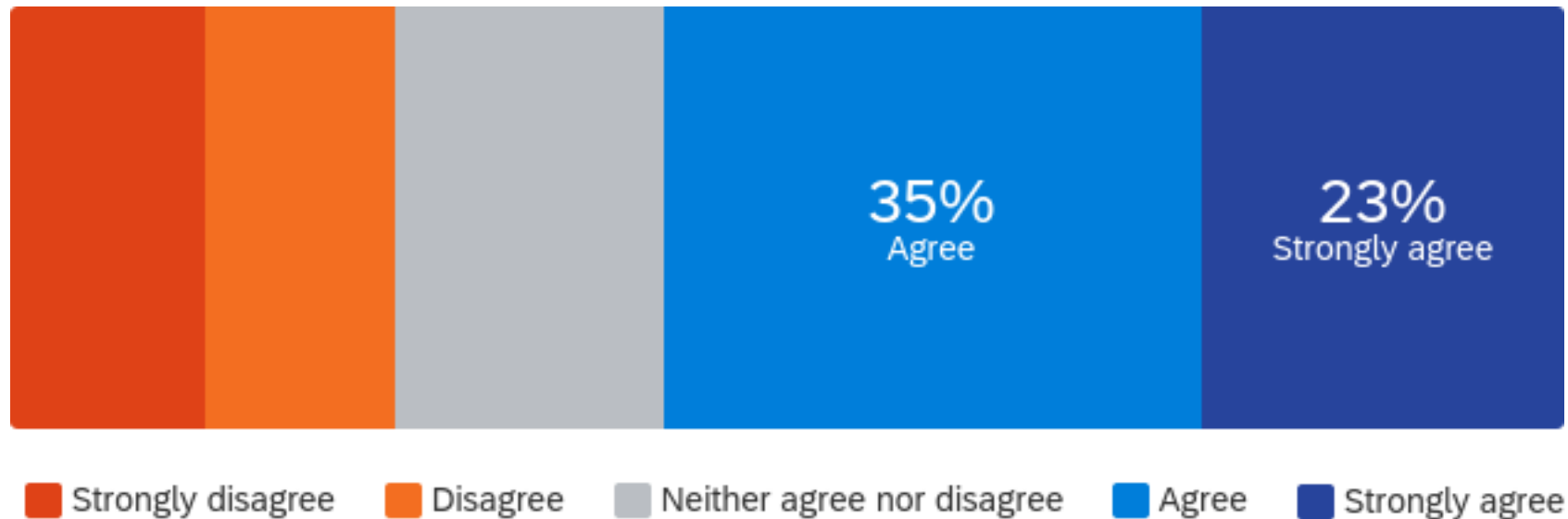
**My community needs more diverse and affordable housing types, such as duplexes, cottages, courtyard apartments, townhomes, and mixed developments.**



# Most agree that multi-family housing should be allowed in single-family zones if they meet design standards

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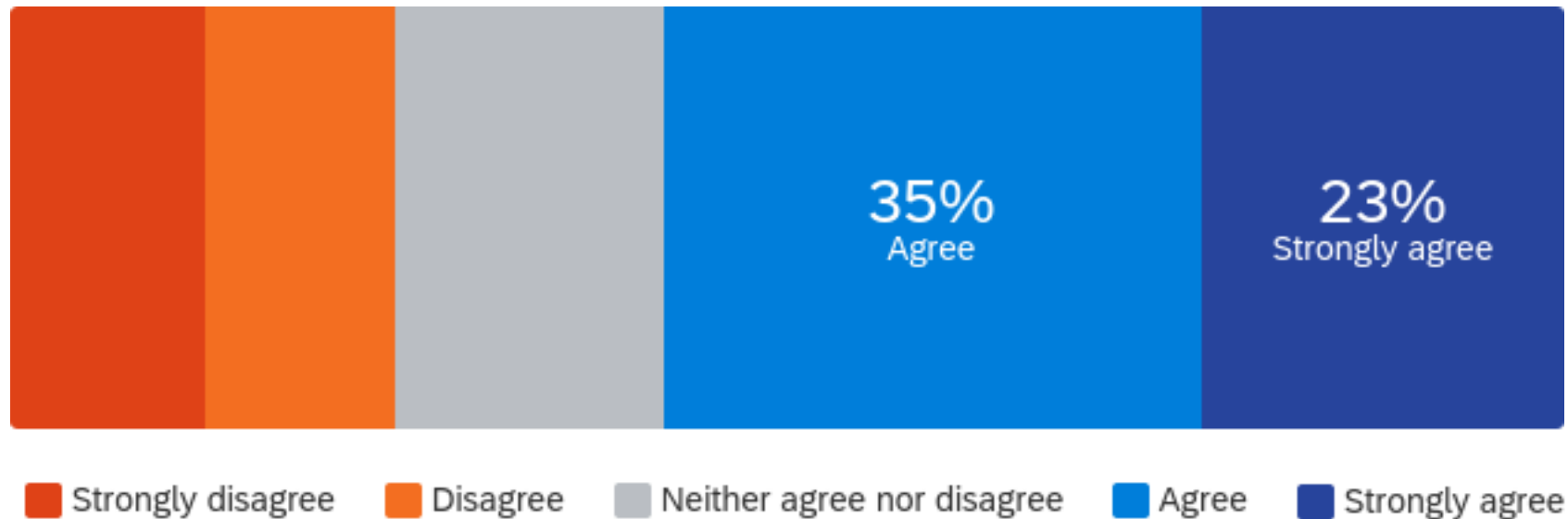
**Multi-family housing like triplexes should be allowed in single-family zones if they meet all of the standards of the zone, such as heights, setbacks, and parking.**



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# Washingtonians need more attainable housing

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- **78%** say they want more housing options for seniors, teachers, firefighters, childcare workers, and health care workers
- **74%** prefer most new housing to be in walkable neighborhoods
- **64%** agree that their community needs more diverse and affordable types of housing
- **66%** Agree with the statement “My community needs more diverse and affordable housing types, such as duplexes, cottages, courtyard apartments, townhomes and mixed developments.”

# Regional priority topics

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Western WA	Central Puget Sound	Eastern WA
<ul style="list-style-type: none"><li>• Infrastructure</li><li>• Transit-oriented development</li><li>• Access to schools, work, and resources</li><li>• Affordable housing near jobs and transportation</li><li>• Walkability</li><li>• Open spaces</li></ul>	<ul style="list-style-type: none"><li>• Walkability</li><li>• Understand traffic and transportation needs</li><li>• Quality of life</li></ul>	<ul style="list-style-type: none"><li>• Infrastructure</li><li>• More mass transit options</li><li>• Focus on sustainability</li><li>• Zoning includes rec spaces for children</li><li>• Walkability</li><li>• Green spaces</li></ul>



# Government response

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## Residents want government to do more

**83%** say government agencies should work together to address the need for housing

**64%** say government agencies should do more to provide housing not being delivered by the market

## State & regional guidance

- State-projected housing needs
- Comp plan update support & guidance
- Middle housing example standards
- Accessory dwelling units
- Multifamily property tax exemption programs

## Commerce Grant programs (2021-23)

- **Middle housing** code changes (25)
- **Housing action plans** (70)
- **Transit-oriented development** (12)
- **Connecting affordable housing to infrastructure** (54)

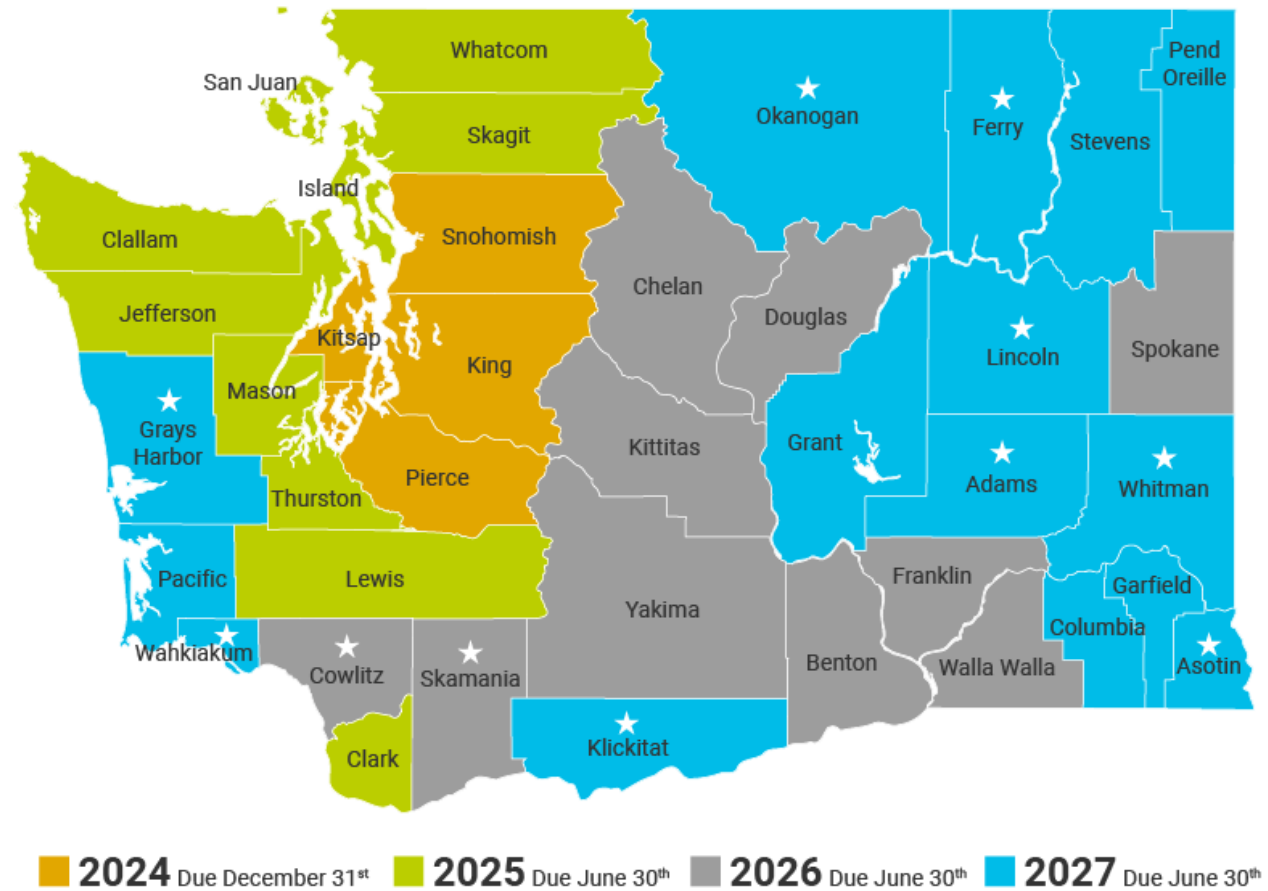
**2023-25 Governor's budget request to continue this work**

# Housing Unit Projections



# Growth Management Act (GMA) Framework for Land Use Planning

- Adopted in 1990 to protect quality of life, with goals for compact urban development and reducing sprawl
- Sets a **framework for planning**.
  - Designate and protect critical areas and natural resources lands for all 39 counties
  - For 29 larger and fast growing counties, **countywide planning policies coordinate regional policy**
  - 20-year comprehensive plan designates land uses, plans for needed capital facilities
  - **Plans assumed valid upon adoption**  
Hearings board appeals
  - 10 year periodic update requirement



# Overall housing strategy under the GMA

## Most of the growth goes into urban areas

- Leverage investment in high capacity transit with more intense development
- Allow middle housing and ADUs in neighborhoods
- Rezone strip commercial to allow high density housing
- Identify strategies to incentivize more affordable housing
- Adopt zoning to allow special housing types (EH, ES, TH and PSH)

## Little growth goes into rural and resource areas

- Low levels of development in rural
- Protections for resource lands



# 2021 Changes to GMA requirements for housing:

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## **New GMA housing goal:**

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

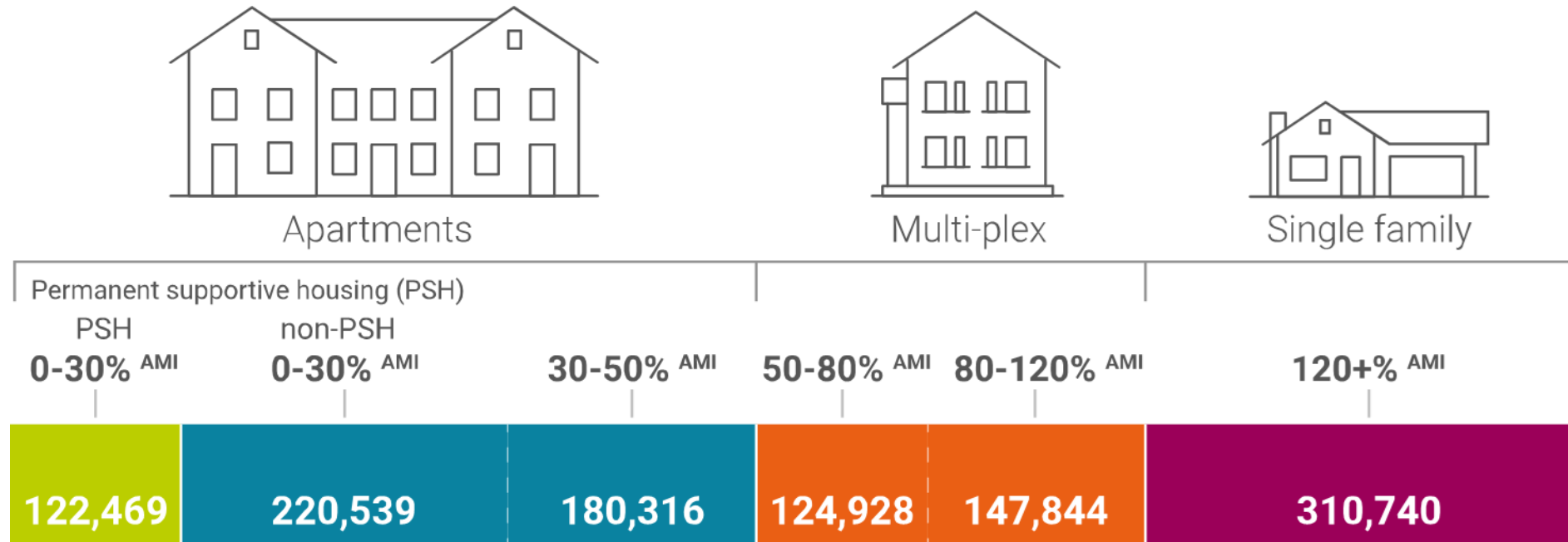
## **Commerce to provide projected housing need to local governments:**

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

## **Local housing element to:**

- Review land capacity
- Develop moderate density housing policies
- Document programs and actions needed to achieve housing availability, including gaps in funding and barriers to housing availability
- Consider housing in relation to employment and consider ADUs in meeting needs

# Meeting the need



In addition, there will also need to be:

**91,357**  
Emergency housing beds (temporary housing)

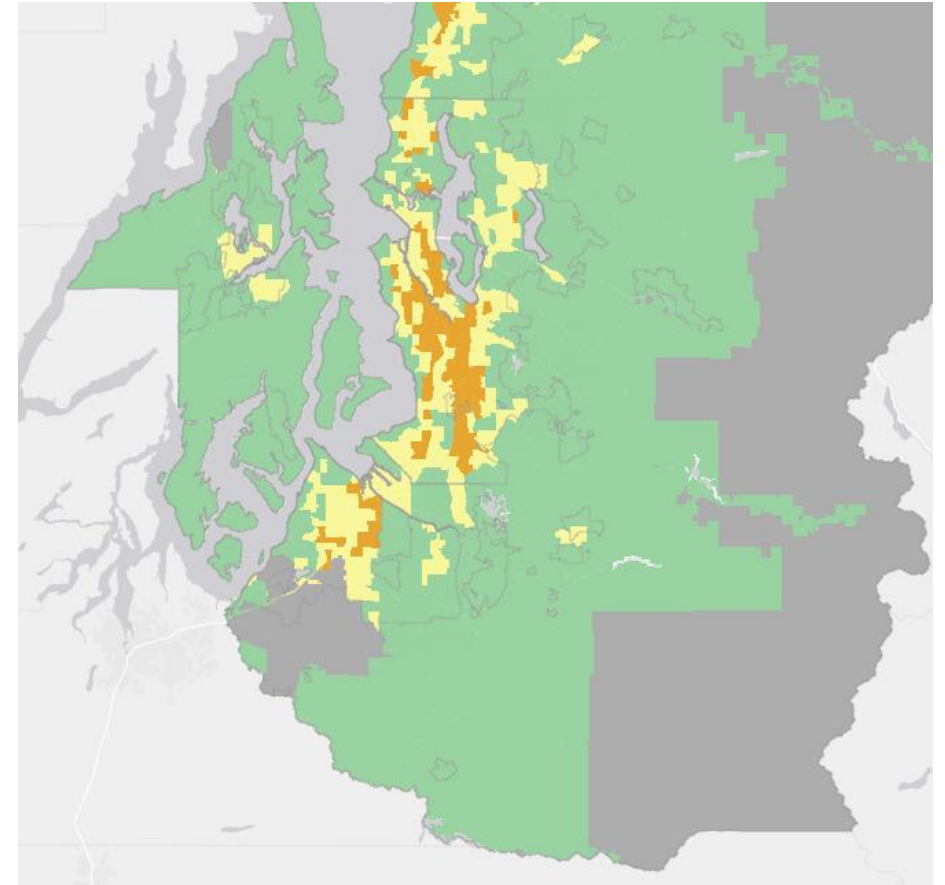


# Racially disparate impacts, displacement and exclusion

## Fully planning GMA communities must:

- Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing
- Begin to undo these impacts
- Identify areas at higher risk of displacement and establish anti-displacement policies

[Recorded training on this topic](#)



Areas at higher risk of displacement in the Central Puget Sound shown in orange. (Source: PSRC)

# “Housing for All” Planning Tool

**Housing Needs Projections for Selected County, Projection Year, and Population Target**  
Complete Steps 1, 2, and 3 to access countywide projections

→ **Step 1**  
**Select a County**  
Thurston ✓

→ **Step 2**  
**Select a Projection Year**  
2045 ✓

→ **Step 3**  
**Enter Population Target in Range**  
389,659 ✓

**Table 1: OFM GMA Population Projections, 2045**  
**Thurston County Projected Population, 2045**

	Low	Medium	High
Projected Population (2045)	345,246	389,659	431,732

Enter how much growth is expected in future planning year

# Example of countywide projected housing needs

**Table 2: Projected Countywide Housing Needs Based on User Inputs**

**Thurston County**

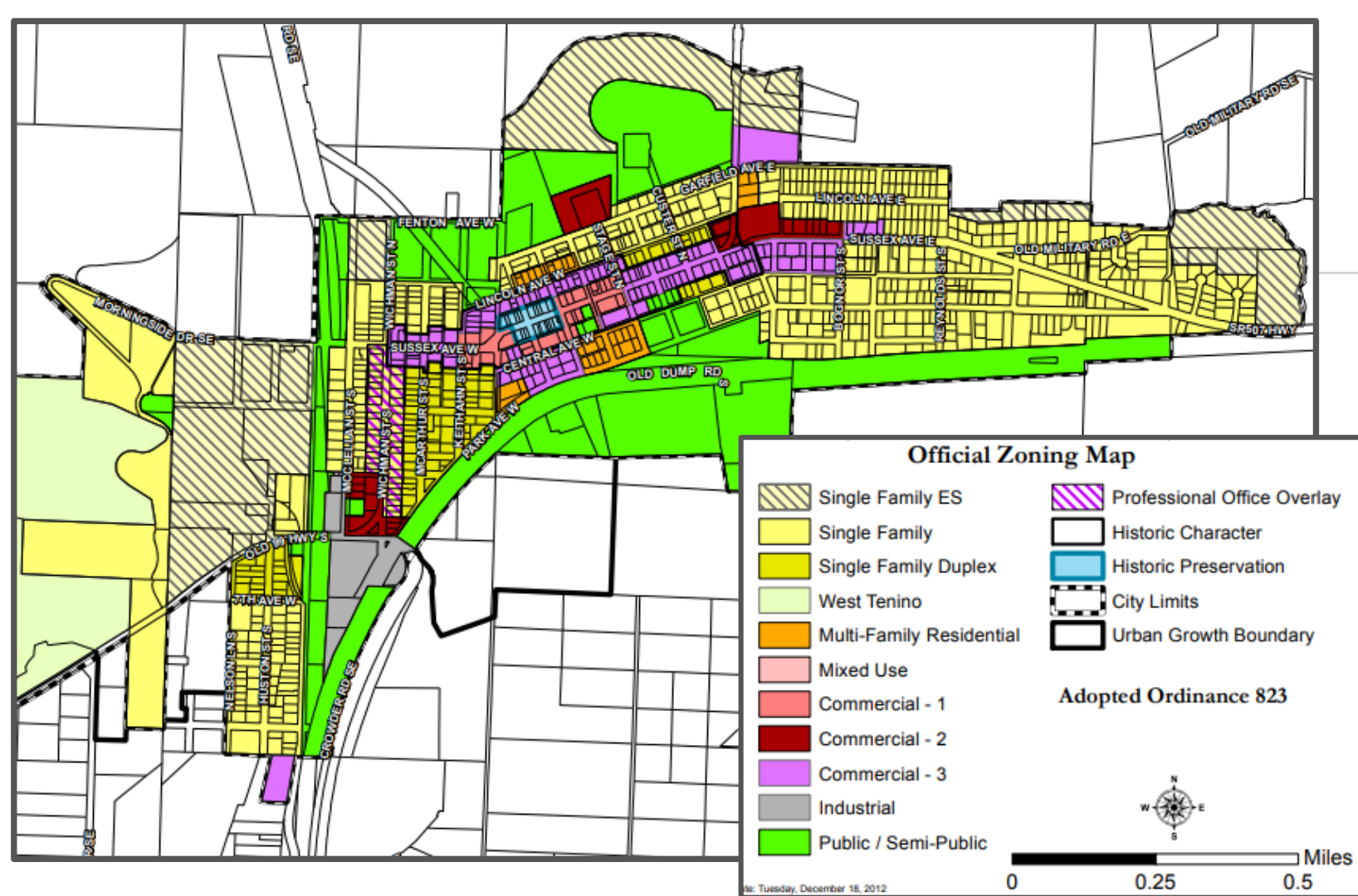
**Population Target = 389,659**

	Affordability Level (% of Area Median Income)								Emergency Housing/Shelter Beds
	Total	0-30%		30-50%	50-80%	80-100%	100-120%	120%+	
		Non-PSH	PSH						
Total Future Housing Needed (2045)	174,680	11,635	3,774	20,858	46,624	30,824	19,898	41,067	1,562
Estimated Housing Supply (2020)*	120,334	2,879	180	12,428	38,356	26,452	15,518	24,522	626
Net New Housing Needed (2020-2045)	54,346	8,756	3,594	8,430	8,269	4,372	4,380	16,545	936

\* Note: Supply of PSH in 2020 is beds. However, projections of Net New Housing Needed (2020-2045) are in housing units. See Overview tab for details.

## Options for addressing housing needs:

- Increase areas that allow multifamily residential
- Change some commercial areas to mixed use (allow residential)
- Expand “single family duplex” to allow more housing types
- Allow more housing types in “single family” zones
- Allow emergency housing and permanent supportive housing



Permanent Housing Needs by Income Level (% of Area Median Income)								Emergency Housing Needs (Temporary)
Total	0-30%		>30-50%	>50-80%	>80-100%	>100-120%	>120%	
	Non-PSH	PSH *						
781	34	0	211	416	82	12	26	0
402	65	27	62	61	32	32	122	7

# Housing Solutions



# How you can be a YIMBY (Yes, In My Back Yard)

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- DEF: Advocates who support housing development as a response to the outcomes of restrictive zoning and planning policies.
- Follow your community's housing action plan process or comprehensive plan process.
- Learn both data and examples of housing situations in your community
- Support local officials as communities make these difficult decisions.
- Testify at public hearings about why more housing or more types is important in your community and the economy.





# Address Racially Disparate Impacts

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- **Racially disparate impacts:** When policies, practices, rules or other systems result in a disproportionate impact on one or more racial groups.
- **Exclusion:** 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 leads to non-inclusive impacts.
- **Displacement:** The process by which a household is forced to move from its community because of conditions beyond their control.

# Local land use planning tools



# Housing resources

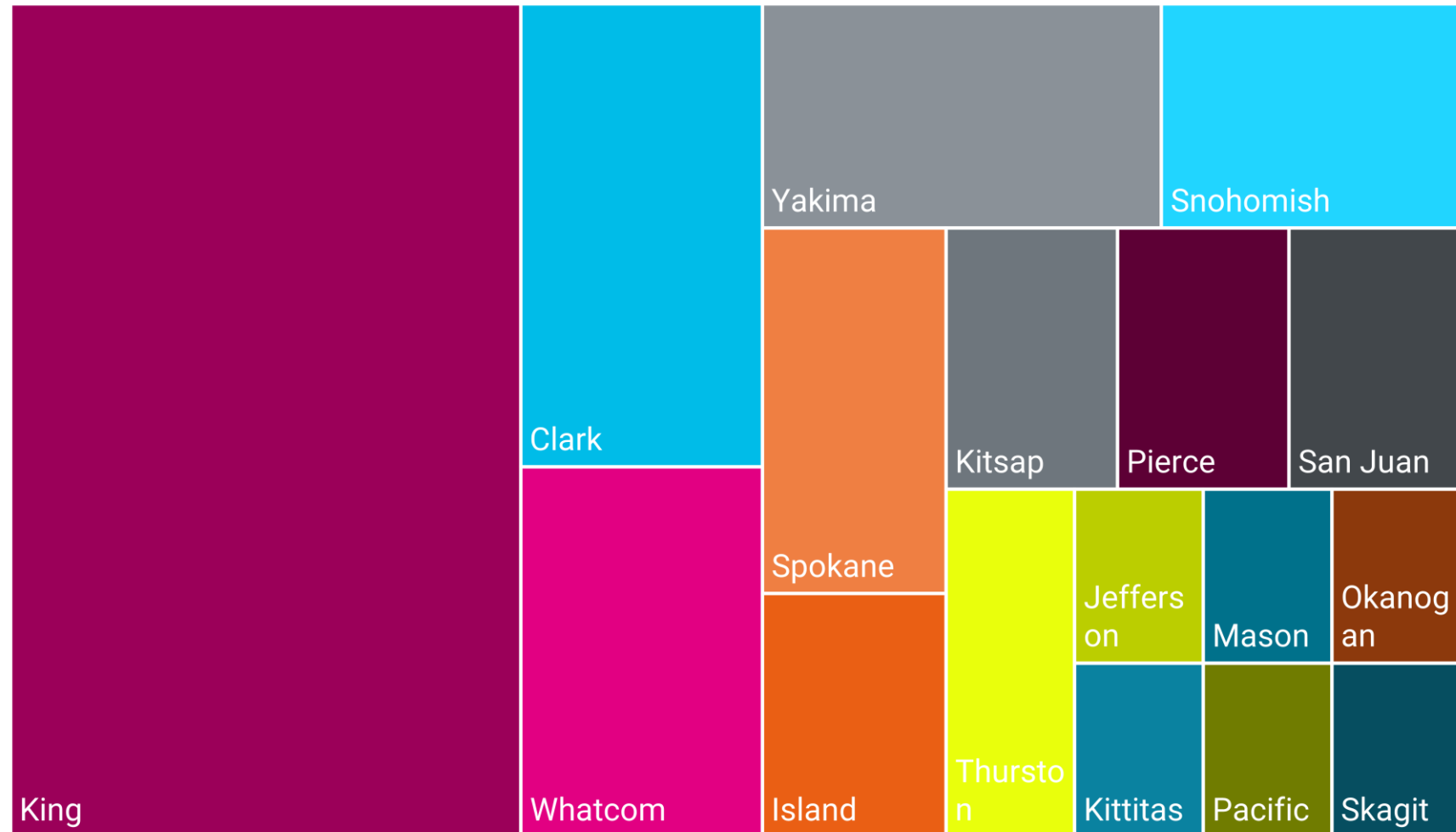
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- [New tools for Equitable Transit Oriented Development](#)
- [Spokane TOD Project](#)
- [MFTE Guidance](#)
- [Spokane MFTE Program](#)
- [Middle Housing Tools](#)
- [Middle Housing article](#)
- [ADU Draft Guidance](#) (now in public comment period!)

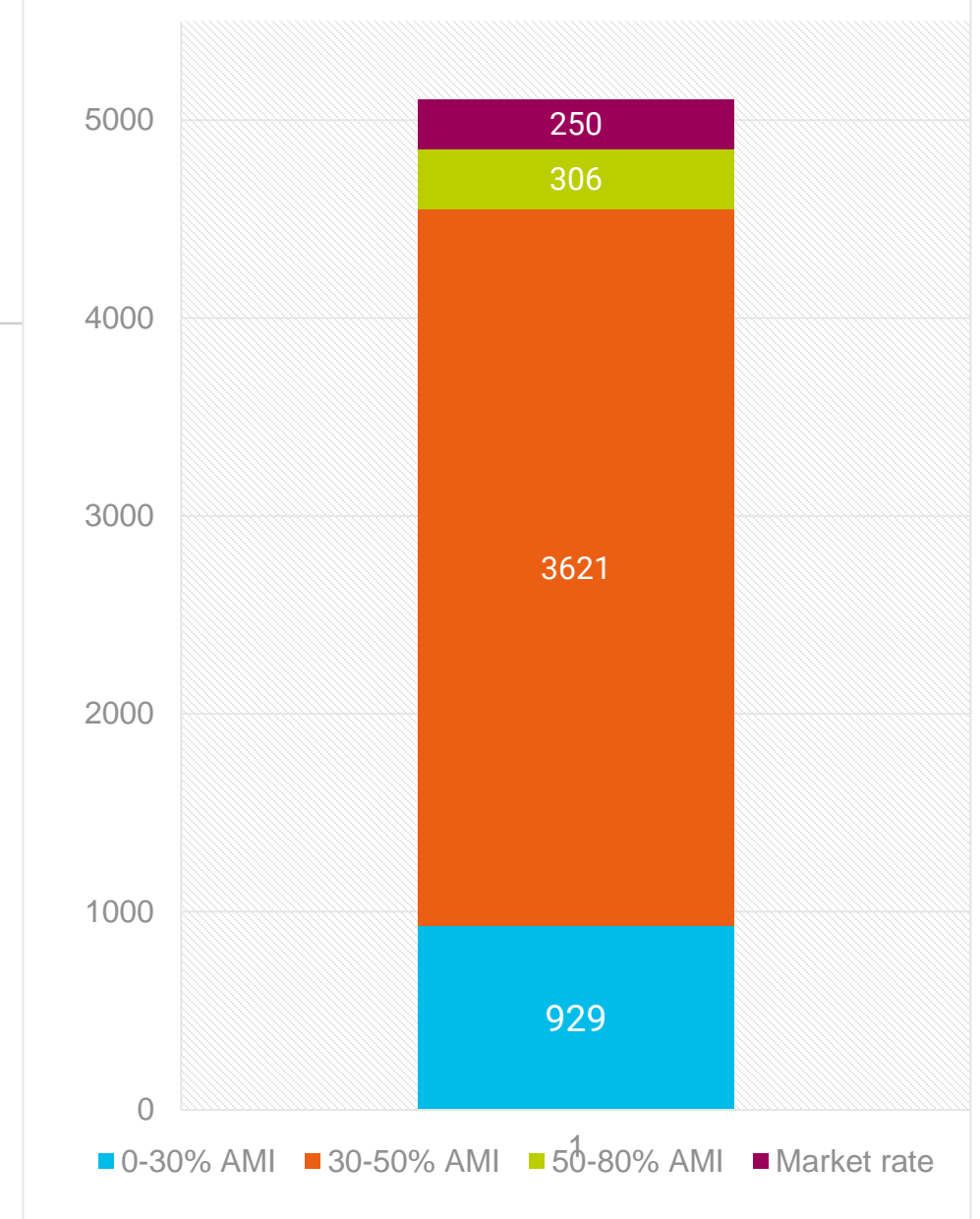
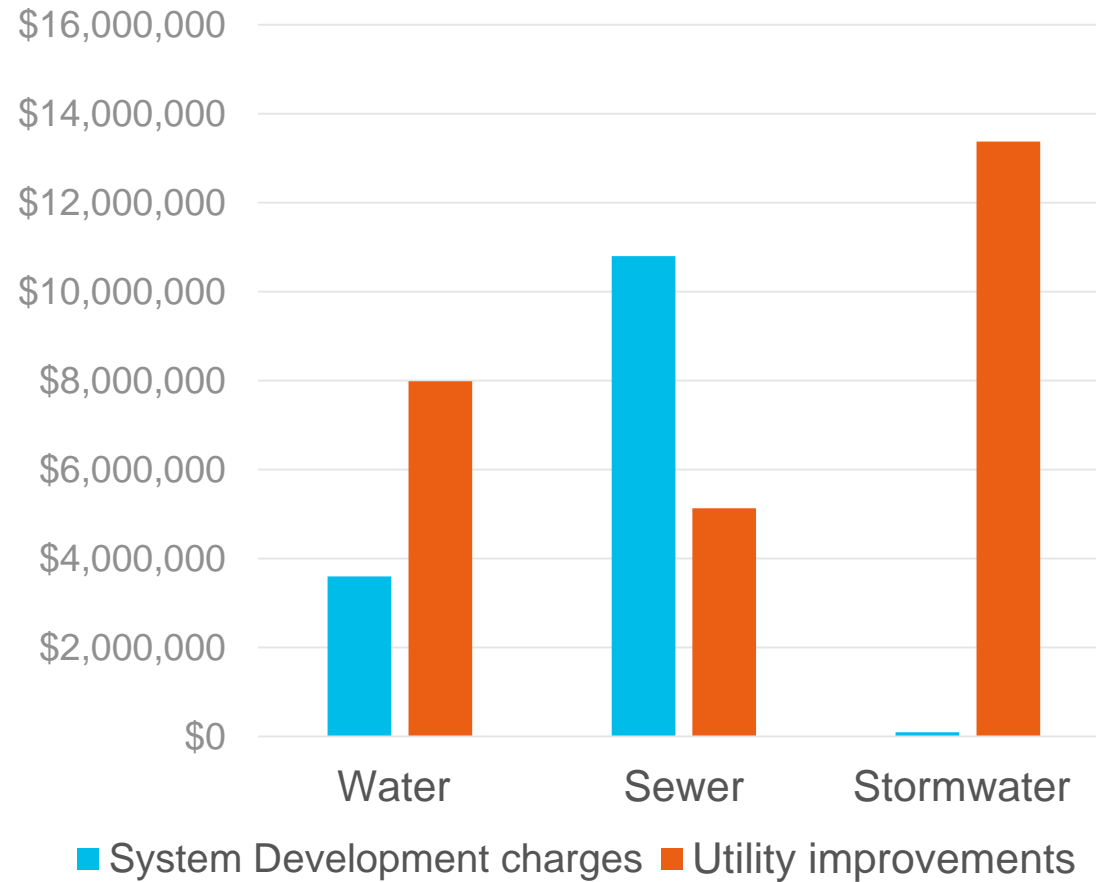


# Where CHIP funded projects in 21-23

- **\$41.0 M**
- **54 projects in 17 counties**
- Supporting **4856 affordable units**
- Average support of **\$8,400 /unit**



# What CHIP funded



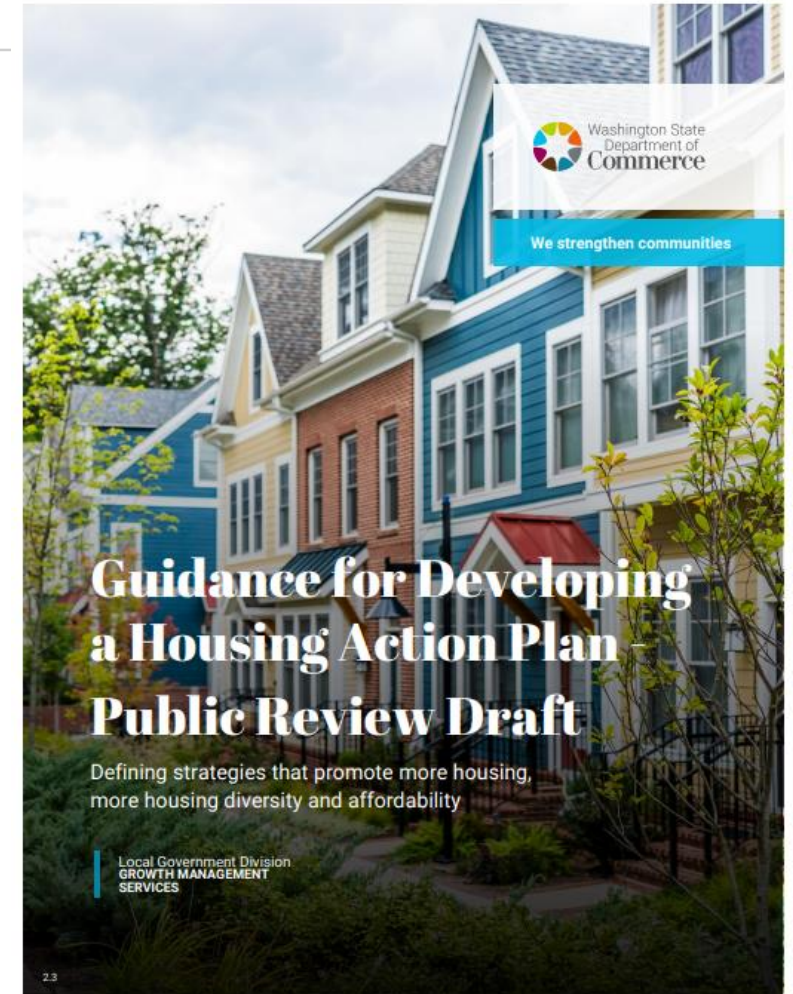
The majority of funds supported units at 30-50% AMI



# Other resources:

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- WCRER housing data  
<https://wcrer.be.uw.edu/housing-market-data-toolkit/>
- Census data
- Commerce guidance, HAP for a list of strategies
- Commerce messaging about housing is coming soon
- Short Course on Local Planning
- Choose Washington







Washington State  
Department of  
**Commerce**

[www.commerce.wa.gov](http://www.commerce.wa.gov)



# Thank you

Mary M Reinbold, AICP  
SENIOR PLANNER

[Mary.Reinbold@commerce.wa.gov](mailto:Mary.Reinbold@commerce.wa.gov)

509-638-5449