Memo

To: King County Affordable Housing Committee (AHC) Members

From: McCaela Daffern, Regional Affordable Housing Implementation Manager

cc: Housing Interjurisdictional Team

Date: February 4, 2022

Re: Growth Management Planning Council Motion 21-1 Project Scope and Schedule

Purpose

On February 9, 2022, staff will brief the Affordable Housing Committee (the AHC or Committee) on the Committee's plan to respond to Growth Management Planning Council (GMPC) Motion 21-1, which calls on the AHC to further strengthen the Countywide Planning Housing Policies (CPPs). This briefing will include:

- An overview of GMPC Motion 21-1;
- Recommended project scope;
- · Stakeholder engagement plan; and
- Project schedule.

Committee members will have an opportunity to discuss and provide input on the staff recommended scope, stakeholder engagement plan and schedule.

Brief on GMPC Motion 21-1

On June 23, 2021, the GMPC adopted recommended amendments to the King County CPPs, including amendments to align the CPP Housing Chapter with recent changes to the state's Growth Management Act¹, Puget Sound Regional Council's VISION 2050, the Regional Affordable Housing Task Force's Final Report and Recommendations, while centering equitable outcomes in the policy amendments. As part of the motion to adopt, the GMPC directed the AHC, a committee of the GMPC, to commence a collaborative effort to:

- Monitor and report jurisdictional housing supply, housing affordability, housing needs, and income-restricted housing levels, including disparities between subregions and comparisons to established housing goals and targets, through the Regional Affordable Housing Dashboard and reporting.
- 2) Establish <u>subregional or jurisdictional affordable housing needs</u>, informed by local data and the data and methodology provided by the Department of Commerce (Commerce).
- 3) Recommend to the GMPC <u>an accountability and implementation framework</u> for equitably meeting affordable housing needs across the region. The AHC will consider, at a minimum, the range of Development Patterns and Housing Chapter amendments proposed by GMPC members in June 2021 regarding understanding and accommodating housing need, holding jurisdictions accountable, and allocating resources.
- 4) Recommend to the GMPC any <u>CPP amendments</u> necessary to implement their recommendations.

¹ For more information on amendments to the Growth Management Act ratified in E2SHB 1220, see Attachment B.

5) Complete its housing needs work by the end of 2022 and report back to the GMPC quarterly on its progress.²

These workplan items for the AHC were formally established in GMPC Motion 21-1 and ratified by the King County Council in Ordinance 19384.³ See *Attachment A* for more information about the CPPs, the 2021 CPP amendment process, and key issues that led to the new work plan item for the AHC.

Recommended Scope

Staff anticipate that the Committee will spend all meetings in 2022 focused on responding to the requirements of GMPC Motion 21-1, with a strong emphasis on work items related to accountability and implementation. This will involve:

Phases of Work Related GMPC Motion 21-1 Components Evaluate and refine accountability and implementation 1. Monitor and report framework options in the CPPs. The AHC is expected to consider 2. Establish subregional and evaluate options that would, if recommended: or jurisdictional affordable housing needs Establish jurisdictional share of countywide need 3. Recommend an Establish jurisdictional performance expectations to clarify accountability and what it looks like to plan for and accommodate housing implementation affordable to all economic segments of the population framework Establish performance benchmarks and a reporting and monitoring process that measure progress to adequately plan for and accommodate housing affordable to all economic segments of the population Establish steps in the comprehensive planning process that guide or compel jurisdictions to develop housing elements in alignment with the CPPs Set up procedures to adjust plans and policies in cases when monitoring finds that a jurisdiction's efforts to plan for and accommodate housing needs are not adequate Evolve the authority or responsibility of the AHC and GMPC to implement the recommended framework Review and incorporate new data and guidance from Commerce. 2. Establish subregional Commerce is developing recommended methodologies to project or jurisdictional affordable countywide housing need by income segment up to 120 percent housing needs of area median income and including special housing need projections for permanent supportive housing, emergency

housing and emergency shelters, among other tasks, to align with

recent changes to the Growth Management Act.4

² This motion language was reaffirmed with a minor change when King County Council adopted the 2021 CPP amendments on December 27, 2021, replacing "goals or targets" in item 1 with "subregional or jurisdictional affordable housing needs." See Section 3 of Ordinance 19384, available for download here.

³ See pages 42-53 of Ordinance 19384 for the 2021 amended Housing Chapter and pages 76-103 for Appendix 4: Housing Technical Appendix, available for download here.

⁴ E2SHB 1220 (adopted by the Washington State Legislature in 2021) requires that jurisdictions' housing elements under the Growth Management Act to include an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the Department of Commerce, including: 1) units for moderate, low, very low, and extremely low-income households; and 2) units for emergency housing, emergency shelters, and permanent supportive housing. See *Attachment B* for more information on Commerce's efforts to implement E2SHB 1220.

Review and recommend any amendments to the CPPs necessary to implement Committee recommendations replated to accountability and implementation, housing goals and targets, and monitoring and reporting of jurisdictional housing progress.

4. Recommend to the GMPC necessary CPP amendments

Stakeholder Engagement

The effort to respond to GMPC Motion 21-1, including recommending necessary CPP amendments, will involve input from a variety of stakeholders.

Several government bodies must approve or ratify any CPP amendments necessary to implement the AHC's recommendations in response to GMPC Motion 21-1:

- The Affordable Housing Committee (recommend);
- Growth Management Planning Council (recommend);
- King County Council (adopt); and
- King County cities (ratify).

Affiliated bodies that will inform the AHC's response to GMPC Motion 21-1 include:

- Housing Interjurisdictional Team (HIJT; technical staff group that supports the AHC);
- Community Partners Table (CPT; advisory to the AHC; represents the priorities of communities most disproportionately impacted by housing cost burden);
- Interjurisdictional Team (IJT; technical staff group that supports GMPC);
- Sound Cities Association (cities except for Seattle); and
- King County Planning Directors (all cities and King County).

Some of the groups listed above, along with King County Regional Homelessness Authority staff and homeless and social service providers, will also participate in Commerce-led focus groups or an advisory committee to inform methodologies for projecting special housing need, countywide need, and disaggregation.

Schedule

Staff propose the following schedule for the recommend scope. Staff may adjust this schedule as deliberations progress and as Commerce releases more information on the status of their work.

Date	Item	
Feb	AHC briefed and provides input on project scope and schedule	
2022	 AHC staff will brief the Committee on scope of work to respond to the GMPC Motion 21-1. 	
	 Representative from Commerce will present on changes to the Growth Management Act, new requirements for housing elements and the Department's work to establish methodologies for determining and disaggregating countywide housing needs. 	
	• Members will have the opportunity provide input on the AHC staff's recommended approach to responding to GMPC Motion 21-1 and integrating Commerce's guidance.	
	 The GMPC will provide input on the AHC's scope on March 2. 	
Mar 2022	AHC discusses options for accountability and implementation framework	
	 Prior to this meeting, the HIJT CPP Work Group, in consultation with the GMPC's Interjurisdictional Team, will develop accountability and implementation options. 	

- Update on Commerce work, if available. The GMPC will provide input on preliminary options on April 27. AHC provides input on accountability and implementation framework May 2022 Prior to this meeting, the HIJT CPP Work Group, in consultation with the GMPC's Interjurisdictional Team, will refine the preferred options for AHC consideration during this meeting. Staff will provide update on Commerce work, specifically their methodology to disaggregate countywide housing need, if available. During this time, the HIJT CPP Work Group will identify all necessary amendments to the CPPs to implement the preferred option and information from Commerce. As early as June, regional technical staff and stakeholders will evaluate Commerce's disaggregation methodology and determine suitability of their recommendation for incorporation in the CPPs and Regional Affordable Housing Dashboard. The timeline is somewhat dependent on the availability of preliminary draft countywide need projections, which may not be available until August, Staff are coordinating closely with Commerce to ensure timely delivery of this draft information. July AHC provides input on draft public review draft of CPP amendments before release 2022 Based on AHC feedback to draft concepts presented in May, staff will develop a public review draft for release after the AHC and GMPC meet in July or August. The GMPC will be briefed on the public review draft before release on July 27. AHC discuss draft CPP amendments Sep 2022 The AHC will review public feedback and discuss any final adjustments. The GMPC will provide input on addressing comments to public review draft on September 28. Nov AHC adopts CPP amendments 2022 Final draft will be presented to the AHC for possible adoption in November. The Committee will be briefed on the release of any new information from Commerce, such as final draft countywide need projections. Dec Staff transmits the CPP amendments to the GMPC 2022 Once adopted, the recommended updates to the Housing Chapter will be transmitted to the GMPC by the end of December. GMPC will be briefed on efforts to finalize CPP amendments prior to GMPC action and transmittal on December 9.
- 2023 Briefing on adjustments made due to finalized Commerce targets (if available).
 - Final numbers from Commerce expected to become available in January 2023. Staff will update countywide need numbers.
 - In the first through third quarters of 2023, the AHC's recommendations will undergo GMPC consideration and King County Council adoption, followed by city ratification in the fourth quarter.

Attachment A. Background on Countywide Planning Policies

This attachment provides an overview of the King County Countywide Planning Policies (CPPs). including an explanation of the CPPs purpose and scope, and a summary of recent amendments made to the CPPs, specifically to the policies found within the Housing Chapter.

What are the King County Countywide Planning Policies?

The CPPs are written policy statements that create a shared and consistent framework for growth management planning for all jurisdictions in King County, in accordance with the State of Washington's Growth Management Act.⁵ The Growth Management Act requires counties to adopt countywide planning policies in cooperation with their cities. CPPs are organized by chapters, each of which covers a different area of planning activity.6 The Housing Chapter frames regional affordable housing goals, metrics, and land use policies that apply across all King County jurisdictions.

The CPPs:

- Implement VISION 2050, which is the product of the regional planning effort led by the Puget Sound Regional Council (PSRC), an association of cities, towns, four counties (King, Kitsap, Pierce, and Snohomish), ports, tribes, and state agencies. By 2050, the region's population will reach 5.8 million people. King County alone is home to 39 cities, all of which have a role in accommodating the approximately 660,000 people and 490,000 jobs projected to come to King County by 2044. The CPPs advance the region's vision for 2050 to provide exceptional quality of life, opportunity for all, connected communities, a spectacular natural environment, and an innovative, thriving economy.
- Serve as the framework for local comprehensive plan development and set the direction for issues that extend beyond the boundaries of a single jurisdiction. The CPPs include goals, objectives, policies, and strategies that guide the county's approach to planning for the environment, housing, economy, transportation, and public facilities and services.
- Are binding on the County and its 39 cities. Once the CPPs are amended, local jurisdictions must adhere to and implement the CPPs through their comprehensive plans and development regulations. Per state law, jurisdictions in King County must update their comprehensive plans by June 30, 2024.
- Establish a framework for implementation of comprehensive planning elements in alignment with the CPPs. CPPs may set up monitoring and evaluation systems and empower independent bodies to hold local jurisdictions accountable to goals and/or targets set in comprehensive plans.

How are CPPs amended? Which stakeholders are involved in this process?

The Growth Management Planning Council (GMPC) brings together elected officials from King County and the cities and develops and recommends CPP amendments to the King County Council for approval. The Countywide Planning Policies and all amendments to the CPPs become effective following approval by the GMPC, adoption by the King County Council, and ratification by King County cities.

The GMPC is chaired by the King County Executive and includes members from the King County Council, the Mayor of Seattle, members from the Seattle City Council, representatives from the other 38 cities in King County through the Sound Cities Association, and ex-officio membership from

⁵ RCW 36.70A.210

⁶ The 2021 King County Countywide Planning Policies include chapters on the environment, housing, economy, transportation, and public facilities and services.

special purpose districts, school districts, and the Port of Seattle. The GMPC is supported by the **Interjurisdictional Staff Team (IJT),** which reflects the membership of the GMPC. The IJT is comprised of senior planning staff from King County and the cities. The IJT operates on a consensus basis and prepares all documents for GMPC review and consideration.

Additionally, the Affordable Housing Committee (AHC or Committee) of the GMPC is chartered to recommend CPP amendments to the Housing Chapter. Established in 2019, the AHC is a relatively new committee of the GMPC that, among other chartered duties, ensures alignment with the Regional Affordable Housing Task Force's Five Year Action Plan and other countywide affordable housing efforts. The AHC is chaired by a member of the GMPC and includes elected officials from local jurisdictions, and members from the business community, local philanthropy, faith-based organizations, and nonprofits with expertise in meeting the housing needs of King County residents.

The AHC is supported by the **Housing Interjurisdictional Team (HIJT)** which largely includes housing policy and planning staff from local jurisdictions. The HIJT has a CPP Work Group with primary responsibility for preparing draft CPP options and amendments for Committee consideration. In addition to the HIJT, the **Community Partners Table** (CPT) was formed in January of 2022 as another support body to the AHC. The CPT includes representatives from communities most disproportionately impacted by housing cost burden. At this point, the CPT has not decided whether it will be involved in the development of CPP amendments.

CPP amendment history and GMPC Motion 21-1

The CPPs were last amended in December 2021 to:

- Provide guidance to local jurisdictions in advance of the June 30, 2024 statutory update of comprehensive plans;
- Reflect new priorities addressing equity and social justice within King County communities;
- Align with recent policy and planning actions, such as the PSRC's Regional Growth Strategy and the Regional Affordable Housing Task Force's Five-Year Action Plan.

The AHC transmitted their recommended amendments to the Housing Chapter to the GMPC in February 2021.⁷ The Committee recommended substantial improvements in how the region plans for the needs of those most disproportionately impacted by housing cost burden and embedded the Regional Affordable Housing Task Force's recommendations into the CPP policy language. The amendments also increased transparency through the establishment of a new monitoring and reporting system to track regional progress on meeting countywide housing needs.⁸

Following a period of public comment,⁹ recommended amendments to the King County CPPs were adopted by the GMPC on June 23, 2021;¹⁰ however, during final deliberations, GMPC members raised several concerns and ideas to further strengthen the Housing Chapter. These ideas were not formally discussed or voted on as amendments and covered a wide range of topics, including:

1. **Improving the performance monitoring system**, which clarifies what standard jurisdictions will be held to and a desire to increase trust in the results produced by allowing a consultant to perform the annual monitoring data collection and analysis;

⁷ AHC recommended CPP Housing Chapter amendments (transmitted to the GMPC on February 24, 2021) [link].

⁸ See Attachment C for a summary of the amended 2021 Housing Chapter.

⁹ Written public comment is posted to the GMPC webpage under the May and June 2021 GMPC meetings sections [link].

¹⁰ The GMPC's recommended amendments were transmitted to King County Council on June 30, 2021 [link].

- 2. Clarifying how a jurisdiction can properly "plan for and accommodate" their share of countywide need. There were a range of concerns about the jurisidictional requirement to plan for a share of countywide need. Some members wanted to know exactly what portion of countywide need a jurisdiction was expected to plan for and accommodate. Others didn't support the CPP policy expectation that all jurisdictions must plan for same percent share of their housing stock to be affordable at each economic segment, regardless of local conditions such as access to opportunity, displacement risk, transit access, job center proximity, or feasibility of achieving countywide need percentages due to land costs, among many other nuanced factors.
- 3. Creating mechanisms to compel jurisdictions to take appropriate action to plan for and accommodate countywide need and hold jurisdictions accountable when they do not; and
- 4. Further amending and aligning the CPPs with changes to Growth Management Act, which were ratified with the passage of E2SHB 1220 in 2021. This includes work by the Department of Commerce to establish recommended methodologies for determining and disaggregating countywide housing need, which has a direct impact on strategies for monitoring jurisdictional progress to meet housing goals.

As a result of these lingering concerns and needs, the GMPC included new direction to the AHC in their motion to recommend CPP amendments to the King County Council. GMPC Motion 21-1¹¹ directs the AHC to commence a collaborative effort in 2022 to:

- Monitor and report jurisdictional housing supply, housing affordability, housing needs, and income-restricted housing levels, including disparities between subregions and comparisons to established housing goals and targets, through the Regional Affordable Housing Dashboard and reporting.
- 2. Establish <u>subregional or jurisdictional affordable housing needs</u>, informed by local data and the data and methodology provided by the Department of Commerce (Commerce).
- 3. Recommend to the GMPC an accountability and implementation framework for equitably meeting affordable housing needs across the region. The AHC will consider, at a minimum, the range of Development Patterns and Housing Chapter amendments proposed by GMPC members in June 2021 regarding understanding and accommodating housing need, holding jurisdictions accountable, and allocating resources.
- 4. Recommend to the GMPC any <u>CPP amendments</u> necessary to implement their recommendations.
- 5. Complete its housing needs work by the end of 2022 and report back to the GMPC quarterly on its progress.

Further underscoring the importance of this work, the King County Council reaffirmed the GMPC motion language when it ratified the 2021 CPP amendments in December 2021. Ordinance 19384 provides a minor change in language, replacing "goals and targets" in item 1 above with "subregional or jurisdictional affordable housing needs." 12

The Council-approved 2021 CPP amendments are still undergoing ratification by King County cities consistent with CPP F-1. The deadline for ratification is April 6, 2022.

¹¹ Growth Management Planning Council Motion 21-1, transmitted to King County Council on June 30, 2021 [link].

¹² See Section 3 of Ordinance 19384 available for download here.

Attachment B. Recent Changes to the Growth Management Act in E2SHB 1220

In 2021, the state amended portions of the Growth Management Act (E2SHB 1220)¹³ that change the minimum housing planning requirements for cities and counties subject to the Act. Most substantially, new amendments mandate that jurisdictions that plan under the Growth Management Act (GMA) now must "plan for and accommodate housing affordable to all economic segments of the population." The previous language only required jurisdictions to "encourage the availability of affordable housing to all economic segments of the population." To implement the changes to the goal, jurisdictions must conduct a suite of new analyses and show evidence of new accommodations in their comprehensive plan.

According to bill analysis from the Municipal Research and Services Center (MRSC) of Washington, ¹⁴ E2SHB 1220 requires that jurisdictions take the following actions:

- Include a statement of goals, policies, objectives, and mandatory provisions for moderate density housing options (e.g., duplexes, triplexes, and townhomes) within urban growth areas (UGAs).
- Identify sufficient land capacity for housing, including housing for moderate-, low-, very low- and extremely low-income households; emergency housing, emergency shelters, and permanent supportive housing; and, within UGAs, consideration of duplexes, triplexes, and townhomes.
- Make adequate provisions for existing and projected needs of all economic segments of the community, including:
 - Incorporating consideration for moderate-, low-, very low- and extremely low-income households.
 - o Documenting programs and actions needed to achieve housing availability.
 - o Considering housing locations in relation to employment location.
 - Considering the role of ADUs in meeting housing needs.
- Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing (e.g., disinvestment, zoning that may have a discriminatory effect, and infrastructure availability).
- Identify and implement policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by prior and current local policies, plans, and actions.
- Identify areas at higher risk of displacement from market forces that occur with changes to development regulations and capital investments.
- Establish anti-displacement policies, with consideration given to strategies such as the
 preservation of historical and cultural communities, equitable development initiatives,
 inclusionary zoning, and tenant protections.¹⁵

E2SHB 1220 also instructs the Washington State Department of Commerce (Commerce) to provide an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, including projections for units affordable to moderate- to extremely low-income households, emergency housing, and emergency shelters, and permanent supportive housing. Commerce has decided to produce its projections at the countywide level. Commerce anticipates releasing draft methodologies in May-August of 2022 and providing the

¹³ E2SHB 1220 [link]

^{14 2021} Housing and Planning-Related Legislative Outcomes, MRSC [link]

¹⁵ E2SHB 1220 also expanded provisions for shelters and housing for people experiencing homelessness. As of September 30, 2021, local governments cannot prohibit emergency shelters and housing for people experiencing homelessness in certain zones, with exceptions.

existing and projected countywide housing need data and methodology guidance by the end of 2022.¹⁶

Many of the provisions in E2SHB 1220 were incorporated into the 2021 CPP amendments, however there remains at least two areas that will need to be amended to align with this new information from Commerce. First, current countywide need projections in the amended 2021 CPPs Housing Chapter do not establish need for moderate income households (households with incomes between 81-120 percent area median income) or special housing needs (defined by statute as permanent supportive housing, emergency shelters, and emergency housing) and thus the countywide need methodology and definition in the House Chapter will need to be updated to align with the new Commerce projections. Second, the disaggregation methodology recommendations will serve as the basis for responding item two of the GMPC motion, to "establish subregional or jurisidictional affordable housing needs". The Committee will evaluate Commerce's recommended methodologies when draft projections and disaggregation methodologies are released.

In addition to countywide housing need projections, Commerce will also provide recommendations to counties on methodologies for disaggregating the countywide need to jurisdictions by mid-2022. This effort may result in proposed CPP amendments to update the definition and methodology used to determine countywide need and allocate that need to jurisdictions. AHC staff are coordinating closely with Commerce staff and the consultant hired to develop this information. Timelines remain fluid and do not align perfectly with the Committee's scope of work. Because of this, additional Committee meetings or meetings with jurisdictional staff may be needed to respond to and incorporate the state's recommendation into the GMPC Motion 21-1 response and CPPs.

¹⁶ View Commerce's "Planning for Housing in Washington State" webpage for more information on their project scope.

Attachment C. Overarching Focus of Amended 2021 King County CPP Housing Chapter

The 2021 CPP Housing Chapter¹⁷, which amended CPPs last updated in 2012, includes a suite of policies organized under a new overarching goal, which directs the county and all cities to:

Provide a full range of affordable, accessible, healthy, and safe housing choices to every resident in King County. All jurisdictions work to:

- a) preserve, improve, and expand their housing stock;
- b) promote fair and equitable access to housing for all people; and
- c) take actions that eliminate race-, place-, ability-, and income-based housing disparities.

The 2021 Housing Chapter of the CPPs focuses on households earning 80 percent or less of area median income (AMI). Furthermore, the chapter establishes the countywide need which, in combination with local housing needs analyses, sets the scope and direction for each jurisdiction's range of housing strategies:

H-1 Address the countywide need for housing affordable to households with low, very low, and extremely low incomes, including those with special needs, at a level that calibrates with the jurisdiction's identified affordability gap for those households and results in the combined comprehensive plans in King County meeting countywide need. The countywide need for housing in 2044 by percentage of AMI is:

30 percent and below AMI (extremely low)	15 percent of total housing supply
31-50 percent of AMI (very low)	15 percent of total housing supply
51-80 percent of AMI (low)	19 percent of total housing supply

The 2021 chapter then lays out a suite of policies that establish a continuous improvement cycle of assessment, collaboration, equitable implementation, evaluation, and adjustment:

- 1. Conduct a Housing Inventory and Analysis
- 2. Collaborate Regionally
- 3. Implement Policies and Strategies to Meet Housing Needs Equitably, with strategies grouped by theme:
 - a. Equitable processes and outcomes;
 - b. Increased housing supply, particularly for households with the greatest needs;
 - c. Expanded housing options and increased affordability accessible to transit and employment;
 - d. Expanded housing and neighborhood choice for all residents; and
 - e. Housing stability, healthy homes, and healthy communities
- 4. Measure Results and Provide Accountability
- 5. Adjust Strategies to Meet Housing Needs

¹⁷ King County Countywide Planning Policies, Housing Chapter, 2021 [link]