



What is Affordable Housing?

Affordable housing is commonly defined in terms of housing costs as a percentage of household income. Housing is considered unaffordable when a household's monthly housing costs exceed a certain threshold — most commonly 30 percent of gross income — thereby reducing the budget available for other basic necessities and amenities. For households with lower incomes, high housing costs often mean they must make a choice between paying for housing or getting other life necessities like food or medications.

Where is Housing Affordability a Problem?

Housing in Washington state is more unaffordable than almost anywhere else in the nation.¹ Although much of the media coverage surrounding housing unaffordability focuses on the Puget Sound region, households across the state are experiencing affordability challenges.

In some areas, housing unaffordability is driven primarily by population growth without similar growth in housing unit production. In others, housing affordability is affected more by dilapidation and underinvestment in the housing stock or the curtailment of federal subsidies.

Household incomes are a factor in housing affordability for all communities. Although incomes in Washington state are growing faster than the national average, they are not keeping pace with growing rents, and fixed incomes such as retirement or disability income have grown well below the rate of rent inflation.²

Washington State's Housing Policy Act

It is the goal of the state of Washington to coordinate, encourage, and direct, when necessary, the efforts of the public and private sectors of the state and to cooperate and participate, when necessary, in the attainment of a decent home in a healthy, safe environment for every resident of the state.

RCW 43.185B.007

¹ U.S. News and World Report 2018 Best States Rankings, <https://www.usnews.com/news/best-states/rankings>.

² U.S. Census Bureau American Community Survey one-year estimates for Washington state, B25058, B25057, B19081; inflation adjusted using the Bureau of Labor Statistics CPI-U.

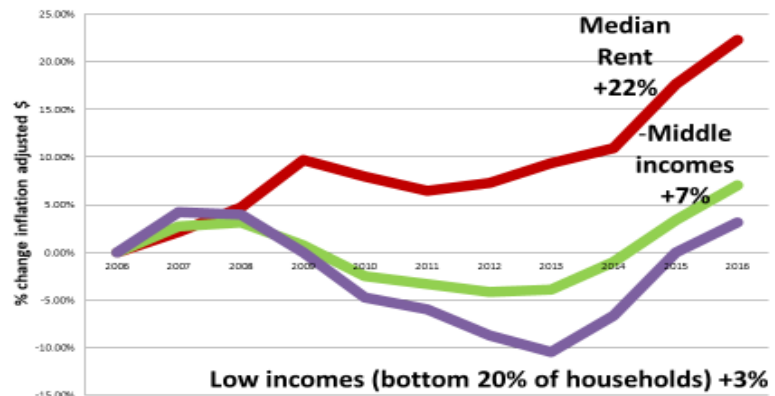
Terminology

Affordable Housing: Commerce uses the U.S. Department of Housing and Urban Development's standard definition for housing affordability, which states that affordable housing is housing for which the occupants are paying no more than 30 percent of their income on housing costs, including utilities.

Area Median Income: The midpoint of a region's income distribution; half of households earn more than the median, and half earn less than the median. For housing policy and planning purposes, income thresholds are used to define the affordability of housing units to households.

Low-Income Housing: Housing that is affordable to occupants making 80 percent or less of the area median income. Housing elements are required to address housing needs relating to this population.³

Rent Inflation Outpaces Middle & Low Income Growth



Between 2006 and 2016, rent (red line) has increased faster than low and middle incomes (green and purple lines).

Subsidized Housing: Subsidized housing is a government system that includes direct payments to eligible recipients, as well as public or non-profit housing. It is usually targeted to low-income, extremely low-income and formerly homeless households.

Preservation: Affordable housing preservation is the act of extending the affordability of either subsidized or unsubsidized rental homes that are, for one reason or another, at risk of no longer being affordable to low or middle-income households.

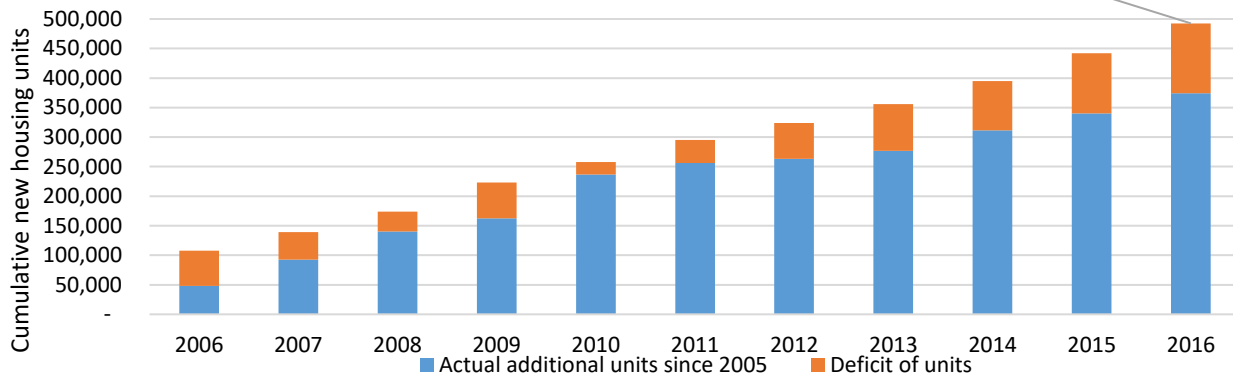
Types of Subsidized Housing

Housing Subsidies	Non-Profit Housing	Public Housing	Rent Supplements
Government financial assistance to income-qualified renters and homeowners.	Housing that is owned and operated by private non-profit groups. They use private funding and government subsidies to support reduced rents for income-qualified tenants.	Housing that is owned and operated by the government for income-qualified tenants.	Subsidies paid, usually by the government, to private landlords who accept income-qualified tenants.

³ Washington Administrative Code (WAC) 365-196-410

Deficit of new housing units in Washington *

Housing unit deficit: 118,377



Deficit of new housing units necessary to maintain 2005 ratio of people to housing units in WA. Meaning the number of housing units per person has decreased over time as more people have moved to Washington, and sufficient units are not being built to meet the demand for housing.

Housing Policy Framework

State Requirements for Housing Planning

The Growth Management Act (GMA) includes specific requirements for how cities and counties should plan for housing, including housing affordable to lower-income households. The requirements apply in the 29 “fully planning” counties that are required to plan under the GMA. Implementation of the GMA is guided by 14 overlapping goals. The GMA housing goal is *Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.*⁴

Countywide Planning Policies

All 29 GMA counties and the cities within them must agree on how they will address issues of a countywide nature, such as transportation, siting of public facilities, growth, and affordable housing, including *policies that consider the need for affordable housing, such as housing for all economic*



⁴ RCW 36.70A.030 includes other goals that relate to affordable housing: (1) Encourage development in urban areas where adequate public facilities and services exist, or can be provided in an efficient manner. (2) Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development. (12) Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

segments of the population and parameters for its distribution.⁵ These countywide planning policies may include targets for affordable housing.

City and County Comprehensive Plans

GMA cities and counties must include five mandatory elements in their comprehensive plans: land use, transportation, housing, utilities and capital facilities.⁶ Counties must also include a rural element. Each county receives 20-year population projection from the state Office of Financial Management.⁷ The county, cities, and towns work together to allocate the countywide population to individual jurisdictions based on local land capacity, availability of capital facilities, and local vision. The land use element is where population densities, building intensities, and estimates of future population growth are located. The majority of new growth should be planned inside designated urban growth areas, but the intensity and distribution of uses is left to local decision makers, consistent with countywide planning policies and GMA goal.

The Housing Element

The housing element should *ensure the vitality and character of established residential neighborhoods*.⁸ It should:

- *Include an inventory and analysis of existing and projected housing needs that identify the number of housing units necessary to manage projected growth.* Cities should consider both the new households inside the city limits and those in any unincorporated areas intended to annex to that jurisdiction within the 20-year planning period.
- *Include a statement of the goals, policies, and objectives for the preservation, improvement, and development of housing, including single-family residences.*
- *Identify sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, group homes, and foster care facilities.*
- *Make adequate provisions for existing and projected housing needs of all economic segments of the community.*⁹

I. Assess Community Housing Needs

A housing needs assessment creates a data profile of the community, and identifies recent and projected trends in household size, composition, income, and demographics. The housing profile should review the condition and affordability of existing housing, and it should identify the number and types of new housing units needed to serve the projected growth and the income ranges within it. This information is important to designate land zoned for the needed housing types over the planning period.¹⁰



⁵ RCW 36.70A.210 (3)(e).

⁶ Required by RCW 36.70A.070.

⁷ Washington State Office of Financial Management, *Population and Demographics*, www.ofm.wa.gov/pop/default.asp

⁸ RCW 36.70A.070(2)

⁹ WAC 365-196-410 provides advisory guidance on how to develop the housing element.

¹⁰ See county profiles in the Affordable Housing Needs Study: www.commerce.wa.gov/housing-needs-assessment/

II. Evaluate Policy Options

Housing goals and policies within the housing element should be consistent with countywide planning policies (and multicounty policies where applicable), address a variety of residential densities and housing types, promote affordable housing for all economic segments, and support preservation of existing housing stock. A plan that includes a broad variety of housing types, compact development and protections for the existing affordable housing stock will yield the best variety of options for middle- and low-income community members.

AFFORDABLE HOUSING TYPES

- ACCESSORY DWELLING UNITS
- MOBILE/MANUFACTURED HOMES
- SMALL LOT DEVELOPMENT
- MICRO HOUSING
- COTTAGE HOUSING
- INFILL DEVELOPMENT
- MULTIFAMILY / MIXED USE DEVELOPMENT
- CLUSTER DEVELOPMENT

Smaller lots and smaller units are generally most affordable because this is the most efficient way to use land and provide public facilities and services.

Each housing element should include provisions to monitor the performance of its housing strategy, such as targets and benchmarks. The seven most populous counties and their cities that are subject to “buildable lands” requirements (RCW 36.70A.215) must employ “reasonable measures” to ensure that comprehensive plan goals and targets are being achieved. *Reasonable measures are those actions necessary to reduce the differences between growth and development assumptions and targets in the countywide planning policies and the county and city comprehensive plans with actual development patterns.*

III. Don’t Forget Preservation

One of the greatest threats to the long-term availability of affordable units, especially those affordable to households with incomes less than 80 percent of the area median, is the loss of existing units. For subsidized rental housing, preservation usually means renewing an expiring subsidy or investing in the physical condition of the property through capital improvements.

With unsubsidized rental housing, preservation can refer to mission-oriented buyers purchasing rentals that are risk of becoming unaffordable (either because of rising rents or because of the building falling into obsolescence). Affordable housing is also preserved when low-income renters are able to stay in their homes due to weatherization and rehabilitation services and loans that keep property conditions viable. Affordable housing preservation is a critical step toward meeting two GMA requirements for local and regional policy development: providing sufficient affordable housing and preserving neighborhood character.

Addressing Opposition to Growth

A sufficient supply of affordable housing offers benefits to the entire community and is necessary for a healthy local economy. Yet, when communities oppose affordable housing development, it means much of the housing stock needed to ease the cost -burden that so many households experience never gets built.

While existing homeowners can, and do, have legitimate concerns about new development, oftentimes the problem is one of perception which can be addressed through engagement and messaging aimed at helping community members see why housing matters. Also consider whether the opposing voices are representative of the broader population in your community. Capturing a broader array of input during the process could help balance the public discourse.

Cities Can Address Housing Affordability

To achieve housing affordability, a broad variety of housing types must be made available to community members. Townhomes, cottage housing, accessory dwelling units and duplexes can all be integrated into neighborhoods without changing the existing character. A municipal code that promotes varied forms of housing and small lot development will allow for production of housing affordable to all incomes.

Counties and cities also have broad authority to implement the comprehensive plan through land use controls that regulate housing density, height, setbacks, lot coverage, parking requirements, landscaping, and other aspects of development. They also have the authority to develop their own permit-processing systems, consistent with state law,¹¹ and to adopt a variety of tools to encourage the development of a variety of housing types, including affordable housing.

Local Tools for Affordable Housing Development

There are a number of planning tools that cities can use to encourage the development of affordable housing.

- **Minimum densities** can assure that land is developed efficiently and that future urban densities are not precluded by current development. "Shadow platting" is a tool that can be used in areas where sewer is not yet available, so that land can be platted in a way that allows urban development when sewer become available. Some cities may not put a cap on the number of dwelling units per acre, and instead, or may use floor area ratios (which limit the total floor area of development) or form-based codes (which regulate only the size and shape of the building envelope) to control the scale of development.
- **Multifamily housing:** Mid-rise and high-rise multifamily development can be a source of affordable and diverse housing at a scale appropriate in designated "centers" or in transit-oriented development areas. Multifamily development of any scale can be appropriate in expensive housing markets where developers can maximize the number of dwellings on high-cost land.
- **Density bonuses** can be an incentive for desired housing types, such as affordable or senior housing. An alternate strategy is "inclusionary zoning", which requires that any proposed development include a certain component of affordable housing.¹²
- **Flexible development standards:** Local governments can choose to allow lot size averaging or reduced setbacks. Zero lot line development, eliminating or reducing off-street parking requirements in certain areas, or relaxing other standards to reduce overall costs for developers can balance the intent of the regulations with the need for affordable housing. Flexibility related to the size of ADUs can also help add density in existing development.

TOOLS FOR AFFORDABILITY

- **MINIMUM DENSITIES**
- **DENSITY BONUSES**
- **NO MAXIMUM DENSITIES**
- **TRANSIT-ORIENTED DEVELOPMENT**
- **INCLUSIONARY ZONING**
- **PERMITTING PRIORITY**
- **PARKING REDUCTIONS**
- **PLANNED ACTION EIS**
- **SEPA INFILL AND CATEGORICAL EXEMPTIONS**
- **MULTIFAMILY TAX EXEMPTION**
- **FEE WAIVERS OR REDUCTIONS**
- **LINKAGE FEES**
- **SURPLUS LAND**
- **EXPEDITED PERMITTING**

¹¹ RCW 36.70B Local Project Review Act, which governs permit processing.

¹² Examples of city codes that promote bonus density at MRSC.org

- **State Environmental Policy Act (SEPA) Tools:** Planned actions assess environmental impacts within a defined sub-area, and reduce a layer of regulation for developments proposed within the area that meet the planned uses.¹³ SEPA also allows an infill exemption from SEPA review for development proposed to “fill in” an urban growth area, consistent with a GMA comprehensive plan.¹⁴ SEPA Categorical Exemptions allow a certain threshold of development before SEPA must be applied. (WAC 187-11-800).
- **Permit processing** for certain types of desired development can be expedited as an incentive. Tools include centralized counter services, pre-application conferences, permit checklists, reducing the number of residential zoning districts, reducing complicated administrative procedures, or fast-tracking applications.
- **Short subdivisions** are defined as plats with up to four lots, but any city or town can increase the maximum number of lots to nine. Counties planning under the GMA may also do the same within the urban growth area (RCW 58.17.020 (6)). Increasing the number of lots allowed in a short plat can help streamline the permit process.
- **Impact fee deferral** RCW 82.02.050(3) requires jurisdictions that use impact fees set up a system to defer the collection of impact fees until as late as occupancy, or first sale of the property.

Some Special Types of Housing

- **Accessory dwelling units:** the Growth Management Act requires any city with a population of over 20,000, to allow accessory dwelling units (ADUs) in single-family residential areas.¹⁵ Commerce recommends that all local codes allow and encourage the development of ADUs in urban areas, especially in areas close to transit, shopping, and institutions of higher education. They provide an affordable place to live, and provide income to property owners. Relaxing local codes for size, parking, and owner occupation can help encourage ADUs.
- **Manufactured housing:** All jurisdictions must ensure that manufactured housing is not treated differently than site-built housing. Municipalities can impose requirements for a permanent foundation, skirting, or compliance with design codes, but they must allow a manufactured home to be sited on a single family lot¹⁶. Manufactured units can also be a cost-effective way to add detached ADUs in existing development. Manufactured homes parks are often one of the few ways non-subsidized affordable housing exists in communities. Preservation of such parks and consideration of new parks can provide affordable housing.



¹³ See RCW 43.21C.440 for the definition of a planned action.

¹⁴ See RCW 43.21C.229 for more detail.

¹⁵ RCW 36.70A.400, RCW 43.63A.215(3)).

* Number of units needed to maintain 2005 ratio of people to housing units.

¹⁶ RCW 35.21.684, 35.63.160, 35A.21.312, and 36.01.225, Amended in 2004.)

There are a number of state-authorized tools that cities can use to encourage, facilitate, or require the development of more affordable housing.

- **Multifamily tax exemptions** (MFTE), authorized by RCW 84.14, can be applied in GMA cities with at least 15,000 people, in certain locally designated “urban centers” where more multifamily housing is desired. Multifamily construction within the designated area may defer taxes on the value-added portion of new or rehabilitated property investment for eight years, if adding multifamily housing units, and up to 12 years, if 20 percent of housing units are affordable to low- and moderate -income households.¹⁷
- **Affordable housing incentive programs** may be enacted by counties and cities for the development of low-income housing through development regulations, conditions on rezoning or permit decisions, or both, on residential, commercial, industrial or mixed-use development. Jurisdictions must identify land use designations within a geographic area where housing would meet the requirements of RCW 36.70A.540, such as 50-year affordability.
- **Impact fees** are one-time charges imposed by a local government on new development to pay for a reasonable portion of the costs of providing public services to the development. Impact fees may be reduced by up to 80 percent for housing units that are designated as affordable by covenant.¹⁸ The other 20 percent may also be waived but must be paid from public funds.
- **Utility Fees waivers:** A city or town may waive or delay collection of tap-in charges, connection fees, or hookup fees for low-income persons connecting to water, sanitary or storm sewer service, electricity, gas, and other means of power and heat.¹⁹
- **Publicly owned land for affordable housing:** The state constitution allows local governments that want to support the development of affordable housing²⁰ to provide gifts to the “poor and infirm.” They can choose to provide underused publicly owned land or infrastructure to help affordable housing. RCW 39.33.015 (laws of 2018) sets out procedures for the transfer of public property for a public benefit, specifically affordable housing. The state is also required to inventory state-owned surplus property to consider for affordable housing (RCW 43.63A.510). Suspected brownfields are also being reviewed for potential use for affordable housing. Locally-owned public property should also be inventoried and considered. Public projects can be catalysts for additional private development.

Gifts to the “Poor and Infirm”

The state constitution prohibits local governments from the gifting of public funds “**except for the necessary support of the poor and infirm.**” This gives jurisdictions the flexibility to provide for affordable housing development through waivers of permit fees, reduced or waived utility connection fees, offering density bonuses to incentivize the development of affordable housing, or by directly financing affordable housing.

**Washington State Constitution:
ARTICLE 8, SECTION 7**

¹⁷ See RCW 84.14 for more detail.

¹⁸ See RCW 82.02.060(3)

¹⁹ RCW 35.92.380, RCW 35.92.020(5)

²⁰ Article 8, Section 7 of the State Constitution provides: No county, city, town or other municipal corporation shall hereafter give any money, property, or loan its money, or credit to or in aid of any individual, association, company or corporation, except for the necessary support of the poor and infirm.

- **Affordable housing property tax levy:** RCW 84.52.105 allows for a vote for up to \$0.50 per \$1,000 assessed value for up to 10 years to finance affordable housing. The county, city or town must declare an emergency with respect to the availability of housing that is affordable to very low-income households (less than 50 percent area median income (AMI)) in the taxing district. The governing body must adopt an affordable housing financing plan. Seattle, Bellingham, Olympia, Vancouver, and Jefferson County have voted for such levies.
- **Sales and use tax for housing and related services:** RCW 82.14.530 allows a county to vote to impose a sales and use tax of up to 0.01 percent for constructing affordable housing, mental or behavioral health facilities. People served must be at less than 60 percent of the median income of the county, and must be seniors, homeless, veterans, have mental illness, or meet other criteria.²¹ Olympia and Ellensburg have such sales taxes.



Funding and Finance for Low-Income Housing

Addressing affordability across the full continuum of income levels requires the participation of many different entities. Generally speaking, the public sector targets funding toward the needs of very and extremely low-income households, such as providing permanent supportive housing for the homeless, households with disabilities, and rental vouchers for households with incomes at 30 percent or below the Area Median Income (AMI). Tax incentives and other market devices address affordability at the higher income levels, such as home mortgage interest deductions²² on federal tax returns.

Who is Building Affordable Housing?

Affordable housing is built by many actors. Some example of affordable housing are below:

- Homeowners may choose to develop an accessory dwelling unit, or rent out a room in their house.
- Non-profit developers, such as housing authorities, develop housing units which may meet special needs such as senior housing, homeless, low income families, or housing that includes services to help people stay in housing. They may choose to buy and rehabilitate existing apartments or hotels.
- For-profit developers may choose to build housing that is affordable due to its design as apartments, townhomes, condos, micro-housing, or single room occupancy units, or may rehab existing units.
- Community Land Trusts may hold land and offer housing for sale, or a place to site a manufactured home.

Federal Funding for Housing

The federal government supports affordable homes through the U.S. Department of Housing and Urban Development (HUD) funding programs, the U.S. Department of Agriculture (USDA) Rural Development assistance, and the Low-Income Housing Tax Credit programs (LIHTC). The LIHTC program works through a subsidy mechanism: the Internal Revenue Service allocates funds on a per capita basis to each state. In Washington, the Washington State Housing Finance Commission (WSHFC) allocates credits to developers as an incentive to create or preserve affordable housing. Investors buy income tax credits in qualified properties that

²¹ RCW 82.14.530(2)(b) (2015)

²² Deduction limits and definitions changed in 2018 <https://www.irs.gov/newsroom/interest-on-home-equity-loans-often-still-deductible-under-new-law>

have received state allocation, creating cash equity for owners that reduces project development debt burden. In exchange, the owner agrees to rent a specific number of units to qualified tenants at specified rents, usually below-market.

State Funding for Housing Construction and Renovation

At the state level, two agencies have primary responsibility for low-income housing and services and fund a variety of activities:

- **The Washington State Department of Commerce** manages the Washington State Housing Trust Fund, a state capital fund dedicated to the provision of low-income and special-needs housing. The Housing Trust Fund is the largest investment the state makes in affordable housing. Every dollar invested in the Housing Trust Fund leverages nearly six additional dollars from other sources. For 2018-2019, \$107 million is available to build and preserve affordable housing, providing approximately 3,500 housing units.²³ Commerce also manages the state's funds from the National Housing Trust Fund. In addition, Commerce administers the state's portion of real estate document recording fees, which are collected during real estate transactions, and allocated to fund implementation of the Homeless Housing and Assistance Act.²⁴
- **The Washington State Housing Finance Commission (WSHFC)** issues "private activity" tax-exempt bonds to finance affordable housing. It participates in federal, state, and local housing programs and makes additional funds available at affordable rates to help provide housing throughout the state. The WSHFC has several programs for first-time homebuyers, buyers from qualified census tracts, and current homeowners who meet income and eligibility requirements. These programs partner with private lenders to make homeownership possible for those who may not be served through traditional financing products.

The WSHFC also administers a revolving loan program for land acquisition. This program helps eligible organizations (including local governments) in Washington State to purchase land suited for either multifamily or single family affordable housing development. Unlike traditional programs, this fund allows suitable land to be purchased and held for an extended period of time, thus allowing communities to respond quickly when sites become available in markets where there is an urgent need for affordable housing and/or high competition for limited developable land.

Local Funding for Housing

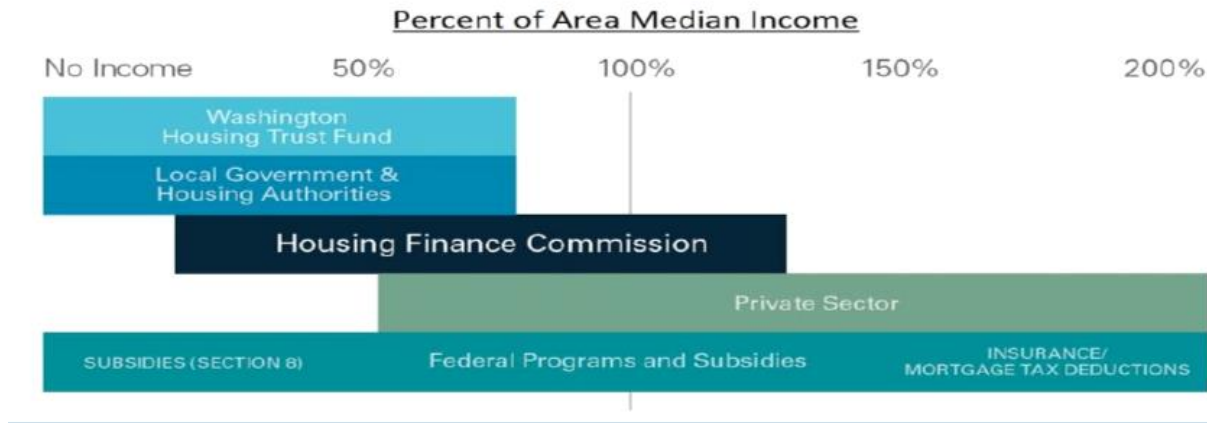
An increasing number of communities are investing in affordable housing, including Vancouver, Bellingham, and Seattle, whose voters have approved local housing levies. Additionally, East King County cities contribute to a regional housing trust fund called ARCH (A Regional Coalition for Housing).²⁵ There are a number of other tools that are authorized at the state level, including community revitalization financing, historic tax credits, commercial linkage fees and community land trusts. The following image shows the key sources of funding for housing and the income segments they serve.

²³ www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/

²⁴ RCW 43.185c

²⁵ Bringing Washington Home, 2016 Affordable Housing Report. Washington Low Income Housing, Washington Department of Commerce and Washington State Housing Finance Commission

Funders of Affordable Housing Development



Credit: WSHFC

Private Sector Financing

In addition to public sources, the private sector is a critical source of market rate and affordable housing. This takes the form of construction financing, permanent loans, and equity. In addition to traditional loans, the private sector provides capital through tools such as the purchase of tax-exempt bonds or low income housing tax credits.

Affordable Housing Preservation

One of the most critical issues Washington communities face is how to maintain the physical condition of affordable housing properties so that they continue to provide safe, decent housing for low-income renters. Due to restricted revenues, owners and operators of affordable housing properties face unique challenges when those properties need capital improvements or other investment.

Owners are often unable to take out loans to finance rehabilitation because revenues are insufficient to service the debt, and replacement reserves are typically not adequate to cover all costs.²⁶ If the existing subsidized and market-rate affordable housing inventory is not maintained and preserved, Washington will be further behind the mark in meeting the needs of low-income households. A number of federal and state programs help make housing preservation possible:

- The **Community Development Block Grant**²⁷ can be used to fund a number of housing preservation activities, such as rehabilitation and essential repairs on qualified low-income housing properties.



²⁶ Housing Trust Fund Portfolio Needs Study, 2015

²⁷ <http://www.commerce.wa.gov/serving-communities/current-opportunities-2/community-development-block-grants/>

- The U.S. Dept. of Agriculture Rural Development's (USDA RD) **Multifamily Preservation and Rehabilitation program**²⁸ can help existing USDA borrowers make renovations and major repairs by deferring loan payments.
- HUD's 20 percent **Historic Tax Credit** is a financial incentive that supports private investment in historic buildings. It encourages private property owners to rehabilitate historic properties for an income-producing use, such as rental housing, office, retail, manufacturing and entertainment space. It can be an effective tool to create affordable housing, including mixed-use developments that have commercial space on the first floor and residences on the upper floors.²⁹
- Commerce's **Housing Preservation Program**³⁰ makes funds available for major building improvements, preservation, and system replacements necessary for existing Housing Trust Fund (HTF) multi-family rental projects. Also, in 2017, the Washington State Legislature authorized a new program, the **Low-Income Home Rehabilitation Revolving Loan Program**, which is currently being developed.³¹
- **Manufactured home communities** provide critical affordable housing to people with lower incomes, especially in rural areas. The Washington State Housing Finance Commission, in partnership with Resident Owned Communities (ROC) Northwest, and ROC USA, offers financial tools and guidance for manufactured housing communities to become self-owned cooperatives.³² Loan funds can be used to purchase the land on which the manufactured community is sited and may also be used to fund critical improvements.

Programs, eligibility rules and funded activities change periodically. Thus, the above information should not be construed as an exhaustive list of resources, but as a sampling of programs that are currently in service. Partnering with local non-profits and community services agencies can help planners and local government officials stay apprised of new developments and program offerings.

Need Help?

For more information on the information in this publication, or on planning, or policy please contact the following Commerce staff:

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The Department of Commerce provides local governments, nonprofits, and community action agencies with tools to ensure that everyone is housed in their communities. Our support ranges from guidance on implementing Growth Management Act provisions for housing, to capital funding to build and preserve affordable housing stock, and to programs that prevent families from becoming homeless.

²⁸ <https://www.rd.usda.gov/programs-services/all-programs/multi-family-housing-programs>

²⁹ <https://www.hudexchange.info/programs/environmental-review/historic-preservation/tax-credit/>

³⁰ <http://www.commerce.wa.gov/building-infrastructure/housing/housing-preservation-program/>

³¹ <http://www.commerce.wa.gov/energy-blog/low-income-home-rehabilitation-revolving-loan-program-2/>

³² <http://www.wshfc.org/>

Affordable Housing Checklist for Counties, Cities, and Towns

	Yes/No	Ideas for implementation
Does your comprehensive plan include policies supporting a wide variety of housing choices, such as duplexes, townhomes, row houses, cottage and courtyard housing?		
Does your zoning plan for higher intensities of residential development around public amenities, such as parks or bodies of water, or along transit corridors? Seven units per acre is generally considered a minimum for viable transit service.		
If eligible, have you designated “centers” , where multifamily tax credits can be offered to developers to reduce taxes on new development?		
Does your municipal code offer bonus densities for affordable, senior, or other desired types of housing?		
For subdivisions, do you require minimum densities so that land is used most efficiently? If no sewer is available, does your code require development in a way that future urban development is not precluded?		
Does your municipal code allow accessory dwelling units ? This is required if population is greater than 20,000 people. Recommended for all communities, the fewer restrictions in size, parking, etc., the better.		
Has your jurisdiction enacted affordable housing incentive programs under RCW 36.70A.540? (Special provisions for a defined area.)		
Have you adopted SEPA tools , such as larger SEPA thresholds, planned actions, or infill programs to remove a layer of review?		
Do you use fee waivers for hookup fees for affordable housing projects? Have you considered adjusting the fee structure so that multifamily projects cost less per unit to connect?		
Do you provide a waiver of up to 80 percent of impact fees for affordable housing projects? Do you have a fund that can cover the last 20 percent of the fees?		
Have you considered partnering with public agencies to add housing above public projects such as libraries, community centers?		
Do you have a housing authority, and if so, do you work with them to plan for affordable housing? Have you considered a sales tax or property tax levy to raise funds for affordable housing?		
Have you considered using surplus city or county land for affordable housing? Or have you worked with other public or non-profit agencies, to identify suitable land, or a community land trust to manage the land?		
Do you have manufactured home parks that need protection? Or have you considered developing manufactured home parks as a way to provide affordable housing sites?		
Have you inventoried existing affordable housing and considered ways to protect its affordability, and ensure maintenance of the property?		
Does your code allow nine lots in a short plat to reduce barriers to development?		
Have you reviewed how short-term rentals , such as Air B&B, may be impacting your affordable housing availability?		
Have you met with local lenders to compare their ability to lend on a project with the requirements of your code?		

Affordable Housing Resources

Resources from Commerce

(May not be available in all localities)

NSP and GMA Housing Planning Guidebook: Lessons for Future Housing Plans, 2014 (PDF)

www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/

Community Development Block Grants

The CDBG program can fund planning, housing rehabilitation and infrastructure in support of affordable housing.

www.commerce.wa.gov/serving-communities/current-opportunities/community-development-block-grants/

Washington State Foreclosure Fairness Program provides homeowner foreclosure assistance for offering free housing counseling, civic legal aid, and foreclosure mediation.

www.commerce.wa.gov/building-infrastructure/housing/foreclosure-fairness/

Mobile and Manufacture Home Relocation Assistance is available for mobile and manufactured home owners.

www.commerce.wa.gov/building-infrastructure/housing/mobile-home-relocation-assistance/

The Emergency Solutions Grant (ESG) Program grants federal funds in certain counties to provide street outreach, emergency shelter, rental assistance, and related services for adults and families with children experiencing or at risk of homelessness.

www.commerce.wa.gov/serving-communities/homelessness/emergency-solutions-grant

The Low-Income Home Energy Assistance Program (LIHEAP)

makes energy assistance available to citizens of Washington through a network of community action agencies and local municipalities. www.commerce.wa.gov/growing-the-economy/energy/low-income-home-energy-assistance/

Tenant-Based Rental Assistance (TBRA) uses federal funds to support communities providing utility, deposit and ongoing rental assistance to very low-income households (at or below 50 percent area median income (AMI)). www.commerce.wa.gov/serving-communities/homelessness/tenant-based-rental-assistance-tbra/

Housing Opportunities for Persons with Aids (HOPWA) is a federally funded program providing housing assistance and supportive services for low-income people with HIV/AIDS and related diseases, and their families.

www.commerce.wa.gov/building-infrastructure/housing/housing-opportunities-for-persons-with-aids-overview/

Section 811 Project Rental Assistance Demonstration (811 PRA)

will provide project-based rental assistance to extremely low-income, non-elderly disabled households.

www.commerce.wa.gov/serving-communities/homelessness/hud-section-811-rental-assistance/

Homeless Assistance www.commerce.wa.gov/serving-communities/homelessness/

Housing Services for Farmworkers

www.worksourcewa.com/Resources/Farmworkers

HOME Investment and Partnership Program

HOME funds are awarded to non-profit organizations, housing authorities, and local and tribal governments through the state Housing Trust Fund (HTF) application process. www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/home-program/

Housing Trust Fund provides state and federal funds for affordable housing construction and preservation.

www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/

Other Programs and Resources

Homelessness and Housing Toolkit for Cities (2017)

MRSC/AWC.

Puget Sound Regional Council (PSRC) Housing Innovations

Program – Complete toolkit includes a listing of development types, regulatory tools, incentives, project level tools, renter-homeowner assistance, partnerships, education and outreach. www.psrc.org/housing-innovations-program-hip

Municipal Research and Services Center. www.mrsc.org
Affordable Housing:

Accessory Dwelling Units

Mobile Home Parks: The Newest Front for Housing Affordability

Creating Affordability Locally: A guide for Cities, Counties and Advocates in Washington State, Housing Development Consortium Seattle-King County (2016)

US Department of Agriculture Housing Assistance for homeownership, housing repair, housing preservation and loan guarantees. www.usda.gov/topics/rural/housing-assistance

Washington State Housing Finance Commission for homeownership, multifamily tax credits, and other programs. www.wshfc.org/