# King County Affordable Housing Committee Countywide Planning Policies Housing Chapter Frequently Asked Questions

This document addresses frequently asked questions about the King County <u>Countywide Planning</u> <u>Policies</u> (CPP) Housing Chapter. More information on the CPP Housing Chapter can be found on the Affordable Housing Committee (AHC) <u>website</u>. The AHC is a committee of the <u>King County Growth</u> <u>Management Planning Council</u>.

# Growth Targets, Housing Needs, and Sufficient Planning and Accommodation

### 1. What are growth targets and housing needs?

In the <u>CPPs</u>, growth targets are the total housing units and jobs a jurisdiction should plan for over a 20-year period to manage projected population and economic growth. Growth targets serve as the basis for the land use assumptions used in jurisdictions' comprehensive plans, e.g., for transportation modeling or capital facility planning (see CPP DP-14a).

Housing needs are the amount of permanent housing and emergency housing a jurisdiction needs over a 20-year period to meet the projected population's housing needs and alleviate cost burden.

- *Permanent housing needs* include the amount of additional housing units needed for households making 0 to 30 percent, 30 to 50 percent, 50 to 80 percent, 80 to 100 percent, 100 to 120 percent, and above 120 percent of area median income (AMI) as well as permanent supportive housing needs (a portion of the total 0 to 30 percent housing needs).
- *Emergency housing needs* include the amount of emergency housing and shelter beds needed.

Jurisdictions are required to plan for and accommodate housing needs in their comprehensive plans (see question 3 for a description of sufficient plans and accommodations of housing needs).

Growth targets are listed in Table DP-1 in the CPP Development Chapter. Housing needs are listed in the CPP Housing Chapter in CPP H-1.

### 2. How were my jurisdiction's housing needs determined?

A jurisdiction's housing needs were derived from countywide permanent and emergency housing needs supplied by the state Department of Commerce.<sup>1</sup> The CPPs distribute permanent and emergency housing needs to jurisdictions using two different methods.

For permanent housing needs, each jurisdiction's growth target was initially divided into shares of need at each income level equal to the overall countywide shares of need at each income level. The

<sup>&</sup>lt;sup>1</sup> For more information on the method used to calculate countywide permanent and emergency housing needs, see "Establishing Housing Targets for your Community" from the Department of Commerce, starting on p. 28 [link]

method then increased the portion of the share dedicated to housing affordable at 80 percent AMI households and below in jurisdictions with:

- fewer 0 to 80 percent AMI housing options;
- fewer income-restricted housing options; and
- a greater imbalance of low-wage workers to low-wage jobs.

Under this method, the total permanent countywide need was equivalent to the countywide current growth target of 308,677 units and housing growth targets by jurisdictions were the same as total permanent housing needs.

A jurisdiction's emergency housing needs were determined by dividing the total countywide emergency housing needs by a jurisdiction's percent share of planned countywide housing growth.

See CPPs Appendix 4: Housing Technical Appendix for a description of the methods used to determine a jurisdiction's housing needs.

# 3. Do housing needs include all housing or just housing for households making less than the area median income?

The CPPs establish housing needs for all economic segments of the population, including but not limited to households making at or below 100 percent of AMI.

#### 4. Are emergency housing needs included in the growth targets?

No. Emergency housing needs are reported separately from housing needs. Note that total permanent housing needs are equal to housing growth targets and do not include emergency housing needs. Emergency housing forms are generally temporary group living situations or non-permanent residences, so they do not count as permanent housing units or towards growth targets.

### 5. What are "sufficient planning and accommodations" of housing needs?

Sufficient planning and accommodations are defined in CPP H-1:

*H-1* Plan for and accommodate the jurisdiction's allocated share of countywide future housing needs for moderate-, low-, very low-, and extremely low-income households as well as emergency housing, emergency shelters, and permanent supportive housing. Sufficient planning and accommodations are those that comply with the Growth Management Act requirements for housing elements in Revised Code of Washington 36.70A.020 and 36.70A.070<sup>2</sup>, that outline regulatory and nonregulatory measures to implement the comprehensive plan (Washington Administrative Code 365-196-650), and that comply with policies articulated in this

<sup>&</sup>lt;sup>2</sup> For details on Growth Management Act requirements of housing elements, see the Expanded Housing Element Checklist from the Washington State Department of Commerce and other guidance on planning for housing on their Updating GMA Housing Elements webpage [link]

chapter. Projected countywide and jurisdictional net new housing needed to reach projected future need for the planning period is shown in Table H-1.<sup>3</sup>

While jurisdictions can choose strategies to meet these planning for and accommodation requirements, all jurisdictions must demonstrate sufficient zoned capacity for their allocated housing needs.

#### 6. Can I plan for more housing capacity than my growth target?

Jurisdictions may allow development capacity that exceeds their adopted housing growth targets. Market and other factors limit the likelihood that a specific parcel is developed, and not every parcel will be developed to the maximum allowed density.

For certification review, PSRC provides additional guidance on how to demonstrate consistency with VISION 2050 in their Planning for Housing Needs and Growth Targets guidance.

Jurisdictions should also avoid increasing development capacity in a pattern inconsistent with the Regional Growth Strategy, per CPP DP-14c.

# 7. Should planning for infrastructure and services reflect the growth targets or housing needs?

The growth assumptions used across all elements of a comprehensive plan, including the transportation and capital facilities elements, need to be consistent and substantially consistent with adopted growth targets.

The infrastructure needs, like those in a capital improvement plan, should be informed by the types of development expected over the next 20 years, and this might be affected by the housing need allocation. For example, if accommodating housing need means adding significant capacity for multifamily housing in a jurisdiction where currently none exists, the plan should reflect the infrastructure needs of a future with a more diverse housing mix, including infrastructure improvements needed to serve anticipated growth (e.g., wider circumference water mains; additional stormwater infrastructure).<sup>4</sup>

Jurisdictions typically do not create plans for infrastructure needed to accommodate total zoned capacity. They do make plans for the infrastructure to accommodate the growth projected in the planning period.

# 8. What if we don't have funding for the 0 to 30 percent AMI housing need, but that is most of our jurisdiction's housing need by income?

Jurisdictions need to plan for and accommodate projected permanent and emergency housing needs per CPP H-1 (see question 3 for a description of sufficient planning and accommodation of housing needs). Jurisdictions should demonstrate that they have the sufficient zoned capacity for the types of

<sup>&</sup>lt;sup>3</sup> Refer to Table H-2 in CPP Appendix 4 for countywide and jurisdictional future housing needed in 2044 and baseline housing supply in 2019.

<sup>&</sup>lt;sup>4</sup> See WAC 365-196-41

housing assumed to be affordable to the lowest income households.<sup>5</sup> Jurisdictions should also describe the funding contributions and regional collaboration, along with additional strategies used to remove barriers to, stimulate, and prioritize development or preservation of housing affordable to 0 to 30 percent AMI households (see CPP H-2). Jurisdictions should also highlight any identified funding gaps for 0 to 30 percent AMI housing needs (see CPP H-4).

# 9. Why are jurisdictions required to provide sufficient capacity for affordable housing when there are inadequate subsidies to build and operate them as affordable?

Jurisdictional efforts to align with the CPP Housing Chapter policies include establishing the readiness conditions for affordable housing to be built in the future. Despite known limits to funding, jurisdictions must demonstrate in their comprehensive plan that there is sufficient land capacity for housing needs and strategies to address known barriers to housing development consistent with housing needs. Plans should identify gaps in dedicated resources for meeting housing needs (see CPP H-4).

# Housing-focused Comprehensive Plan Review

# 10. What is the King County Affordable Housing Committee's housing-focused comprehensive plan review program?

The AHC is implementing a housing-focused draft comprehensive plan review program (plan review program), as established by the CPP Housing Chapter Policy H-26. The purpose of the program is to:

- offer early guidance and assistance to jurisdictions on comprehensive plan alignment with the CPP Housing Chapter;
- ensure plans address all Housing Chapter goals and policies and include required analyses;
- evaluate the meaningfulness of public review draft comprehensive plan responses to Housing Chapter policies, where meaningful responses can be reasonably expected to achieve a material, positive change in the jurisdiction's ability to meet housing needs; and
- collect data on jurisdictional implementation details to inform future AHC and Growth Management Planning Council (GMPC) monitoring and evaluation during the remainder of the planning period.

Reference the <u>Draft Housing-focused Draft Comprehensive Plan Review Program Guide</u> for program details. At a high level, the program operates as follows:

- AHC staff are available to provide technical assistance as jurisdictions draft their comprehensive plans and materials for AHC review.
- Jurisdictions submit the housing-related components of their draft comprehensive plan, a draft land use map, a <u>CPP completeness checklist</u>, and <u>an implementation strategies</u> <u>workbook</u> to AHC staff for initial review.

<sup>&</sup>lt;sup>5</sup> For guidance on completing a land capacity analysis in your comprehensive plan, see "Guidance for Updating your Housing Element" from the Department of Commerce, starting on p. 16 [link]

- Jurisdictions will receive a comment letter from the AHC on how their draft plan aligns with the CPP Housing Chapter that may include recommendations or suggestions to improve alignment.
- Jurisdictions will incorporate feedback and adopt their plan.

### 11. What is the timeline for the AHC's review of my comprehensive plan?

The AHC review should take between two to five months, from the date of submission of plan review materials to the AHC's issuance of a comment letter. Reference the <u>Draft Housing-focused Draft</u> <u>Comprehensive Plan Review Program Guide</u> for details on the timing and process of the program.

The AHC recognizes jurisdictions in King County are working to comply with many new requirements for this comprehensive planning period. Jurisdictions may face challenges submitting public review draft plans to the AHC early enough to receive and incorporate feedback. The AHC may not send a jurisdiction a comment letter with enough time for the jurisdiction to address the AHC's recommendations before the state-mandated deadline of December 31, 2024. AHC staff are committed to working collaboratively with jurisdiction staff and providing flexibility whenever feasible. Given this timeline, AHC staff are willing to consider reviewing a pre-public review draft if the jurisdiction wants more time to address AHC comments before adoption. Jurisdictions interested in exploring this option should email AHC staff at AHCplanreview@kingcounty.gov.

### **Annual Monitoring and Reporting**

# 12. How will the AHC monitor and report on jurisdictional progress to plan for and accommodate housing needs?

Starting in 2025, the AHC will monitor jurisdictional progress to plan for and accommodate housing needs. CPP H-27 outlines data the AHC will use to conduct annual monitoring. CPP H-28 outlines the AHC's monitoring and reporting process. The AHC will develop a monitoring and reporting strategy in in 2024 and 2025. Check the AHC's <u>website</u> for updates.

# 13. What does it mean to "credit" jurisdictions for the contributions they make to a subregional collaboration, mentioned in CPP H-28?<sup>6</sup>

The word "credit" used in policy H-28 means to report on funding and other contributions made by jurisdictions to support the preservation or creation of income-restricted units through subregional collaborations (e.g., A Regional Coalition for Housing (ARCH) and South King Housing and Homelessness Partners (SKHHP)).

<sup>&</sup>lt;sup>6</sup> H-28 The County will provide necessary, ongoing information on jurisdictions' progress toward planning for and accommodating their housing needs using public-facing tools such as the King County's Affordable Housing Dashboard. The Affordable Housing Committee will establish standardized benchmarks, housing data trends, and comparative standards to aid in assessing local progress relative to countywide trends and other jurisdictions. Measurement will include at a minimum, the meaningful actions taken by a jurisdiction to implement their comprehensive plan housing element, housing unit production within jurisdictions, as well as **credit** (*emphasis added*) jurisdictions for direct funding and other contributions to support the preservation or creation of income-restricted units through subregional collaborations.

The AHC will determine how to collect and report this data sometime in 2024 or 2025. AHC staff will develop this reporting structure in close consultation with ARCH and SKHHP staff, jurisdictional planners, and human services staff from around the county. Ultimately, the AHC—which includes representatives from Seattle, King County, Sound Cities Association, and nonprofit and business leaders—will approve the reporting strategy.

The AHC will likely report, at a minimum, the total dollar amount of capital funding a jurisdiction contributed to ARCH or SKHHP in the prior calendar year to help accelerate the development or preservation of affordable homes in King County. The AHC will include other data points based on interest and feasibility, but could include data such as:

- data that puts funding contributions in the context of the number of people that live in a jurisdiction or size of that jurisdiction's budget;
- the estimated total number of income-restricted units that could be built with that contribution, based on the average cost per unit;<sup>7</sup>
- details about the project that was awarded the funds, such as unit count by AMI, location, whether it's a rental or ownership project, etc.; and
- the amount of funding the jurisdiction provided to support ARCH and SKHHP operations.

# 14.Can I decrease the number of housing needs my jurisdiction must plan for and accommodate by contributing funds to subregional entities?

No. Jurisdictions cannot use contributions to subregional entities to decrease the housing needs that they must plan for and accommodate (see CPP H-1 in question 5 for a definition of sufficient plans and accommodations). This said, a jurisdiction is not expected to fully meet its allocated housing needs by 2044 on its own, which the <u>CPP Housing Chapter introduction</u> addresses:

Local jurisdictions can create enabling environments and generate local revenue to support new housing development and housing preservation, but successful implementation requires resources and involvement from other levels of government, nonprofits, and the private sector.

Housing unit production is one, but not the only means to measure whether a jurisdiction has planned for and accommodated housing needs. Success will primarily be defined by whether a jurisdiction has adopted and implemented policies and plans that, taken together and in light of available resources, can be reasonably expected to support and enable the production or preservation of units needed at each affordability level. Policies in this chapter do not require that jurisdictions act outside of current powers or assume full responsibility for the construction of units required to meet housing needs articulated in policy H-1.

### 15. Are contributions to subregional collaborative capital funds encouraged?

Yes. The CPP Housing Chapter strongly encourages interjurisdictional collaboration and pooling of resources across the county.

<sup>&</sup>lt;sup>7</sup> Note that the amount of revenue some jurisdictions collect for affordable housing is relatively small—enough to fund a fraction of a unit.

Subregional collaborations for affordable housing, such as SKHHP and ARCH, accelerate the availability and flexibility of gap financing for affordable homes through their capital contributions from their member jurisdictions. Jurisdictional contributions to these subregional collaborations would be considered an appropriate accommodation in response to CPP H-12, which states:

*CPP H-12:* Adopt and implement policies that improve the effectiveness of existing housing policies and strategies and address gaps in partnerships, policies, and dedicated resources to meet the jurisdiction's housing needs.

In addition, the CPP Housing Chapter encourages subregional contributions in the "Collaborate Regionally" section:

### Collaborate Regionally

Housing affordability is important to regional economic vitality and sustainability. Housing markets do not respect jurisdictional boundaries. For these reasons, this section promotes cross-sectoral and interjurisdictional coordination and collaboration to identify and meet the housing needs of households with extremely low-, very low-, and low-incomes. Collaborative efforts, supported by the work of the Affordable Housing Committee, the Puget Sound Regional Council and other bodies, contribute to producing and preserving affordable housing and coordinating equitable, sustainable development in the county and region. Where individual jurisdictions lack sufficient resources, collective efforts to fund or provide technical assistance for affordable housing development and preservation, and for the creation of strategies and programs, can help to meet the housing needs identified in comprehensive plans. Jurisdictions with similar housing characteristics tend to be clustered geographically. Therefore, there are opportunities for efficiencies and greater impact through interjurisdictional cooperation. Such efforts are encouraged and can be a way to meet a jurisdiction's share of the countywide affordable housing need.

*H-6* Collaborate with diverse partners (e.g., employers, financial institutions, philanthropic, faith, and community-based organizations) on provision of resources (e.g., funding, surplus property) and programs to meet countywide housing need.

*H-7* Work cooperatively with the Puget Sound Regional Council, subregional collaborations and other entities that provide technical assistance to local jurisdictions to support the development, implementation, and monitoring of strategies that achieve the goals of this chapter.

### **Five Year Check In**

#### 16. What is the five-year, or midcycle, check in?

The five year—or mid-planning cycle—check in is an opportunity for jurisdictions to adjust their strategies five years after the adoption of comprehensive plans and in response to analysis and findings by the Growth Management Planning Council (GMPC) or its designee. This process is described in CPP H-29:

*H-29* Five years after adoption of a periodic update to a comprehensive plan, the Growth Management Planning Council or its designee will review monitoring and reporting data collected through annual reporting and other local data and analysis. The Growth Management Planning Council will identify significant shortfalls in planning for and accommodating housing needs, provide findings that describe the nature of the shortfalls, and make recommendations that jurisdictions take action to address shortfalls. Jurisdictions with significant shortfalls shall identify and implement actions to address the shortfalls, such as amending the comprehensive plan, land use regulations, or other legislative or administrative actions. Implementation of this policy shall be coordinated with the requirement in Revised Code of Washington 36.70A.130(9)(c) to produce and take actions pursuant to a five-year implementation progress report.

For the 2024-2034 planning period, the five-year check in is expected to occur in 2029 and the GMPC most likely will designate the AHC to perform the analysis and develop initial findings.

The AHC will finalize the details of the check in procedures no earlier than 2025. For updates, be sure to monitor the AHC's <u>website</u>.

Note that the process outlined by CPP H-29 will be coordinated with but not the same as the statewide 5-year implementation progress report required by RCW 36.70A.130(9).

#### 17. What will be the process to identify shortfalls during the five-year check in?

When identifying shortfalls in planning for and accommodating housing needs during the five year check in, the GMPC or designee will consider results from annual data monitoring and reporting and other local data and analysis. AHC staff envision the GMPC or designee will focus on a jurisdiction's progress to implement strategies (submitted during the plan review process) to plan for and accommodate housing needs and advance CPP Housing Chapter policies. Alongside data on implementation, the GMPC or its designee will also likely consider data on the outcome of strategies adopted by jurisdictions to fulfill their requirements under the CPPs—for example, data on the production of income-restricted units affordable to households at varying levels of AMI or rates of cost burden for low-income households.

The AHC will finalize the details of the check in procedures no earlier than 2025. For updates, be sure to monitor the AHC's <u>website</u>.