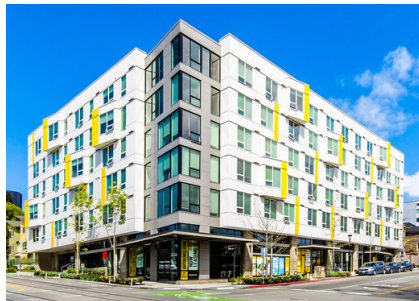




EDMONDS

HOUSING STRATEGY



Cover Photos

Top Row

(Left) Townhomes in Seattle.

<https://www.redfin.com/WA/Seattle/2850-S-Nevada-St-98108/home/8187294>

(Center) Detached Accessory Dwelling Unit (DADU) by Sheri Newbold of live-work-play architecture.

Seattle Accessory Dwelling Units Draft EIS, <http://www.seattle.gov/council/adu-eis>

(Right) Mixed-use, mixed-type, and mixed-income housing in the Westlawn Gardens neighborhood of Milwaukee, WI.

<https://planning.org/awards/2018/westlawn/>

Second Row

(Left) Highpoint is a development located in West Seattle with a mix of low-income and market rate housing—it offers 1,600 housing units, with nearly half being affordable, with a mix of publicly and privately funded units. High Point offers a variety of housing styles and scales, and is integrated with retail and civic amenities.

Mithun, Juan Hernandez, http://comm-aps.com/portfolio_page/high-point/

(Center) One way to address the housing needs of aging residents is to provide resources to support aging in place and provide options for long-term care in current housing units—such programs could include home modification, transportation, recreation and socialization, yard care, or care management and counseling.

Edmonds Senior Center, <http://www.facebook.com/EdmondsSeniorCenter/>

(Right) Lovejoy Station in Portland, OR is a five-story apartment community that serves residents with incomes between 40% and 80% area median income.

Edmonds Highway 99 Subarea Plan, <http://www.edmondswa.gov/2011-07-27-22-31-43/highway-99-planning-project.html>

Third Row

(Left) Edmonds Lutheran Church and Compass Housing Alliance have partnered to develop a multistory housing development for low-income individuals and couples in the City of Edmonds. The housing will feature an innovative new modular building technique that greatly shortens design and construction time to lower costs.

<https://edmondsbeacon.villagesoup.com/p/seattle-startup-chooses-edmonds-for-first-stackable-housing-project/1756401>

(Center) Anthem on 12th is a workforce housing development in Seattle financed through a multifamily tax exemption program.

Edmonds Highway 99 Subarea Plan, <http://www.edmondswa.gov/2011-07-27-22-31-43/highway-99-planning-project.html>

(Right) Cottage housing on Bainbridge Island.

HUD, https://www.huduser.gov/portal/casestudies/study_102011_2.html

Bottom Row

(Left) Quixote Village is a tiny house community in Olympia, WA that evolved from a tent camp for the homeless.

<http://quixotevillage.com/>

(Center) Capitol Hill Housing is a publicly owned corporation that develops affordable housing and provides resident and homeless services in collaboration with local economic development organizations, service provider networks, and other affiliates. The Fleming Apartment building in Seattle's Belltown neighborhood serves households earning 50% of area median income.

<https://www.capitolhillhousing.org/ourproperties/buildings/flemin.php> and <https://www.apartments.com/fleming-apartments-seattle-wa/ycwvmns/>

(Right) Section 8 Vouchers can be used by people with low-incomes to rent market-rate housing units. The vouchers are intended to help people with low-incomes live in neighborhoods that would otherwise be unavailable to them within their means. Aline Ridge Apartments, pictured here, are a multifamily housing development in Kirkland that accepts Section 8 vouchers.

<https://www.kcha.org/housing/property.aspx?PropertyID=1>

Acknowledgements

DRAFT

Edmonds Housing Strategy Task Force

BILL ANDERSON

Compass Housing Alliance

REV. M. CHRISTOPHER BOYER

Good Shepherd Baptist Church

CHRIS COLLIER

Alliance For Housing Affordability

MARK CRAIG

Henbart, LLC.

ADRIENNE FRALEY-MONILLAS

Edmonds City Council

JAMIE REECE

Reece Homes Real Estate

MARK SMITH

Housing Consortium Of Everett And Snohomish County

ROB VAN TASSELL

Catholic Housing Of Western Washington

ANNE WERMUS

Edmonds Housing Instability Coalition

City of Edmonds Staff

SHANE HOPE

Development Services Director

BRAD SHIPLEY

Associate Planner

DIANE CUNNINGHAM

Planning Administrative Assistant

Consultant Team: BERK Consulting

KEVIN RAMSEY

Project Manager

ANDREW BJORN

Policy Specialist

JESSIE HARTMANN

Layout and Information Designer

MELANIE MAYOCK

Analyst

Edmonds is facing urgent housing affordability challenges that are impacting communities across the Central Puget Sound Region. To a great extent, these challenges are caused by rapid job and population growth that is outpacing the production of new housing near job centers. With so many new people and families competing for a limited supply of housing, prices get pushed increasingly higher. This results in a widening gap between housing costs and what is affordable to low, moderate, and even middle-income households. In Edmonds, nearly 6,000 households are “cost burdened” and struggling to afford rising housing costs. Over 4,000 of these cost-burdened households are low-income. Additionally, at least 2,400 low-income workers are commuting long distances to jobs in Edmonds from homes in more affordable communities.

Housing affordability is an issue that impacts all Edmonds residents. Rising housing costs can lead to the displacement of long-term residents, uprooting lives and undermining the stability of neighborhoods. When workers in Edmonds are not living close to their jobs, they must drive longer distances to their workplace. This increases traffic congestion on local streets, greenhouse gas emissions, and transportation costs. A lack of affordable housing also makes it difficult to hire and retain teachers, nurses, firefighters, and other essential members of the community. Maintaining a healthy and sustainable city means that Edmonds will need to build more housing and different kinds of housing to meet the diverse needs of our population and workforce.

While the City has already taken some important steps to address critical housing needs and contribute to regional housing solutions, additional actions are both necessary and necessary to address the housing affordability needs of Edmonds residents. This report presents a multi-part strategy for increasing the supply of affordable housing options in Edmonds to meet the needs of a diverse range of household types and income levels. This strategy recognizes that both market rate and income-restricted affordable housing production will play a role in meeting the housing needs of Edmonds residents and workforce. The strategy includes six¹ objectives:

- 1. Encourage the development of multifamily housing.** Ensuring that there is sufficient supply of apartments and condominium housing in Edmonds is essential to reduce upward pressure on housing costs and providing more options for small households who do not need a lot of space. Edmonds could allow and

Why is Edmonds Developing a Housing Strategy?

The City's 2016 Comprehensive Plan includes an Implementing Action to develop a strategy by 2019 for increasing the supply of affordable housing for all income levels and meeting diverse housing needs.

¹ These objectives are not presented in rank order.



What is Affordable Housing?

A home is generally considered to be affordable if the household is paying no more than 30 percent of their income on housing costs. A healthy housing market includes a variety of housing types that are affordable to a range of different household income levels.

The term “affordable housing” is often used to describe income-restricted housing available only to qualifying low-income households. Income-restricted housing can be located in public, nonprofit, or for-profit housing developments. It can also include households using vouchers to help pay for market-rate housing.

In this report, “affordable housing” refers to any housing that is affordable to the household that is occupying it, whether market rate or subsidized.

See Appendix C for a glossary of housing terminology used in this report.

encourage more multifamily housing production in targeted areas across the city to address this need.

- 2. Expand housing diversity in the “missing middle”.** We need a wider range of housing options to meet the diverse needs of different households at various income levels and stages in their life-cycle, ranging from young one-person households to retirees. Edmonds could allow and encourage the development of “missing middle” housing types such as accessory dwelling units, duplexes, and townhomes to meet these needs.
- 3. Support the needs of an aging population.** One out five Edmonds residents is over the age of 65, this share will continue to grow over the coming years. Our community should consider the housing and lifestyle needs of these older residents. Managing these needs may require supporting the desire for some residents to “age in place” in their homes, while accommodating other residents in assisted living and nursing home facilities.
- 4. Increase the supply of income-restricted affordable housing.** A large share of the Edmonds workforce and current population do not earn enough income to afford market-rate housing. Edmonds could support and encourage more affordable housing development in partnership with nonprofits and regional agencies to meet the needs of these community members.
- 5. Participate in South Snohomish County strategies to reduce homelessness.** People experiencing homelessness are often struggling with issues that are beyond the scope of this strategy such as addiction, mental illness, or domestic violence. However, Edmonds could play an important role by coordinating with regional service providers and reducing barriers to the development of emergency, transitional, or permanent supportive housing for the homeless. The City is currently pursuing a separate and more detailed study into the needs of homeless populations in Edmonds and options for addressing those needs. The results of this study will inform any future actions by the City.
- 6. Provide protections for low-income tenants.** Low-income tenants could be impacted by a range of issues in the market which can affect their ability to find and maintain stable housing. Edmonds could identify short and long-term solutions to address these needs and assist households displaced from affordable housing in the community.

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With its prime location and quality of life, the appeal of living in Edmonds is strong. As more people move to the Puget Sound Region, the competition for limited housing in Edmonds also grows. Rents and housing prices rise as a result, which can lead to the displacement of many long-term residents.

Rising housing costs impact the quality of life for all Edmonds residents. When workers in Edmonds can't live close to their jobs, they must drive longer distances to work: increasing their transportation costs as well as traffic congestion on local streets and greenhouse gas emissions. A lack of affordable housing makes it difficult to recruit, hire, and retain teachers, nurses, firefighters, and other essential members of the community. Students in families struggling with housing insecurity often have increased challenges in school and require greater attention and resources. Housing affordability is essential to quality of life, environmental sustainability, and community resiliency.

To maintain an inclusive, healthy, and thriving city, Edmonds needs more housing in a variety of formats to meet the housing demand from our diverse population and workforce. Also, with a large population of older residents, Edmonds needs to make more space for younger community members who can contribute to our city's economic and civic vitality. This requires different kinds of housing that meet the needs of diverse lifestyles. This is important because not everyone needs the same type of housing: some families prefer a large detached housing with a large yard, while others are happy with a small house and small yard. Still, others want the option to live in an apartment, townhome, condominium, or something else. When we provide opportunities for different types of housing to be built, people have more choices. This also enables us to support the housing needs of community members across their entire life cycle, from younger adults living alone, to new families, and to retirees looking to downsize.

The City of Edmonds is committed to addressing housing affordability challenges. In recent years, Edmonds has taken several actions:

- Adopted a multifamily tax abatement program that applies in some locations when at least 20 percent of the new housing is dedicated to low and moderate-income households.
- Adopted reductions in park and transportation impact fees for low-income housing projects.



- Set aside \$250,000 for a fund that will assist with homeless needs and began a new study to assess those needs
- Joined the Alliance for Housing Affordability, a multi-jurisdiction organization that is looking to contribute funds toward selected affordable housing projects.
- Adopted a plan and regulations that allow more housing in the Westgate and State Route 99 areas.

While these steps show progress, they are not sufficient to address the full range of housing affordability needs in Edmonds. Therefore, the 2016 Edmonds Comprehensive Plan committed the City to develop and implement a Housing Strategy by 2019 that would increase the supply of affordable housing for a range of income levels and meet diverse housing needs.

In 2017 the Mayor appointed a Housing Strategy Task Force to make recommendations for increasing the supply of affordable housing and meeting diverse housing needs. The Task Force is composed of nine local housing developers, policy experts, and civic leaders representing the public, nonprofit, and for-profit sectors. This group has met on five occasions to review an analysis of the local housing supply and housing needs, identify best practice solutions for addressing housing needs, and evaluate potential actions that the City can take to most effectively address housing needs in Edmonds. Some of these actions the City could tackle alone, while others would be most effectively pursued in collaboration with Snohomish County, neighboring communities, and other partners through coordinated regional strategies.

This report presents the Housing Strategy, including actions recommended by the Task Force. The strategy addresses the need to increase the production of both market rate and income-restricted affordable housing to meet the needs of a diverse range of household types and income levels.

The Strategy gives direction and guidance for many actions that could be explored or implemented in the near future. Actions, such as code amendments and budget adoption, are also subject to separate processes to explore potential impacts and provide for public input.

Housing Needs in Edmonds

DRAFT

The need for affordable housing in Edmonds is significant and growing. One indicator of need is cost-burdened households. A cost-burdened household is spending over 30 percent of their income on housing costs, while a severely cost-burdened household is spending over 50 percent of income on housing.

Between 2010 and 2014 there were nearly 6,000 cost-burdened households in Edmonds. This includes over 4,600 low- and moderate-income households. These needs have very likely grown in the years since this data was collected. Between 2011 and 2018 average monthly rents in Edmonds have increased by over \$600, or 4.6 percent per year.²

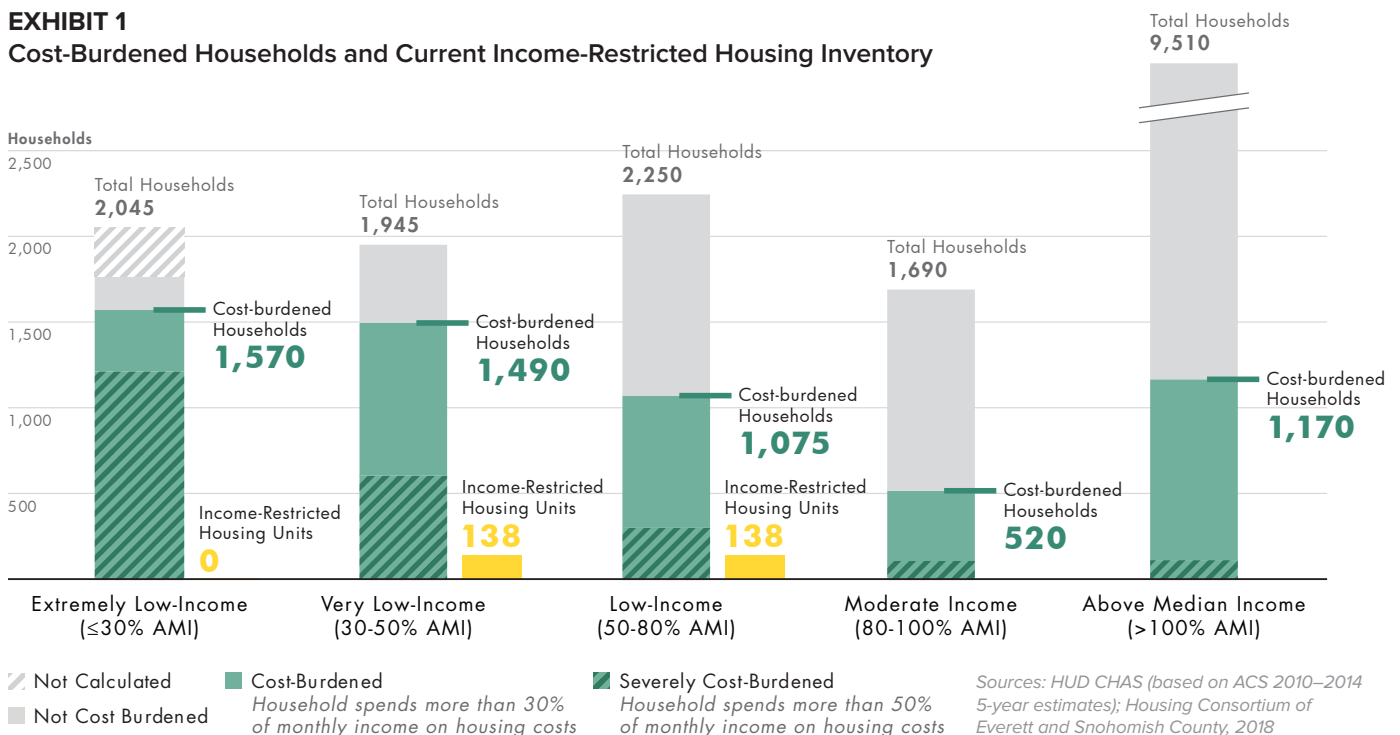
As shown in Exhibit 1, the current inventory of income-restricted subsidized housing is small and inadequate compared to the level of need.

What is Area Median Income (AMI)?

Analyses of housing affordability typically group all households by income level relative to area median family income, or the median income of all family households in the metropolitan region or county. Median income of non-family households is typically lower than for family households.

In this report AMI refers to the U.S. Department of Housing and Urban Development (HUD) Area Median Family Income. In Snohomish County, 2018 AMI is \$96,000.

EXHIBIT 1
Cost-Burdened Households and Current Income-Restricted Housing Inventory



² Source: BERK analysis of Zillow Rent Index data for City of Edmonds, March 2011–March 2018.



Meeting these needs will require a variety of housing solutions that match a diverse array of different household types and income levels. This chapter provides a summary of housing needs in Edmonds. A more detailed assessment of the Edmonds housing supply and community needs is available in Appendix A: Edmonds Housing Needs Assessment.

Homeless Persons and Families

Homelessness in Snohomish County is on the rise. Since 2013 there has been a 50 percent increase in unsheltered homeless persons, from 344 to 515 in 2017.³ Chronic homelessness has increased at an even faster rate, from 135 persons in 2013 to 313 persons in 2017. There are **260 students** attending schools in Edmonds that are homeless.⁴

There are many causes of homelessness and many barriers to housing stability, including poverty, unemployment, low wages, housing costs, disability/illness, substance abuse, domestic violence/child abuse, and criminal records. Housing strategies must often be coordinated with support services to help homeless residents address the underlying causes of housing insecurity. The City is currently conducting a more detailed analysis of the needs of its homeless population.

Housing Strategies for Homeless Persons and Families

- Winter and emergency shelters for short-term needs
- Transitional housing (particularly for women and children)
- Flexible low-cost housing formats that can be built quickly to address targeted needs on a temporary basis
- Permanent supportive housing with coordinated services

³ Snohomish County Point-in-Time County Summary For the night of January 23, 2017. <https://snohomishcountywa.gov/DocumentCenter/Home/View/41603>

⁴ This includes students who are in temporary housing situations such as “doubled-up”, or staying with friends or family due to lack of housing.

Workforce Housing

Workforce housing refers to housing suitable for people whose place of work is in the community. Nearly 11,000 people work in Edmonds.⁵ The majority of these workers are employed in the health care, retail, accommodations and food service industries. Jobs in these industries are typically low wage. In fact, nearly 60 percent of jobs in Edmonds pay less than \$40,000 per year, or just over 40 percent of Area Median Income (AMI).⁶ Over a quarter of all jobs in Edmonds pay less than \$15,000 per year, or about 15 percent of AMI. Workers earning these wage levels would have an extremely difficult time finding anywhere to live in Edmonds without a second job or a dual-income household. This helps explain why 87 percent of all workers in Edmonds live outside of Edmonds and 42 percent live more than 10 miles from their workplace. As shown in Exhibit 2 on the following page, nearly 1,100 low-wage workers commute more than 25 miles, and nearly 1,300 additional workers commute more than 10 miles from their homes outside of Edmonds.

EXAMPLE:

Home Health Aide Living Alone



Image: Bureau of Labor Statistics

A home health aide in Edmonds earns around \$26,000 per year. At this income, she could afford a monthly rent of \$840 per month. The average rent for a studio apartment in Edmonds is over \$1,000 per month and studios are in very limited supply. It is unlikely that a home health aide living alone could find a suitable home in Edmonds, affordable or otherwise.

The most effective way to meet the needs of very low-income workers is increasing production of subsidized income-restricted affordable housing. However, increasing the

supply of market-rate small apartments or “micro-housing” can also help to provide more low-cost housing options for workers living alone in Edmonds.

EXAMPLE:

Moderate-Income Family Household



Image: Department of Defense

A military veteran has returned home and is now working as an entry-level fire fighter, earning \$69,000 per year. His wife works half-time as a coffee barista and earns an average of \$14,300 per year. Together they support three children on a combined household income of \$83,400, or about 87 percent of AMI. With this income, the family could afford up to \$2,085 per month in rent. Yet, the average cost to rent a single family home in Edmonds is over \$2,400.* Home-ownership opportunities are even further out of reach.

Moderate-income family households like this one need more rental and ownership housing opportunities. Edmonds current has a very limited stock of lower cost family housing such as townhomes, duplexes, or small-lot single family cottage homes. The City can enable and promote the development of these housing types through targeted rezones and code amendments that add flexibility. Doing so will help meet the needs of a wider range of household types and income levels.

*Zillow Rent Index (single family residences), May 2018

5 Source of employment statistics: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2015).

6 Note that some individuals work more than one job and some households have more than one worker. So, wage levels do not necessarily reflect total household income. However, many households in Edmonds are composed of a single worker living alone and many people would prefer to work only one job. Therefore, comparing local wage levels to housing costs is one important way to determine whether the current housing supply is affordable to the local workforce.



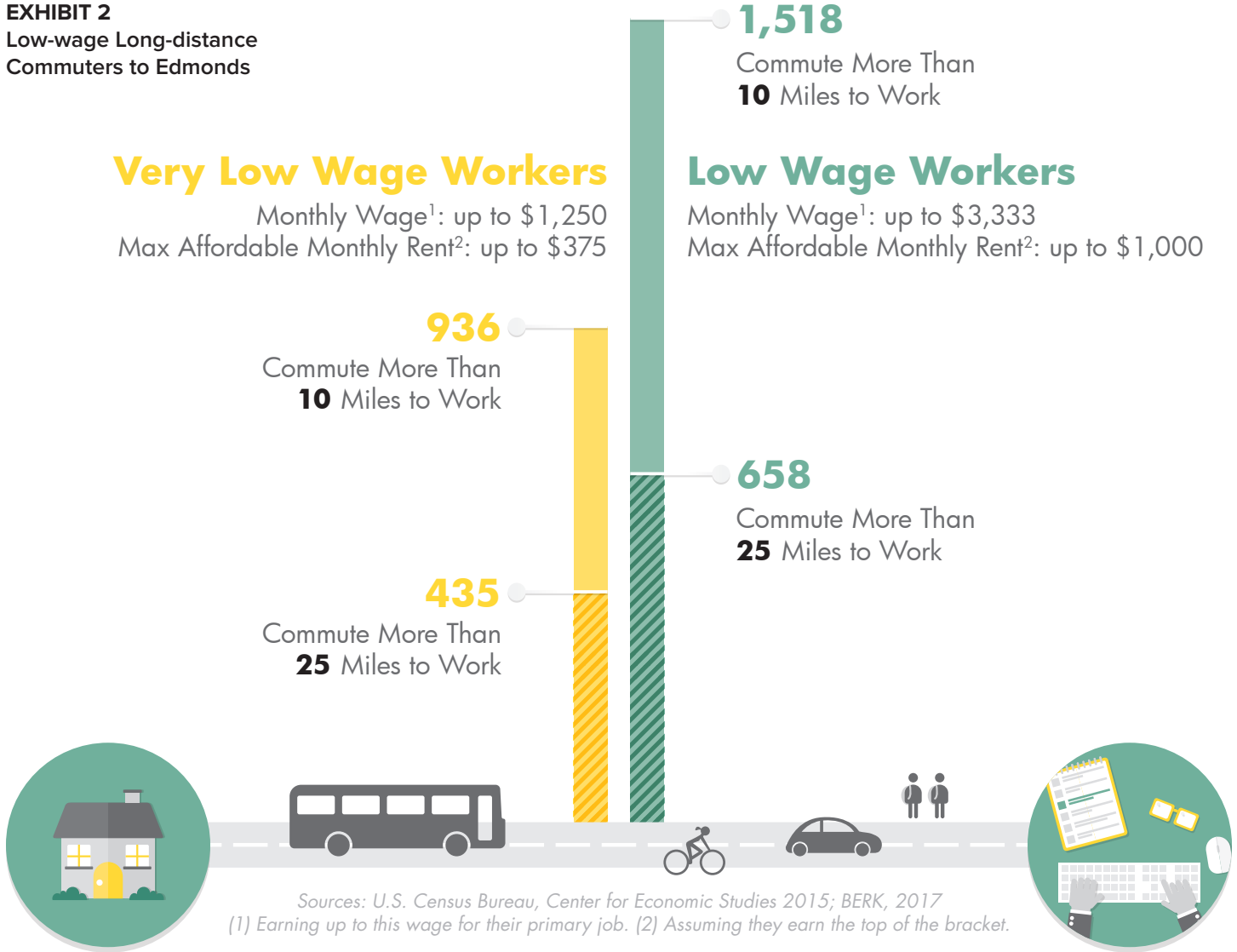
EXHIBIT 2
Low-wage Long-distance
Commuters to Edmonds

Very Low Wage Workers

Monthly Wage¹: up to \$1,250
Max Affordable Monthly Rent²: up to \$375

Low Wage Workers

Monthly Wage¹: up to \$3,333
Max Affordable Monthly Rent²: up to \$1,000



EXAMPLE:

Single Parent Working as a Receptionist



Image: Shutterstock, Alena Vasko

A single parent working as a receptionist in Edmonds earns an average of about \$34,000 per year. At this wage the family could afford \$960 per month in rent, whereas 1-bedroom apartments rent for at least \$1,200 in Edmonds and they are in very short supply. Increasing the supply of smaller apartments and reducing restrictions to other home types like accessory dwelling units could help to address the needs of working single parents. Increasing the supply of income-restricted housing is needed to meet the needs of low-income households.

EXAMPLE:

Teacher Supporting a Family of Four



Image: Bureau of Labor Statistics

A family of four with one parent employed as an elementary teacher earns an average of \$62,000 per year, or about 65 percent of AMI. At this wage the family could afford up to \$1,550 in rent. The average three-bedroom apartment in Edmonds rents for almost \$1,700 per month. Homeownership options are generally far out of reach. Moderate-income family households like this one need more “missing middle” housing options such as townhomes, duplexes, or detached accessory dwelling units to provide more rental and ownership housing opportunities.

Exhibit 3 shows cost-burdened non-senior households by household type and income level. It shows there are household struggling with housing costs across the entire income spectrum. The greatest need is among small families (2–4 members) and non-family households, which are typically people living alone or with unrelated housemates.

EXHIBIT 3

Cost-Burdened Households in Edmonds by Household Type Income Level (Seniors Excluded)

Household Type	Below 30% AMI	30–50% AMI	50–80% AMI	80–100% AMI	Over 100% AMI	All Cost-Burdened Households
Large Family	80	50	10	0	10	150
Small Family	170	380	330	245	645	1,770
Non-family	215	270	340	110	210	1,145

Source: HUD CHAS (based on ACS 2010–2014 5-year estimates)

Workforce Housing Solutions

- Subsidized multifamily housing.
- Increased production of small market rate apartments, including studios, efficiencies, and micro-housing.
- More “missing middle” housing formats like ADUs, duplexes, and townhomes.



EXAMPLE:

Supporting Affordable Aging in Place for Edmonds Seniors

Image: Unsplash, Sam Wheeler

Frank is a 74-year-old widower who has lived in a single-family home in Edmonds for 46 years. He loves his community and wishes to stay in Edmonds. However, the cost of maintaining his large home is becoming unmanageable. So, Frank would like to build a detached accessory dwelling unit (DADU) in the large yard and rent the main building to a young family who cannot afford to buy a home in Edmonds. A DADU would be the perfect size for Frank and could be designed with accessibility in mind so that he can stay in the home as his mobility declines. The rent from the primary home would be more than enough to cover the loan to build the DADU. It could also provide Frank enough income to cover the costs of other services like transportation, grocery delivery, gardening, and occasional visits from a home health aide.

Currently DADUs are not allowed by Edmonds code. A key element of this strategy is to relax these kinds of restrictions to enable more housing solutions for seniors and others.

Senior Housing

One in five residents in Edmonds is over the age of 65 and over 7,000 residents age 55–65 will become seniors within the next 10 years.⁷ Seniors are at greater risk of chronic disease, disability, and mobility challenges. As a result, many seniors have special housing needs that differ from the population at large. Seniors choosing to age in place may require additional support services such as home modification, transportation, recreation and socialization, yard care, or care management and counseling. While many senior households in Edmonds have the financial means to afford appropriate housing and services, many others will not.

Indicators of Need

- **3,200** senior households in Edmonds with incomes below AMI.
- **422** cost-burdened renters' households.
- Over **1,500** cost-burdened homeowners.

Senior Housing Solutions

- Subsidized and market-rate senior living facilities with coordinated support services.
- Detached and attached accessory dwelling units.
- Support services to facilitate aging in place.

⁷ Source: U.S. Census Bureau, American Community Survey 5-Year estimates, 2011–2015

Overview

The Edmonds Housing Strategy charts a course for supporting a sustainable, inclusive community with a range of housing types for households with different income levels and housing needs. It includes six objectives for improving access to affordable housing across the full range of housing types. The strategy is focused on reducing costs of development, increasing housing production, and addressing the specific needs of special populations in the city.

The 2016 City of Edmonds Comprehensive Plan includes the following 10 goals related to housing in the community to achieve this strategy's mission:

1. Encourage adequate housing opportunities for all families and individuals in the community regardless of their race, age, sex, religion, disability or economic circumstances.
2. Ensure that past attitudes do not establish a precedent for future decisions pertaining to public accommodation and fair housing.
3. Provide for special needs populations—such as low income, disabled, or senior residents—to have a decent home in a healthy and suitable living environment.
4. Maintain a valuable housing resource by encouraging preservation and rehabilitation of the older housing stock in the community.
5. Provide opportunities for affordable housing (subsidized, if need be) for special needs populations, such as disadvantaged, disabled, low income, and senior residents.
6. Provide for a variety of housing that respects the established character of the community.
7. Provide housing opportunities within Activity Centers consistent with the land use, transportation, and economic goals of the Comprehensive Plan.
8. Review and monitor permitting processes and regulatory systems to assure that they promote housing opportunities and avoid, to the extent possible, adding to the cost of housing.



9. Increase affordable housing opportunities with programs that seek to achieve other community goals as well.
10. Recognize that in addition to traditional height and bulk standards, design is an important aspect of housing and determines, in many cases, whether or not it is compatible with its surroundings. Design guidelines for housing should be integrated, as appropriate, into the policies and regulations governing the location and design of housing.

The development and implementation of the Housing Strategy is proposed in the Comprehensive Plan. The Plan also proposes that the City track and report the development of housing over time, with a target of 112 additional dwelling units per year to reach 21,168 units by 2035. This target rate of growth is faster than Edmonds has seen in some prior years, especially during the recession period. More recently, since 2014, the City has added an average of 107 units per year. To achieve the growth target, Edmonds will need to continue increasing its rate of new housing production.

Considering the content of the Comprehensive Plan, this Housing Strategy is structured around six priority objectives to achieve these goals:

1. Encourage the development of multifamily housing
2. Expand housing diversity in the “missing middle”
3. Increase the supply of subsidized affordable housing
4. Identify and adopt strategies to address homelessness
5. Support the needs of an aging population
6. Provide protections for low-income tenants

For each of these strategic objectives, this Housing Strategy provides a description of the general focus and intent, a list of potential actions to achieve the objective, and next steps for implementing these actions. Before implementing any action, the City will conduct additional analysis of potential benefits and impacts, and it will solicit additional public input. The general process the city will follow to implement actions is described in Appendix D.

1. ENCOURAGE THE DEVELOPMENT OF MULTIFAMILY HOUSING

Edmonds needs to aggressively increase the supply of market-rate multifamily housing such as apartments or condominiums to provide a greater variety of housing options and reduce upward pressure on housing costs. This can be facilitated by easing requirements and providing new market-based incentives. These actions typically focus on units appropriate for smaller households with one to two members and between 60 and 120 percent of AMI, including some low- and middle-income workers.

Recommended Actions

1.1 Support transit-oriented development along current and future transit corridors. Some areas with higher levels of transit service can support transit-oriented development (TOD). This can include not only targeted rezoning and code refinement for more intensive development, but also support for a mix of residential, retail, and service offerings, multi-modal transportation options, and parking management that can support walkability and transit use. The City should coordinate with Community Transit and Sound Transit to identify current and future areas for TOD and review potential schedules for implementation. Finally, the City should explore combining this action with an expanded multifamily tax exemption (Action 4.5) and an inclusionary zoning program (Action 4.6) to encourage affordable housing development.

1.2 Allow greater flexibility in multifamily zones. Providing more flexibility for new development, including greater building heights or densities on a site allows more units to be accommodated on available land in areas zoned for multifamily development. This not only increases potential housing supply in Edmonds, it can also spur redevelopment of older, obsolete housing by permitting larger projects that would be more economically feasible to develop. The City should identify targeted areas where increased building heights or density levels would be appropriate and supportable by local infrastructure and services.

1.3 Reduce residential parking requirements in targeted areas. Reducing the number of parking stalls required for each new housing unit allows for lower development costs by reducing the amount of land necessary to accommodate parking spaces and the need to



Smaller houses that better fit existing neighborhoods (top), more housing options for people’s changing needs (center), clear and fair rules for narrow lot development (bottom)

EXAMPLE:
Portland’s Infill Design Project

Policymakers in the City of Portland wanted to encourage building a greater variety of housing types (such as duplexes and townhomes) in its residential neighborhoods and reduce the costs of development. But it also wanted high design standards to avoid impacting community character. To do this they brought together community stakeholders to design a series of housing prototypes that meet City regulations and design objectives and are feasible from a market perspective. The purpose is to make it easier and faster for builders to develop the kinds of new housing that meet community objectives. For more information see Portland’s [Infill Design Project Overview](#).

Source: City of Portland, Planning and Sustainability

accommodate parking within a residential building. This can also make market-rate projects more feasible by allowing for more of a site to be used for housing. The City should explore where it makes sense to reduce parking requirements, particularly in areas well served by transit to facilitate TOD.

1.4 Provide for a fast, predictable, and user-friendly permitting process. The City should work to improve the development permitting process and related reviews. Faster permit reviews, predictable timelines, and an easy to understand process and requirements would reduce the administrative and carrying costs for development projects in the community. This may be accomplished in multiple ways, such as by increased department staffing during busy cycles, clear and informative reference materials, public reports on actual permit review times, and “one window” access for applicants.

1.5 Provide density bonuses for projects that set aside income-restricted units. The City should identify locations where increases in density or building heights could be allowed, in exchange for a percentage of the units being allocated to income-restricted housing for a specified period or an in-lieu payment to a City affordable housing fund. This program would be a voluntary incentive to encourage more multifamily housing production as well as income-restricted housing production. As an alternative, the City could consider a mandatory inclusionary zoning program as described in Action 4.6.

1.6 Explore the application of “micro-housing” style developments. “Micro-housing” typically refers to multifamily buildings with very small efficiency units (usually less than 200 square feet) or congregate

housing with private rooms and shared kitchens and other facilities. Micro-housing projects can provide lower-cost options for one or two-person households that do not need significant amounts of living space. Modifications or relaxations of zoning and code requirements should be explored to determine the feasibility of micro-housing in key locations. Note that although this discussion is focused on workforce housing, code amendments could be explored in conjunction with those for flexible housing options for homeless residents detailed in Action 5.1.

Additional Actions

1.7 Advocate for state legislation to promote condominium development. The Washington State Condominium Act is interpreted to subject condo developers to an implied warranty for construction, which has provided a disincentive for condo production in the market. Edmonds should work with other cities when possible to encourage the state legislature to revise the Act.

1.8 Coordinate communication and outreach to the development community. Providing public information about city regulations and incentives, especially those designed to encourage specific housing types, should be used to support the use of these programs in Edmonds. This can include web and hard-copy informational handouts, city email newsletters, forums, workshops, and other approaches.

Next Steps

- Review buildable lands and the status of developed single-family areas in Edmonds to determine some potential areas for upzoning that could accommodate greater amounts of residential development.
- When considering changes to development codes, identify whether new design standards may be needed to maintain community character while providing developers with additional flexibility.
- Coordinate with Community Transit and Sound Transit to determine appropriate locations for new and expanded transit-oriented development and coordinate long-range land use and transit planning for these locations.
- Continue to streamline the process for permit reviews and other associated project reviews for new development and maintain a



clear and transparent system to allow the public to understand the process. Provide information resources as necessary to educate stakeholders about the development review process.

- Review the current Community Development and Building Codes to assess potential obstacles to the development of different micro-housing options, determine the expected uptake of micro-housing units, and provide recommendations for changes to the Codes that would help to achieve housing goals.
- Coordinate with the PSRC, Snohomish County, other local governments, and key stakeholders to lobby the legislature to address issues with the Condominium Act.
- Compile available information on the development process in Edmonds, and provide the public with clear, easy to understand guides to the process to improve transparency.

2. EXPAND HOUSING DIVERSITY IN THE “MISSING MIDDLE”

The housing market in Edmonds is primarily composed of single-family homes and apartments. The development of a wider variety of housing products is essential to meet the diverse needs of different populations. Households at various income levels and stages in their life-cycle (ranging from young one-person households to retirees) will have different space needs and financial capacities. This range of conditions can be addressed more efficiently in the market by providing units in “missing middle” housing types such as accessory dwelling units, duplexes, and townhomes. Market-based approaches to expand opportunities for these developments can encourage a more diverse and flexible housing supply that better meets the needs of the community.

Recommended Actions

2.1 Allow more flexible requirements for accessory dwelling units and backyard cottages. An accessory dwelling unit (ADU) is a small, self-contained residential unit built on the same lot as an existing single-family home. ADUs may be built within a primary residence (e.g., basement unit) or detached from the primary residence. The City should promote the development of ADUs by modifying requirements

that prevent or discourage homeowners from adding a unit to an existing property. This may include more flexible parking requirements, changing owner occupancy requirements, allowing unrelated households to reside in these units, and so forth. The City should also explore the impacts of allowing some ADUs to be used for short-term rentals as a source of income for local homeowners, including impacts on the surrounding community and long-term rental housing supply.

2.2 Allow for more housing diversity in some single-family areas.

Most households cannot afford to live in a large-lot single-family home. In locations near transit and commercial centers, it may make sense to allow for a greater variety of housing types that still fit the character of the surrounding community. These could include townhomes, duplexes, cottage housing, or small-lot single-family units. Targeted rezones or code amendments to allow more flexibility can help to promote a wider diversity of housing types on the market to meet the needs of a wide range of household types and income levels.

Next Steps

- Review existing provisions within the Community Development Code and determine the changes necessary to address major obstacles in the development of accessory dwelling units and other small housing formats.
- When considering changes to development code, identify whether new design standards may be needed to maintain community character while providing developers with additional flexibility.
- Review buildable lands and the status of developed single-family areas in the community to determine potential areas for rezoning to allow “missing middle” housing development, such as duplexes and townhouses.
- Explore the wider application of form-based codes that could support the development of “missing middle” housing in other neighborhoods.
- Compile available information that would be able to support the development of community land trusts in the city.

EXAMPLE:

Encouraging Accessory Dwelling Units

The cities of Mountlake Terrace, Shoreline, Lynnwood and Everett all impose less constraints on the development and use of ADUs when compared to Edmonds. The City of Mountlake Terrace promote the development of ADUs and detached ADUs on their [website](#) and provide a [clear guide for homeowners](#) considering adding an ADU to their property. Planners in Mountlake Terrace report a significant increase in the number of ADU permits in recent years as awareness of concept grows in the community.



Source: City of Mountlake Terrace, via city website



3. SUPPORT THE NEEDS OF AN AGING POPULATION

Over 20 percent of Edmonds residents are over the age of 65. Demographic trends indicate this share will continue to grow over the coming years. Our community must consider the housing and lifestyle needs of these older residents. For those that decide to “age in place” in their current housing units, there will be challenges in accessing appropriate health and social services as well as managing the ongoing costs of housing with fixed incomes. For those that choose assisted living options or care in nursing homes, land use requirements should allow sufficient options to be built affordably for their needs.

Recommended Actions

3.1 Pursue partnerships to support aging in place. One way to address the housing needs of aging residents is to provide resources to support aging in place and provide options for long-term care in current housing units. Such programs could include home modification, shared housing, transportation, recreation and socialization, yard care, or care management and counseling. This may be best pursued in partnership with another organization involved with elder care, such as Aging and Disability Services of Snohomish County.

3.2 Examine property tax relief and utility rate/tax relief programs. Low-income homeowners, especially seniors, can be at risk of economic displacement when property tax or utility charges increase. Snohomish County has a property tax exemption and deferral programs for senior and disabled persons as well as property tax deferral program for limited income homeowners. The City could expand participation in these programs through increased outreach and education. Additionally, the City could review its programs to provide relief for the cost of utilities to provide support to seniors and other groups. Current City utility programs offer some discounts to low-income residents.

Additional Actions

3.3 Reduce barriers to group homes and housing for seniors. Housing in retirement and assisted living communities in Edmonds, including nursing homes or memory care facilities, may have certain code requirements (e.g., vehicle parking) that are less applicable to the needs for seniors or other group home residents. Modifications or relaxations of code requirements can help to reduce the costs of development, as well as the associated costs of housing for seniors and other special needs populations.

Next Steps

- Develop partnerships with nonprofit organizations involved with elder care to coordinate a “aging in place” plan for city services and land uses that will support residents of Edmonds as they age.
- Review options for property tax and utility rate relief programs for seniors to determine the expected uptake, fiscal implications, and relative impacts of such a program.
- Coordinate a forum with local and regional developers of care facilities and nursing homes to review requirements for developing these uses in Edmonds, and potential innovations to reduce the costs of these projects.

4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

For many low-income households with incomes 60 percent of AMI or below, it is unlikely that the market can provide housing that is affordable. Actions should be taken by the City to support and encourage the development of income-restricted housing through funding contributions, reducing costs to build new affordable housing projects, and incentives to include affordable units in new market-rate developments. The City can also encourage innovative private or nonprofit financing tools for housing types that are more difficult to finance in the traditional market. The tools may include methods that use technology in new ways. Increasing the supply of income-restricted affordable housing can be most effectively pursued in partnership with other agencies and nonprofits such as the Alliance for Affordable Housing, the Housing Authority of Snohomish County, Housing Hope, YWCA, Compass, Hazel Miller Foundation, and Verdant.

Recommended Actions

4.1 Conduct an inventory of public and nonprofit land suitable for affordable housing development. The City should develop an inventory of public- or nonprofit-owned properties that are vacant or underutilized and then assess which properties are potentially suitable for affordable housing development. This will enable the City to identify and prioritize opportunities to facilitate new affordable housing development through the direct voluntary donation of parcels. The City could also consider raising funds through the sale of surplus properties that are not suitable for affordable housing development. Proceeds from the sale of these properties could be used to support affordable housing projects.

EXAMPLE:

Shoreline Density Bonus

Under the Shoreline Municipal Code, density bonuses are provided in multifamily areas, with up to a 50 percent increase in density provided for units affordable for households with incomes up to 80 percent AMI. Covenants are registered on the property to retain this affordable housing on the site for a 30-year period.



EXAMPLE:

Fee Waivers for Affordable Housing in Everett

Affordable housing projects for households of 50 percent AMI or less in Everett may apply for a transportation impact fee exemption, which is granted on a case-by-case basis. An exemption requires the developer to register a covenant on title to ensure the site remains in use for affordable housing.

Fees for development permits may also be waived at the discretion of the planning director if a landowner agrees to register a covenant on title to retain affordable units on the site for a 30-year period.

4.2 Allocate City resources to support new affordable housing development targeted at 0–30 percent AMI. The City should allocate funding to help support an affordable housing project targeted for extremely low-income households. A contribution by the City can greatly improve the competitiveness for receiving additional grant funding, such as Washington State Housing Trust Fund grants that are administered by the Housing Authority of Snohomish County. Funding from the City could be used to pursue projects in Edmonds in partnership with a nonprofit housing developer, or pooled to contribute to regional housing solutions through the Alliance for Housing Affordability.

4.3 Pursue Section 8 voucher allocations. A major source of support that can help low-income households access housing on the private market is the Section 8 voucher program, funded by the federal government and administered by the Housing Authority of Snohomish County. The City of Edmonds should work proactively with the Authority to secure additional project-based vouchers for developments within the city where possible. This should be done in cooperation with third-party nonprofit organizations where applicable.

4.4 Encourage the use of available grants and tax credits for affordable housing development. The City should provide support and funding to nonprofit developers interested in receiving financial support from the state and federal governments. Among the available programs, federal Low-Income Housing Tax Credits (LIHTCs) can provide tax credits for 10 years of up to about 9 percent of the qualified basis of a building and are administered through the Washington State Housing Finance Commission. Additionally, the State Department of Commerce administers the Housing Trust Fund for the construction, acquisition, and/or rehabilitation of affordable housing, preferably for households with special needs or incomes below 30 percent of the Area Median Income.

4.5 Expand the multifamily tax exemption (MFTE) program. The multifamily tax exemption (MFTE) program is a voluntary incentive provided by the City. Under this program, private multifamily housing developments in certain designated districts are exempted from property taxes for up to 12 years if income-restricted units are maintained in the development. This program is currently applied to the Highway-99 Subarea and the Westgate Mixed-use District. It should be expanded as appropriate to spur the development of affordable housing in other locations.

4.6 Explore the development of an inclusionary zoning program.

Possible changes to the Edmonds Community Development Code should be explored that would permit greater residential building heights and densities in certain targeted areas, in exchange for a percentage of the units being allocated to income-restricted housing for a specified period or an in-lieu payment to a City affordable housing fund. This can either be voluntary (as described in Action 1.5), where affordable units are necessary for additional capacity, or mandatory, where affordable units are required for any development on the site. Since inclusionary zoning must be implemented as part of an increase in development capacity, this should be explored as part of other strategies involving upzoning, such as Action 1.2 and Action 1.3.

4.7 Keep reduced development fees for low-income housing. Fees for development in the City of Edmonds include impact fees to finance capital spending for community infrastructure, utility connection fees to fund new connections with city services, and permit fees to cover administrative costs of processing applications. Some discounts are currently provided for low-income housing, and further reductions should be explored to improve the financial feasibility of the development while maintaining necessary funding for these services.

Additional Actions

4.8 Support community land trusts. Community land trusts (CLTs) are a way to promote affordable home ownership by keeping the ownership of the land with a separate nonprofit community organization and providing renewable leases and portions of the total equity to homeowners. Although these arrangements are not typically implemented by local governments, the City can provide support for a new CLT recently formed in Snohomish County (“Homes and Hope”), including direct funding or the provision of surplus public lands.

4.9 Expedite the permitting process for affordable housing. The City can prioritize the processing of permits for affordable housing projects, which will reduce the time spent in the permitting process and the associated costs with holding the property. Although this could be used for high priority projects, the short-term focus should be to provide overall support for streamlining the permitting process where possible.



4.10 Support the use of Historic Tax Credits. LIHTCs can be used in conjunction with the federal Historic Tax Credit (HTC) to rehabilitate older buildings for use as low-income housing. Although this may be applicable in individual cases, it is unlikely that this could be applied generally to properties within Edmonds.

4.11 Coordinate with organizations to address special housing needs in the community. This housing strategy focuses on general community housing needs, as well as the needs of seniors, low-income households, and the homeless. However, other groups in Edmonds may have needs beyond the scope of this overall strategy. For instance, some communities, such as artists, may benefit from affordable housing that provides appropriate live/work spaces to facilitate in home businesses that are compatible with the surrounding community. The City should maintain a dialogue with community organizations to determine how planning regulations and affordable housing programs can provide the flexibility to consider specific needs for housing and explore partnerships for new affordable housing development.

Next Steps

- Research the implications of expansions to the MFTE program to new neighborhoods, including the expected low-income and market-rate housing yields resulting from such a program, and develop recommendations for changes to the MFTE to reach the goals of this Strategy.
- Review existing land use capacity and expected impacts on market-rate and affordable unit development from different inclusionary zoning policies to provide recommendations for inclusionary zoning policies to incorporate into the Community Development Code.
- Evaluate the fiscal impacts and expected benefits from further reductions in development fees for affordable housing.
- Compile available information to support applications for grants and tax credits by developers interested in low-income affordable housing, including how-to guides for completing applications and relevant city data that can be used to support the rationale.
- Coordinate a dialogue with relevant community organizations to understand what specific needs may exist for affordable, flexible housing options.

5. PARTICIPATE IN SOUTH SNOHOMISH COUNTY STRATEGIES TO REDUCE HOMELESSNESS

The reasons that people become homeless are many. They may be based on temporary or long-term problems, including loss of a job or home, domestic abuse, physical conditions, trauma, addictions, or mental illness. The City can coordinate with nonprofit and regional partners to identify roles it could play in helping to tackle these problems in addition to helping find shelter for those in need. One of these roles could be identifying and eliminating barriers to the development of emergency, transitional, and permanent supportive housing for the homeless. In order to determine the most effective roles for Edmonds, the City is conducting a separate assessment of the needs of homeless populations as well as options for addressing those needs. This study will be used to assess, refine, and prioritize the implementation of the actions considered in this strategy.

Potential Actions

All potential actions are subject to further study. No decisions about these actions are implied by this Strategy.

5.1 Explore partnerships with the County, south county cities, and nonprofit service providers. Work with nonprofits and/or regional partners to identify opportunities to acquire and/or operate facilities that provide both transitional housing and social services for the purpose of helping homeless people overcome barriers to productive livelihood. For example, the City of Lynnwood is currently seeking partners to help support the purchase and operation of a local motel for expanding south county shelter capacity.

5.2 Explore opportunities to support and reduce barriers to the development of permanent supportive housing. The City could partner with nonprofits or regional partners to develop new permanent supportive housing intended to provide stability and integrate services that attend to necessities like food and shelter without preconditions such as sobriety, treatment, or service participation requirements.

5.3 Consider reducing barriers to single room occupancy housing. Options for permanent or semi-permanent housing for low-income and formerly homeless individuals can include individual room rentals with shared bathrooms and/or kitchens. Certain code requirements in

EXAMPLE:

Tiny Homes in Seattle

Othello Village is a city-authorized homeless encampment with 28 96-square foot tiny houses and 12 tent platforms. It is intended as a short-term housing solution for up to 100 people. The village shares a kitchen, shower trailer, donation hut, and security booth. The city pays about \$160,000 per year to supply water, garbage services, and counseling on-site. Donations from individuals, foundations, and other organizations have recently allowed all Othello Village tiny houses to install heat and electricity. The Village is owned and operated by the Low-Income Housing Institute (LIHI), which also provide case management services. Donations to LIHI also fund the materials for the tiny houses, which cost about \$2,200 per house; construction is mostly courtesy of volunteers.



Seattle has five other similar encampments. These are permitted for 12 months with the option to renew for a second 12 months.



Edmonds may limit this kind of housing, and modifications or relaxations of the building code can help to reduce the costs of development, as well as the associated costs of housing to these residents. Note that this could be implemented in conjunction with efforts in Action 1.5 to allow the development of micro-housing.

5.4 Consider reducing barriers to the development of temporary shelters such as tiny home villages. New permanent housing can take several years or more to develop. The City could explore whether to relax or remove barriers to the creation of authorized homeless encampments in temporary shelters such as tent camps or tiny home villages (see sidebar example). This could allow for a flexible and low-cost temporary housing strategy targeted at populations who are not yet able to access more permanent housing options.

5.5 Explore partnerships to keep and expand winter shelter programs. The City could work in partnership with nonprofits to expand emergency overnight shelter programs that operate during the winter months. Such programs can also help connect homeless individuals with services and other resources, including support services provided by the City and the broader region.

Next Steps

- Review results of the separate 2018 homelessness study being conducted by the City and decide priorities from it.
- Review the current Community Development and Building Codes to identify obstacles to development of emergency shelter beds, affordable housing options, and low barrier, permanent supportive housing.
- Assess examples of alternative housing options to provide flexibility with housing unit development and determine necessary changes to implement these housing options.
- Explore partnerships with local and regional organizations working with homeless populations to develop and implement a “housing first” program, winter shelters, safe parking lot use, and other targeted strategies to address both short and long-term needs in the community.

6. PROVIDE PROTECTIONS FOR LOW-INCOME TENANTS

Low-income tenants may be impacted by different issues in the market that affect their ability to find safe and stable housing. To address these concerns, the City should work to provide protections that help ensure tenant safety, discourage discrimination, and aid those facing displacement. Although these initiatives do not increase the housing supply or address housing affordability, they can contribute to a more sustainable base of renters in the city. They can also promote long-term connections to the community.

Recommended Actions

6.1 Create requirements to provide fair housing information. The City should work to pass ordinances that require property managers to provide information to all tenants regarding tenant rights and property manager responsibilities under federal fair housing law.

6.2 Create anti-discrimination requirements for tenants. The City should work to pass ordinances to affirm that discrimination against prospective tenants based on source of income, race, ability, or other factors is not permitted, and provide protections against discriminatory behavior by landlords.

Additional Actions

6.3 Provide rental housing inspection programs. The City could provide for an ordinance or program to educate property owners, managers, and renters about City housing codes. This could also include requirements for owners to register all rental units and verify their properties meet building standards. Note that this would require additional City resources and should be assessed to determine the capacity needed for implementation.

6.4 Develop a tenant relocation assistance program. The City could also develop a program to provide financial assistance and services to households that are physically displaced due to the demolition or renovation of rental units. This program would be financed through charges on the owners of the demolished units but would need to be tailored to ensure that it would have a benefit to tenants while not significantly increasing the costs of development.



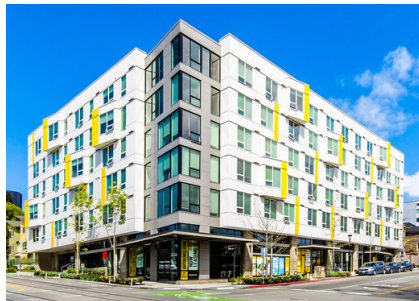
Next Steps

- Develop a fair housing ordinance for review by Council that requires the distribution of relevant fair housing information at the time of a residential lease.
- Create a fair housing information packet to be distributed to residential tenants upon the lease of a housing unit.
- Develop a housing anti-discrimination ordinance for review by Council which affirms that the City of Edmonds prohibits anyone from being denied housing, evicted unfairly, or otherwise discriminated against based on race, ancestry, color, age, religion, sex, familial status, disability, sexual orientation, source of income, or national origin.
- Develop public information for distribution to ensure that the public is informed about the anti-discrimination ordinance and the process for reporting discrimination in housing.
- Examine the expected costs, benefits, and impacts on development resulting from options for tenant relocation programs and outline recommended program characteristics.



EDMONDS

HOUSING STRATEGY



Cover Photos

Top Row

(Left) Townhomes in Seattle.

<https://www.redfin.com/WA/Seattle/2850-S-Nevada-St-98108/home/8187294>

(Center) Detached Accessory Dwelling Unit (DADU) by Sheri Newbold of live-work-play architecture.

Seattle Accessory Dwelling Units Draft EIS, <http://www.seattle.gov/council/adu-eis>

(Right) Mixed-use, mixed-type, and mixed-income housing in the Westlawn Gardens neighborhood of Milwaukee, WI.

<https://planning.org/awards/2018/westlawn/>

Second Row

(Left) Highpoint is a development located in West Seattle with a mix of low-income and market rate housing—it offers 1,600 housing units, with nearly half being affordable, with a mix of publicly and privately funded units. High Point offers a variety of housing styles and scales, and is integrated with retail and civic amenities.

Mithun, Juan Hernandez, http://comm-aps.com/portfolio_page/high-point/

(Center) One way to address the housing needs of aging residents is to provide resources to support aging in place and provide options for long-term care in current housing units—such programs could include home modification, transportation, recreation and socialization, yard care, or care management and counseling.

Edmonds Senior Center, <http://www.facebook.com/EdmondsSeniorCenter/>

(Right) Lovejoy Station in Portland, OR is a five-story apartment community that serves residents with incomes between 40% and 80% area median income.

Edmonds Highway 99 Subarea Plan, <http://www.edmondswa.gov/2011-07-27-22-31-43/highway-99-planning-project.html>

Third Row

(Left) Edmonds Lutheran Church and Compass Housing Alliance have partnered to develop a multistory housing development for low-income individuals and couples in the City of Edmonds. The housing will feature an innovative new modular building technique that greatly shortens design and construction time to lower costs.

<https://edmondsbeacon.villagesoup.com/p/seattle-startup-chooses-edmonds-for-first-stackable-housing-project/1756401>

(Center) Anthem on 12th is a workforce housing development in Seattle financed through a multifamily tax exemption program.

Edmonds Highway 99 Subarea Plan, <http://www.edmondswa.gov/2011-07-27-22-31-43/highway-99-planning-project.html>

(Right) Cottage housing on Bainbridge Island.

HUD, https://www.huduser.gov/portal/casestudies/study_102011_2.html

Bottom Row

(Left) Quixote Village is a tiny house community in Olympia, WA that evolved from a tent camp for the homeless.

<http://quixotevillage.com/>

(Center) Capitol Hill Housing is a publicly owned corporation that develops affordable housing and provides resident and homeless services in collaboration with local economic development organizations, service provider networks, and other affiliates. The Fleming Apartment building in Seattle's Belltown neighborhood serves households earning 50% of area median income.

<https://www.capitolhillhousing.org/ourproperties/buildings/flemin.php> and <https://www.apartments.com/fleming-apartments-seattle-wa/ycwvmns/>

(Right) Section 8 Vouchers can be used by people with low-incomes to rent market-rate housing units. The vouchers are intended to help people with low-incomes live in neighborhoods that would otherwise be unavailable to them within their means. Aline Ridge Apartments, pictured here, are a multifamily housing development in Kirkland that accepts Section 8 vouchers.

<https://www.kcha.org/housing/property.aspx?PropertyID=1>

Edmonds Housing Needs Assessment

The need for affordable housing in Edmonds is significant and growing. Meeting these needs will require a variety of housing solutions that match a diverse array of different household types and income levels. This appendix presents an assessment of the current housing supply and housing needs in Edmonds, across the full spectrum of household types and income levels.

Household Incomes in Edmonds

When summarizing housing affordability by income level, household income is typically compared to the U.S. Department of Housing and Urban Development (HUD) Median Family Income, or AMI. In Snohomish County, AMI is \$96,000. Exhibit 4 compares AMI to median income in Edmonds for families (households with two or more related persons) and non-families. Family incomes are typically higher than non-family due to the potential for dual income households. However, the gap in Edmonds is particularly wide with the median non-family income being less than 50 percent of AMI.

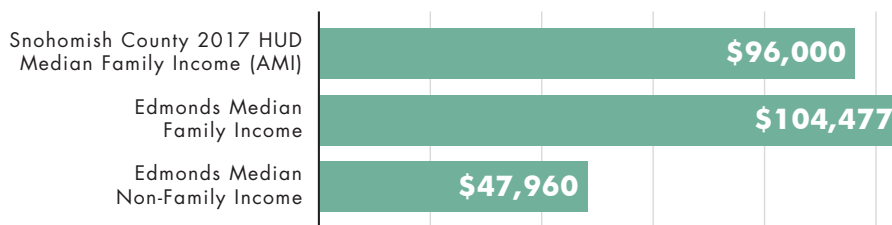


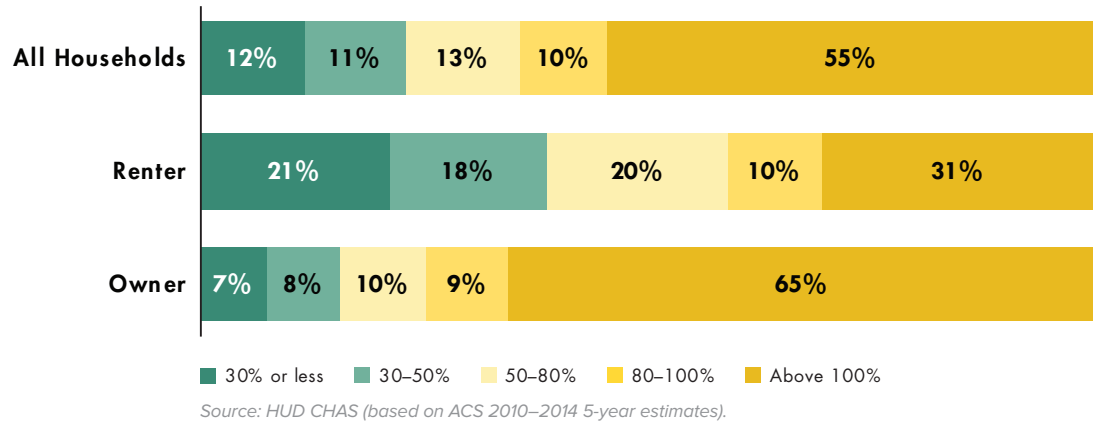
EXHIBIT 4
Median Family Income

Source: HUD, 2017; 2012–2016 American Community Survey (S1901); BERK, 2018.

Exhibit 5 on the following page breaks down all households in Edmonds by income level and housing tenure. It shows a significant divide between renter and owner-occupied households. Only 31 percent of renter households earn at or above AMI, compared to 65 percent of owner-occupied households.



EXHIBIT 5
Edmonds Household Income as Percent of AMI, by Housing Tenure



Housing Supply in Edmonds

There are 18,663 housing units in Edmonds. As shown in Exhibit 6, nearly two thirds of these units are single family homes and nearly one third are in multifamily buildings with five or more units, such as apartments and condominiums. Only 7 percent of all units are in smaller multifamily buildings such as duplexes, triplexes, or townhomes.

EXHIBIT 6
Edmonds Housing Inventory

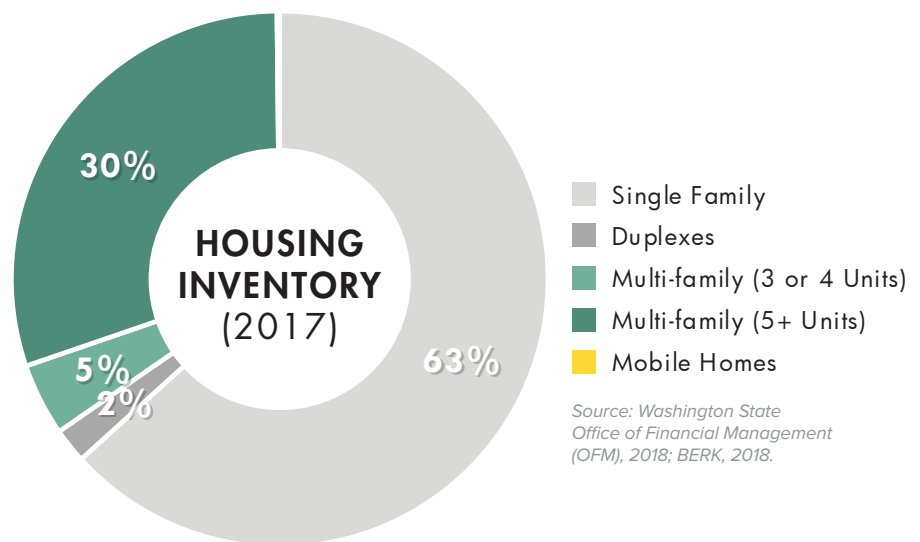


Exhibit 7 breaks down the housing stock in Edmonds by number of bedrooms (in green) and households by household size (in yellow). Over 60 percent of the housing units in Edmonds have 3 or more bedrooms, yet over 70 percent of the households have only 1 or 2 members. One explanation for this mismatch is the large number of “empty nest” or childless couples living in large single-family homes. Nonetheless there is a severe lack of smaller format housing available to single workers or small families seeking to live in Edmonds. Likewise, there are few options available to existing households in Edmonds, such as retirees, who may wish to downsize their home and stay in the community.

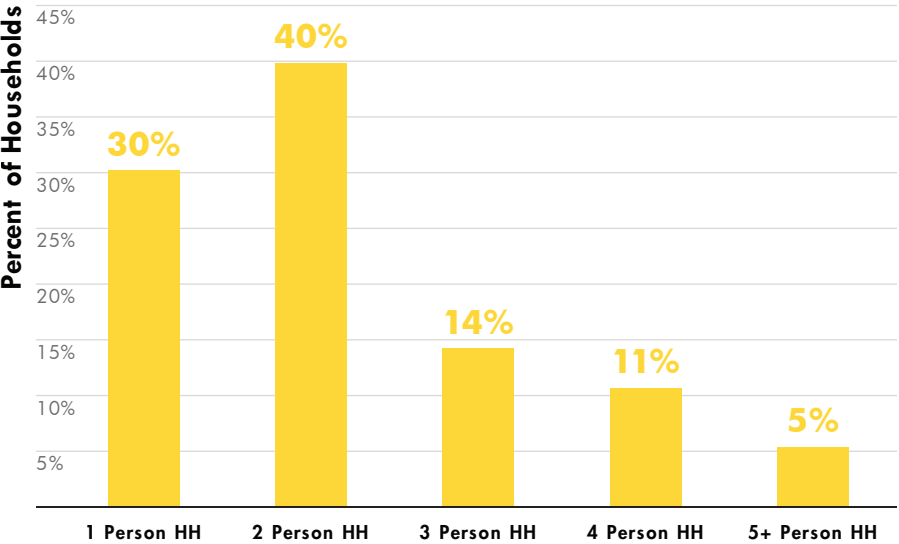
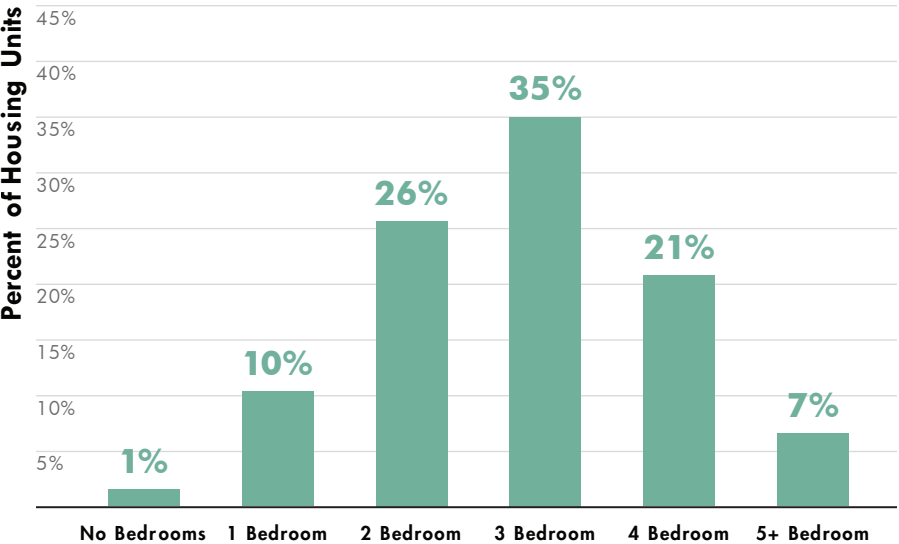


EXHIBIT 7
Household (HH) Sizes Compared
to Housing Unit Sizes

Source: U.S. Census American Community Survey 5-Year Estimates, 2011–2015.





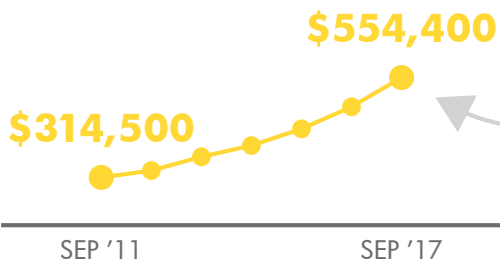
Ownership Housing

The cost of ownership housing in Edmonds is on the rise and out of reach of most Snohomish County residents. During the past six years median home values in Edmonds have increased by \$240,000. Today a household needs to make over \$150,000 a year to afford the median value home. That is 159 percent of area median family income.

The ownership housing market in Edmonds is dominated by large single-family homes. There are very few options for smaller and middle-income households seeking to get a foothold in the ownership housing market through the purchase of a condo or small townhome.

OWNERSHIP HOUSING

Median home values have increased by **\$240,000** over the past 6 years



\$152,556
(159% of county AMI)



Annual household income needed to afford median value home



Sources: Zillow Home Value Index, 2017; BERK, 2017.

Rental Housing in Edmonds

Rental housing in Edmonds is significantly more affordable than ownership. However, costs are rising, and options are limited for low and moderate incomes households. As shown in Exhibit 8, one and two-bedroom apartments in Edmonds are affordable to households earning 60 percent of AMI or above. Households earning 50 percent of AMI cannot afford average rents for any unit size.

EXHIBIT 8

Affordability of Average Cost Rental in Edmonds Units by Income Level, 2017

Household Income % of AMI	Affordability of Average Cost Rental Units, Sept. 2017				
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4+ Bedroom
120%	Yes	Yes	Yes	Yes	Yes
100%	Yes	Yes	Yes	Yes	Yes
80%	Yes	Yes	Yes	Yes	No
60%	No	Yes	Yes	No	No
50% or less	No	No	No	No	No

Source: Dupre+Scott, 2017; HUD, 2017; BERK, 2018.

The rental market in Edmonds includes units available at a variety of affordability levels. Exhibit 9 breaks down all renter households in Edmonds by income level and compares it to the rental housing supply by affordability level, based on Census data collected from 2010 to 2014. It shows that there was a significant shortage of units available for households with incomes at 30 percent of AMI or less, as well as a shortage of units for middle and upper income households (above 80 percent AMI). However, the following chart, Exhibit 10, shows that average rents have risen by over \$600 since March 2011 at a rate of 4.6 percent per year. Therefore, it is likely that the supply of units affordable to lower income households, particularly those below 50 percent of AMI, is significantly diminished today. Furthermore, undersupply of units at higher affordability levels results (>80 percent AMI) results in middle and higher income households competing for units that would be affordable to lower income households. This diminishes the supply of units available to those lower income households.

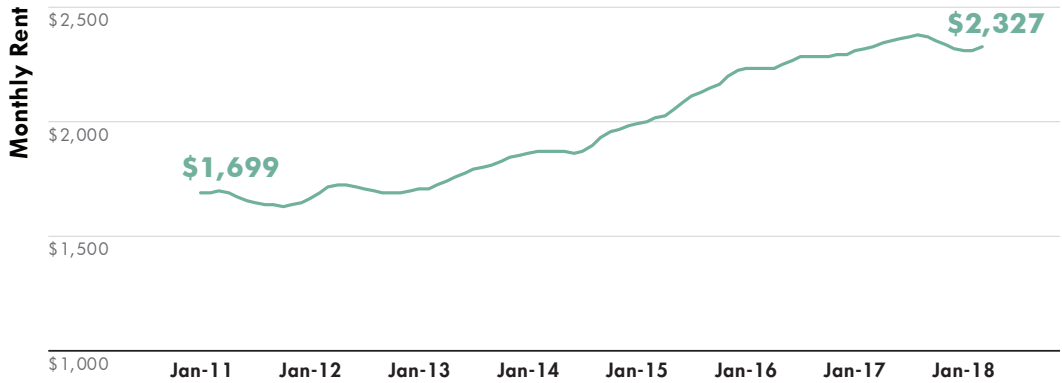


EXHIBIT 9
Rental Housing Supply by Affordability Level Compared to Household Need



Source: HUD CHAS (based on ACS 2010–2014 5-year estimates); BERK, 2018.

EXHIBIT 10
Average Rents in Edmonds, 2011–2018



Source: Zillow, 2018; BERK, 2018.

Housing Needs by Household Type

This section presents indicators of housing need based on the latest and best available data. Since housing costs are rising fast in Edmonds and neighboring communities, it is likely that many of these indicators underestimate the full extent of needs in the current housing market. Most notably, the estimates of cost-burdened households (those with housing costs that exceed 30 percent of household income) are based on household survey data collected between the years of 2010 and 2014. A lot has changed since this period. In 2010 the region was still in the early stage of recovery from an economic recession and housing market decline. The recent period of rapidly rising housing costs didn't begin until around 2013, near the end of the survey period. Despite these limitations, these indicators do provide a sense of scale of the problem among different household types and income levels.

Low-income Workforce Housing

Workforce housing refers to housing suitable for people whose place of work is in the community. Nearly 11,000 people work in Edmonds.⁸ The majority of these workers are employed in the health care, retail, accommodations and food service industries. Jobs in these industries are typically low-wage. In fact, nearly 60 percent of jobs in Edmonds pay less than \$40,000 per year, or just over 40 percent of AMI. Over a quarter of all jobs in Edmonds pay less than \$15,000 per year, or about 15 percent of AMI. Workers earning these wage levels would have an extremely difficult time finding anywhere to live in Edmonds without a second job or a dual-income household. This helps explain why 87 percent of all workers in Edmonds live outside of Edmonds and 42 percent live more than 10 miles from their workplace.

⁸ Source of employment statistics: U.S. Census Bureau, *OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2015)*.



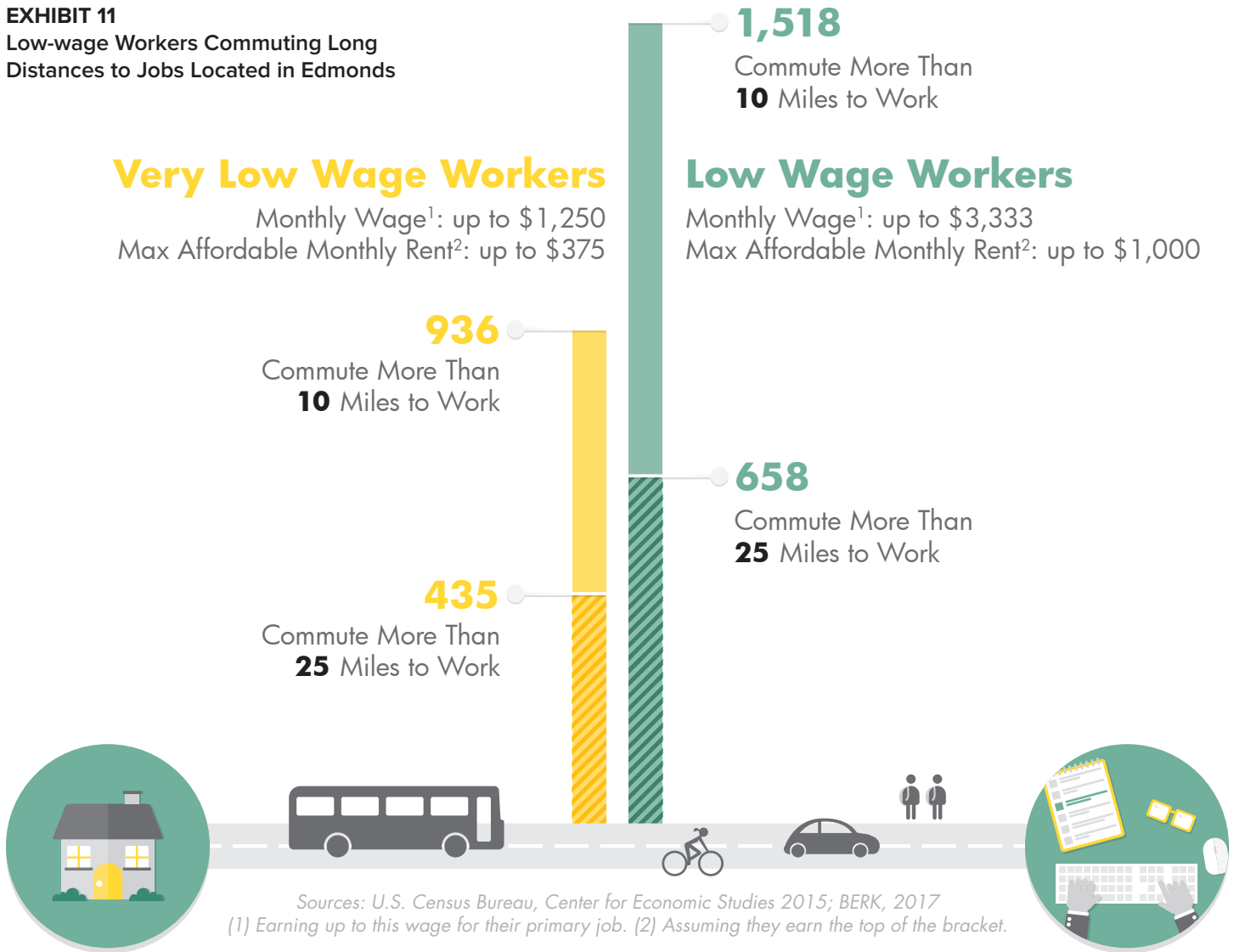
EXHIBIT 11
Low-wage Workers Commuting Long Distances to Jobs Located in Edmonds

Very Low Wage Workers

Monthly Wage¹: up to \$1,250
Max Affordable Monthly Rent²: up to \$375

Low Wage Workers

Monthly Wage¹: up to \$3,333
Max Affordable Monthly Rent²: up to \$1,000

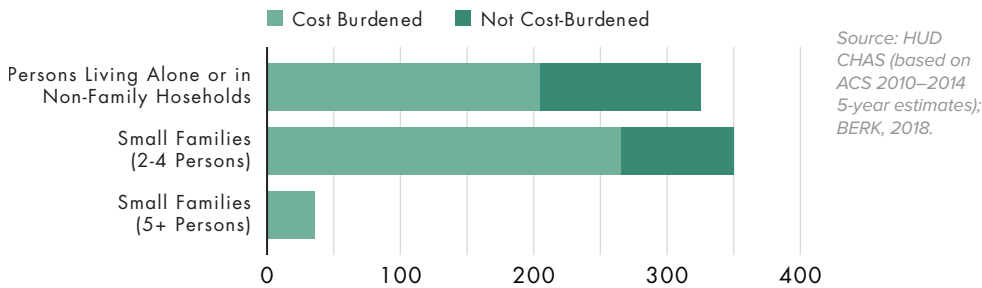


Sources: U.S. Census Bureau, Center for Economic Studies 2015; BERK, 2017
(1) Earning up to this wage for their primary job. (2) Assuming they earn the top of the bracket.

Exhibit 12 provides estimates for low-income non-elderly renter households who are living in Edmonds and have incomes between 30 and 50 percent of AMI (or between roughly \$20,000 and \$50,000 a year depending on household size). It shows the largest need is among workers living alone and smaller families. It is likely that the majority of small families have only two members.

Market-rate apartment rents Edmonds are not significantly more than what is affordable to many low-wage workers earning 50 percent of AMI,

EXHIBIT 12
Renter Households with Incomes 30–50% of AMI
(Households with Members Age 62+ Excluded)

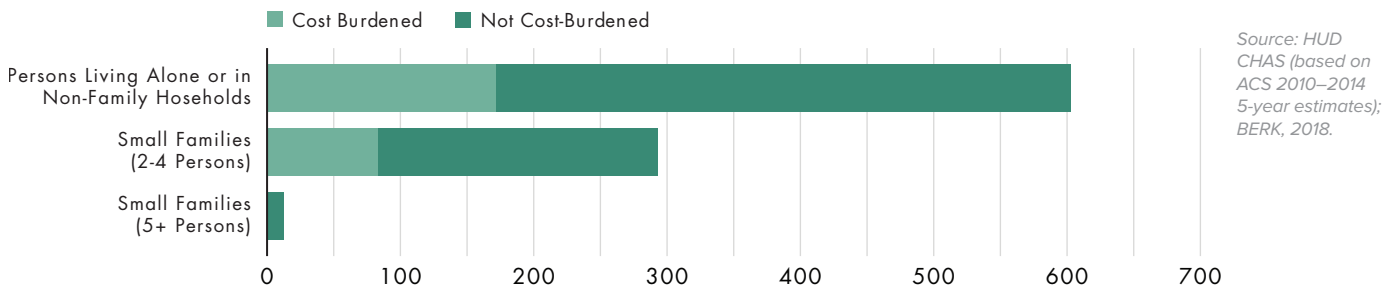


although this varies by household size. The biggest problem is the lack of supply. Even in cases where market rents are somewhat higher than the affordability level for lower income workers, many of these workers could save a great deal of money in transportation costs if they had the opportunity to live closer to their workplace. However, fully addressing the needs of low-income workers will require more income-restricted housing available to qualifying households based on income level.

Moderate-income Workforce Housing

Households with incomes between 50 and 80 percent of AMI are typically considered moderate income and have unique housing needs. Exhibit 13 shows the number of moderate income renter households in Edmonds by household type. In addition to those households living in Edmonds, there are over 800 workers earning 40 percent of AMI or

EXHIBIT 13
Renter Households with Incomes 50–80% of AMI
(Households with Members Age 62+ Excluded)





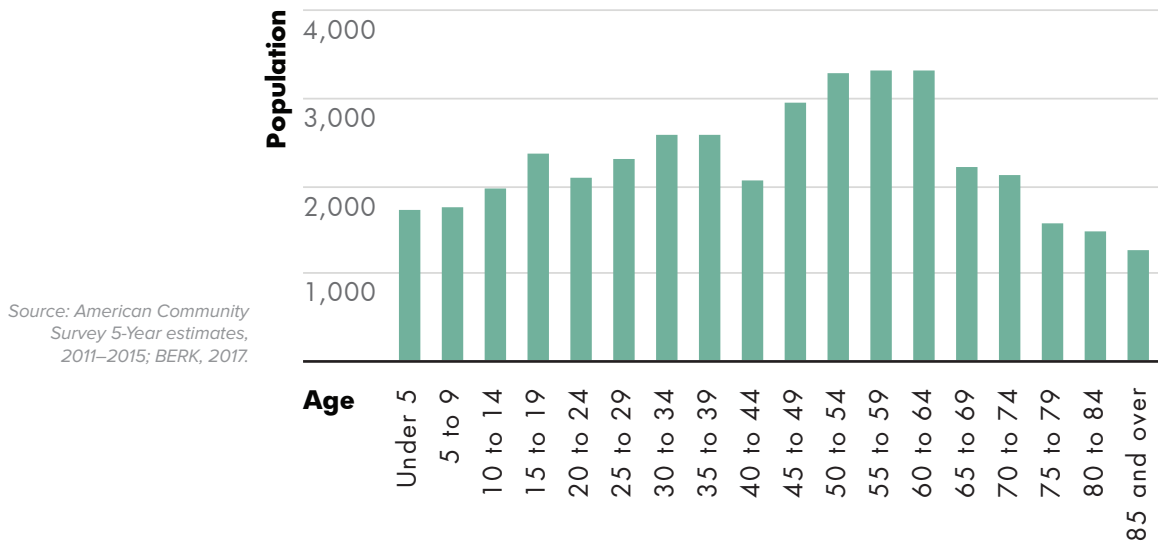
above that commute over 25 miles to jobs in Edmonds.⁹ Presumably many of these households would prefer to live closer to their jobs if suitable housing was available.

Special Needs Populations

Senior Households

One in five residents in Edmonds is over the age of 65 and this share is expected to grow significantly during the next 10 years. Exhibit 14 breaks down the population of Edmonds by age group. This shows that there are over 7,000 residents aged 55–65 who will become seniors within the next 10 years.

EXHIBIT 14
Edmonds Population by Age Range



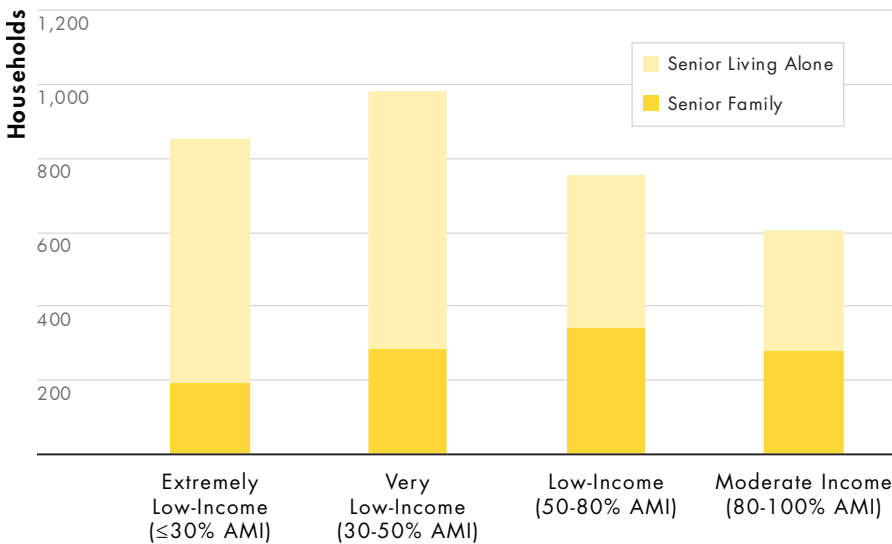
Seniors are at greater risk of chronic disease, disability, and mobility challenges. As a result, many seniors have special housing needs that differ from the population at large. Seniors choosing to age in place may require additional support services such as home

⁹ Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2015).

modification, transportation, recreation and socialization, yard care, or care management and counseling. While many senior households in Edmonds have the financial means to afford appropriate housing and services, many others will not. There are 3,200 senior households in Edmonds with incomes below AMI. Over half of these households are cost burdened and over a quarter of those households are renters.

Exhibit 15 breaks down these households by income level. The greatest need is among those with incomes below 50 percent of AMI.

EXHIBIT 15
Senior Households (Age 62+) with Incomes Below AMI, by Income Level



Source: HUD CHAS (based on ACS 2010–2014 5-year estimates); BERK, 2018.

There are a variety of housing solutions that can help meet the needs of low and moderate-income senior households. These include income-restricted senior living facilities with coordinated support services available onsite. Attached and detached accessory dwelling units can also be a good solution for many seniors. For instance, many senior households in Edmonds are homeowners. Those seeking to semi-independently age in place with the support of family can do so by moving into an accessory dwelling unit, freeing up the main home for family.

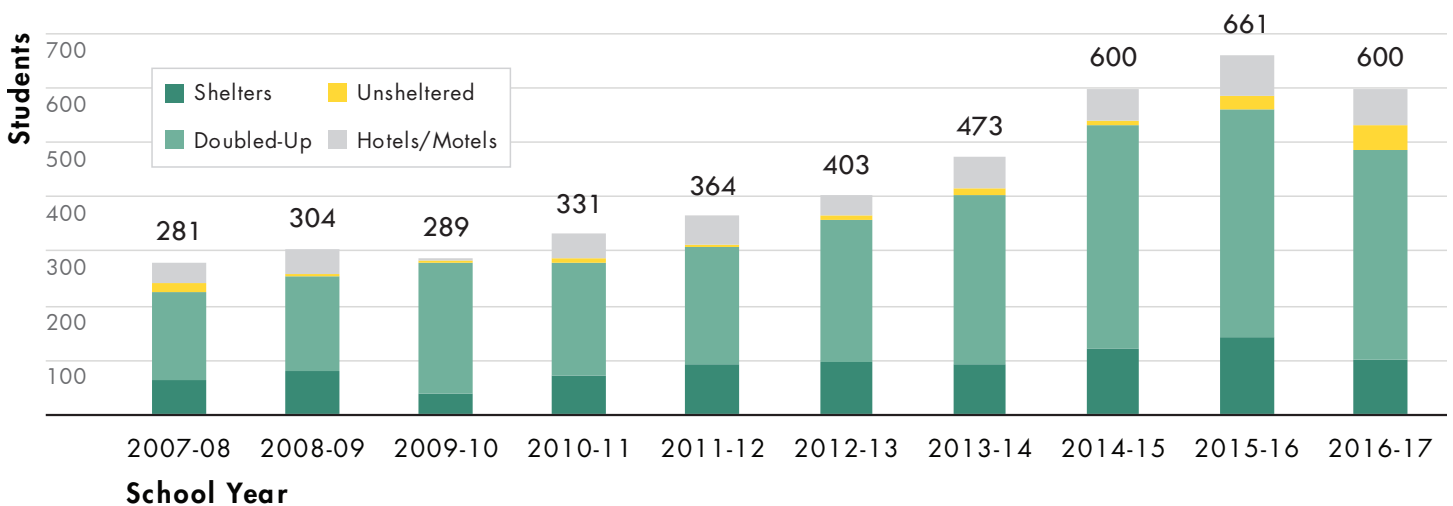


Homelessness

Homelessness in Snohomish County is on the rise. Since 2013 there has been a 50 percent increase in unsheltered homeless persons, from 344 to 515 in 2017.¹⁰ Chronic homelessness has increased at an even faster rate, from 135 in 2013 to 313 in 2017. Many factors can contribute to homelessness and present barriers to housing stability. These include poverty, lack of affordable housing, disability, domestic violence, mental illness, criminal records, and addiction. Reliable data for quantifying homelessness within the City of Edmonds is limited. The 2017 Snohomish County Point-in-Time (PIT) count indicates that there were six unsheltered persons who slept in Edmonds the previous night and four unsheltered persons whose last permanent residence was in Edmonds. These are very likely to be undercounts. In southern Snohomish County, “job loss” and “family crisis/Break up” were the most common reasons for homelessness.

Data about homeless students from the Edmonds School District are more comprehensive. Exhibit 16 shows total homeless students by school year, inclusive of all schools in the district (which includes

EXHIBIT 16
Homeless Students in the Edmonds School District



Note: Data for 2016–2017 excludes 40 students in foster care to maintain consistency with the data collection methods used in previous years. The school district’s official count of homeless students for the 2016–2017 school year is 640.
Source: Washington State Office of Superintendent of Public Instruction (OSPI), 2017; Edmonds School District, 2017; BERK 2017.

¹⁰ Snohomish County Point-in-Time County Summary For the night of January 23, 2017. <https://snohomishcountywa.gov/DocumentCenter/Home/View/41603>

the cities of Lynwood, Mountlake Terrace, Brier, Woodway, and some neighboring communities). School districts in Washington State define homeless students as those “who lack a fixed, regular, and adequate nighttime residence.” This includes categories such as “doubled-up” households that are sharing housing due to economic hardship. After a long period of steady increase, the 2016–2017 school year saw a decrease in homeless students. Much of the growth in homeless student population has been among those who are doubled-up, meaning they do not have a permanent residence and are staying with family or friends. Among just those schools attended by children who live in Edmonds, there were 260 homeless students during the 2016–2017 school year.

There are many causes of homelessness and many barriers to housing stability, including poverty, unemployment, low wages, housing costs, disability/illness, substance abuse, domestic violence/child abuse, and criminal records. Housing solutions must often be coordinated with support services to help homeless residents address the underlying causes of housing insecurity.

Veterans

Edmonds is estimated to have 3,310 veteran residents, nearly 10 percent of the total population.¹¹ These residents are less likely than the general population to have income below the poverty level (only 2.6 percent compared to 7.6 percent of non-veterans). However, a significantly greater percentage of the veteran population is living with a disability (31 percent compared to 10 percent of non-veterans).

The latest Point-in-Time count surveyed 44 unsheltered veterans and 22 staying in emergency shelters. The overall number of homeless veterans has remained stable since 2013.

According to the 2017 PIT report, Snohomish County has sustained “functional zero status” on veteran homelessness under the guidance of Opening Doors, a Federal strategic plan to prevent and end homelessness.¹² Function zero is attained when there is “a well-coordinated and efficient community system that assures

¹¹ U.S. Census American Community Survey 2012–2016 5-Year Estimates.

¹² Opening Doors: Federal Strategic Plan to Prevent and End Homelessness. Retrieved from https://www.usich.gov/resources/uploads/asset_library/USICH_OpeningDoors_Amendment2015_FINAL.pdf



homelessness is rare, brief and non-recurring, and no Veteran is forced to live on the street.”¹³ The Snohomish County summarizes resources available: “Veteran specific prevention and rapid-rehousing programs are offered, along with newly funded solutions. Sebastian Place, a 20-unit apartment complex dedicated to solely to house and provide supportive services to homeless veterans has opened. A low barrier veteran shelter program also began providing emergency shelter in conjunction with services.”¹⁴

Based on the County’s assessment, veterans may be well served compared to other special needs populations facing housing instability.

Artists

The City of Edmonds Arts & Culture 2017 Economic Impact Study¹⁵ recommends that the City “integrate arts and culture’s contributions to the economy in new and existing community economic development efforts.” One way it can do this is consider actions to support the housing needs of artists living in Edmonds. Artists typically have incomes far below the level needed to afford market-rate housing in Edmonds. They also often have unique housing needs that could be addressed through new kinds of live-work formats that allow for studios or gallery space on the ground floor of artist housing.

13 U.S. Department of Veterans Affairs, “Ending Homelessness Among Veterans Overview”.
https://www.va.gov/HOMELESS/ssvf/docs/Ending_Veterans_Homelessness_Overview.pdf

14 Snohomish County Point-in-Time County Summary For the night of January 23, 2017. p. 21 <https://snohomishcountywa.gov/DocumentCenter/Home/View/41603>

15 Currently in draft form. Will likely be published by the time the Housing Strategy is released publicly.

Homeless Services and Resources in Edmonds

Resource for homeless population in Edmonds are provided by Snohomish County as well as local nonprofit organizations. The only shelter in Edmonds is the South Snohomish County Emergency Cold Weather Shelter, which is staffed by volunteers and housed at the Edmonds Senior Center. This shelter is open any night the temperature drops below 34 degrees. Other shelters are available in the City of Lynnwood and elsewhere in Snohomish County. Several Edmonds churches host meals and food banks and provide short-term services.

The cities of Edmonds and Lynnwood Police Departments share a social worker outreach program that works to assist people struggling with homelessness in finding long-term solutions that leads them towards self-sustainability. This program is staffed by one social worker who helps people to navigate the County's coordinated entry system for accessing housing, finding access to appropriate mental health or drug and alcohol treatment services, or assistance in securing other resources specific to the individual's circumstances. According to the current social worker, Ashley Dawson, the intent of this program is not just to immediately house a person but rather to tackle some of the issues that may be contributing to their homelessness so that they will be successful once suitable housing is found. The Police Department is also working with Verdant to develop a south-county CHART program (Chronic-Utilizer Alternative Response Team) with a goal of keeping these people out of the criminal justice system, out of jail, out of hospital emergency departments, and reducing the number of calls to emergency services.

Edmonds Police Department Patrol officers often encounter people who are homeless, living in motor homes, vehicles, or in structures in their family member's yards. These officers typically refer people to the social worker. According to Ms. Dawson, the Police Department has taken a progressive approach in recognizing that there are many layers to a person's situation. She indicates that officers act as partners in taking preventative approaches to supporting the full spectrum of needs among the homeless population.



Snohomish County is just opening a 16 bed Diversion Center in Everett to provide up to 14 days shelter and services for homeless persons who are addicted to drugs (primarily opioids) and may be struggling with untreated mental health needs and/or committing low-level crimes to live and support their addiction. An agreement with the county provides Edmonds and Lynnwood access to two beds shared between the two cities. More information about services provided in Snohomish County are available on the County's Human Services website.¹⁶ These services include:

- Services to help maintain elderly and disabled adults in their own home or in a community setting
- Drug and alcohol treatment for both youth and adults
- Mental Health counseling
- 24-hour services for persons in either a mental health or drug and alcohol crisis
- Services to help low-income households meet their basic needs or obtain specific help to overcome barriers to improving their economic situation
- An Early Childhood Education Program for low-income families with four-year old children
- Employment and community support programs for persons with developmental disabilities and their families
- Community programs for children and families
- Help for veterans
- Weatherization and help for low-income households to pay their heating bills

The Edmonds City Council recently set aside \$250,000 in funds for addressing homelessness. The City is currently conducting a study to assess the needs of homeless persons in Edmonds and specific approaches or programs for most effectively addressing those needs.

¹⁶ <https://snohomishcountywa.gov/191/Human-Services>

Glossary of Housing Affordability Terminology

This glossary provides definitions for housing terms, acronyms, and datasets used in the Edmonds Housing Strategy.

Affordable Housing

A home is generally considered to be affordable if the household is paying no more than 30 percent of their income on housing costs. A healthy housing market includes a variety of housing types that are affordable to a range of different household income levels.

The term “affordable housing” is often used to describe income-restricted housing available only to qualifying low-income households. Income-restricted housing can be located in public, nonprofit, or for-profit housing developments. It can also include households using vouchers to help pay for market-rate housing.

In this report, “affordable housing” refers to any housing that is affordable to the household that is occupying it, whether market rate or subsidized.

American Community Survey (ACS)

An ongoing nationwide survey designed to provide communities with current data about how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households. ACS data is used for demographic analysis in this study.

Area Median Income (AMI)

Analyses of housing affordability typically group all households by income level relative to area median family income, or the median income of all family households in the metropolitan region or county. Median income of non-family households is typically lower than for family households.



In this report AMI refers to the U.S. Department of Housing and Urban Development (HUD) Area Median Family Income. In Snohomish County, AMI is \$96,000.

Accessory Dwelling Unit (ADU)

A small, self-contained residential unit built on the same lot as an existing single-family home. ADUs may be built within a primary residence (such as a basement unit) or detached from the primary residence (such as a backyard cottage).

Detached Accessory Dwelling Unit (DADU)

An ADU that is detached from the primary single-family residence, such as a backyard cottage.

HUD CHAS

Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the “CHAS” data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low income households. The CHAS data are used by local governments to plan how to spend HUD funds, and may also be used by HUD to distribute grant funds.

The most recent CHAS data used for housing cost burden analysis in this study reflect ACS data collected over a five-year period, 2010–2014.

Household Income

The U.S. Census defines household income as “The sum of the income of all people 15 years and older living in the household. A household includes related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household.”

Inclusionary Zoning (IZ)

Inclusionary zoning is either a local requirement or incentive for developers to create some below market-rate apartments or for-sale homes in connection with a proposed market-rate development project. These below-market rate units are income-restricted, or available only to households that qualify based on their income level. Rents or housing prices are set based on the affordability level specified in the ordinance.

IZ is allowed in Washington State under GMA (see RCW 36.70A.540). Cities and counties wishing to implement IZ are required to provide increased residential development capacity through zoning changes, bonus densities, height and bulk increases, or other incentives to offset the cost of providing the below market-rate units; other incentives could include more flexible development standards, parking reductions, fee waivers or reductions, or expedited permitting. Below market-rate units may be required to be produced at the same location as the market-rate units, but some localities have alternative compliance options including off-site options, land dedication, and “fee in lieu.”

Washington State law also sets the affordability period for these units. All income-restricted units developed through an inclusionary zoning program must remain affordable for at least 50 years.

Multifamily Tax Exemption (MFTE)

MFTE is a statewide program in Washington which allows the value of eligible multifamily housing improvements to be exempt from property taxes for a specified period of time, typically 8 to 12 years. The program aims to stimulate construction, rehabilitation, or conversion of existing structures to provide multifamily housing, including affordable housing, in designated areas within a jurisdiction.

Cities can counties can choose to implement an MFTE program within designated areas and select the requirements for participating developers. These requirements can include a percentage set aside of income-restricted units affordable to households at a designated income level. Income-restricted unit must remain affordable for the period of the tax exemption.



Tiny House

This term generally applies to small detached residential structures that are 500 square feet or less. Some tiny houses are designed to be permanent stand-alone residences. However, the term is also commonly used to describe very low cost temporary shelters of less than 200 square feet built in “villages” with shared facilities such as bathrooms and kitchens. These temporary tiny homes typically do not comply with local building codes and often do not include their own electricity or plumbing. The City of Seattle has authorized the development of six temporary tiny house villages located on public or nonprofit-owned land. These villages are intended to provide temporary housing for homeless individuals and families and are typically operated by nonprofits who provide case management services.

Public Involvement in Implementation

All of the actions proposed in this Housing Strategy would require further study, refinement, public outreach, and public comment before being considered by the City Council for implementation. Many of the actions would require a code amendment, or a change to the City's land development regulations. This appendix describes the typical process and timeline for a code amendment.

Code Amendment Process in Edmonds

A code amendment is a change to the City's land development regulations. The City's development regulations are found within Title 17 General Zoning Regulations of the Edmonds City Code.

Amendments to the development code may be initiated by the City Council, Planning Commission, City staff, or citizens. Certain types of actions would require a code amendment, such as a zoning change. For example, implementing mandatory IZ, would likely require a more detailed study in advance of this process.

1. Draft code amendment proposal is prepared.
2. Planning Board meeting for preliminary review of the proposal.
3. Additional Planning Board work sessions to discuss and refine (as needed).
4. Conduct SEPA review if the amendment is a Growth Management Act defined action, including 60-day notice to the State Department of Commerce.¹⁷

¹⁷ The State Environmental Policy Act (SEPA) provides a review process to consider the potential impacts to the natural and built environment as a result of future development allowed by proposed plans and policies, such as development code amendments. The process allows the City to identify potential impacts and mitigation measures and to solicit agency and public review and comment on the proposals before actions are taken..

Most proposals are exempt or only need a Determination of Non-Significance (DNS), which involves a shorter review process and comment period than an environmental impact statement (EIS). Some proposals require an EIS to explore alternatives and potential mitigation measures.

Cities and counties planning under the Growth Management Act (GMA), including the City of Edmonds, must notify the Washington State Department of Commerce at least 60 days in advance of their intent to adopt comprehensive plan and development regulation amendments.



5. Public notice, including newspaper, website notice, email to interested parties

Additional workshops or other public information sessions may also be held if appropriate

6. Planning Board Public Hearing

Planning Board may recommend to Council following hearing, or defer to an additional review meeting to discuss/develop recommendation to send to Council.

7. City Council meeting to review and discuss the proposal

8. Public notice, including newspaper, website notice, email to interested parties.

9. City Council Public Hearing.

10. City Council may take action.

Preliminary Assessment of Housing Tools

This Appendix includes 47 housing tools, or actions that the City of Edmonds could pursue to address housing needs. BERK Consulting conducted a preliminary assessment of these tools and presented the results to city staff and the Housing Strategy Task Force. Some of the recommended actions in the Draft Housing Strategy are selected from this list of tools, while others reflect refinements or revisions suggested by the Task Force or city staff. These tools are organized by the same six objectives featured in the Draft Housing Strategy.



1. ENCOURAGE THE DEVELOPMENT OF MULTIFAMILY HOUSING

Support transit-oriented development (TOD) in applicable areas.

Areas which have higher levels of transit service can support development which supports access to regional and local transit systems. This can include not only targeted rezoning and code refinement for more intensive development, but also support for a mix of residential, retail, and service offerings, multimodal transportation options, and parking management that can support walkability and transit use.

Kenmore, Bothell, Shoreline, others. Several communities across the Puget Sound Region have used TOD District Overlays or other tools to encourage TOD around corridors with frequent bus service. These include the nearby cities of Kenmore, Bothell, and Shoreline, among others.

Implemented in the Highway 99 subarea. The City has just completed a subarea plan and has rezoned areas along the Highway 99 corridor and the Swift Blue Line. These areas are the most promising locations for a local TOD corridor.

Sounder Station TOD. The neighborhood surrounding the Sounder station area can also be considered for TOD projects, especially if local transit connections can also provide this area with sufficient levels of service.

Increase multifamily development capacity. Increasing the allowable density of development in areas close to transit stations or corridors can increase the amount of multifamily housing that can be accommodated in the City.

Transit access for less mobile populations. Greater transit access can provide more transportation alternatives for seniors, youth, the disabled, and other sensitive populations.

Lower transportation costs. TOD provides housing with lower transportation costs through transit access and high walkability, improving the combined affordability of housing and transportation for a household.

Reduced parking. TOD can be combined with reduced parking requirements in areas where car ownership and use are expected to decline. Reductions in parking can also reduce development costs.

Locations limited by transit availability. TOD project locations are limited to nodes and corridors with high levels of transit service, and are dependent on the maintenance of these services into the future.

Impacts of increased height and bulk of buildings. There are potential impacts to adjoining single-family neighborhoods due to bulk and shading from larger buildings. This can be mitigated using a transition zone or design standards.

Increases in rent and property value. The desirability of these neighborhoods can increase property values and rents beyond those which may be affordable for low-income and vulnerable populations.

Allow greater building heights and densities in multifamily zones.

Providing greater building heights and densities on a site can allow more units to be accommodated on available land in areas zoned for multifamily development. This not only increases the total amount of units that can be developed in the city, it can also spur redevelopment of older, obsolete housing.

Lynnwood. The City of Lynnwood has three multifamily residential zones with height limits of 35–45 feet. ([link](#))

Mountlake Terrace. The City’s RMM zone allows for either 35 or 50 feet, depending on the location relative to 216th St SW. ([link](#))

Current height limits discourage development. The current height limit of 25 feet in many areas may not be attractive for multifamily development. Standard multifamily products in this region are more compatible with the mid-rise height limits in neighboring communities. Analysis of building permits indicates nearby communities are attracting much more multifamily development.¹⁶

Limited land supply. Edmonds has limited land are zoned multifamily, and expansions to development capacity may be needed to meet local needs.

Improve development feasibility. Upzoning to allow for more units in a project can reduce development costs per unit. This can make multifamily development projects in the city more feasible and encourage unit development.

Increase multifamily development capacity. Increasing the allowable height and density of development can increase the number of multifamily housing units that can be accommodated in the city.

Impacts of increased height and bulk of buildings. There are potential impacts to adjoining single-family neighborhoods due to bulk and shading from larger buildings. This can be mitigated using a transition zone or design standards.

Limited area currently zoned multifamily. This tool may be best paired with a rezone to expand areas with multifamily zoning.

“Encourage the Development of Multifamily Housing” continued on the next page

¹⁶ BERK pulled OFM data on multifamily production (5+ units in structure) by city for 2010–2017 and calculated percent of total housing unit production. Edmonds: 237 units (44 percent); Lynnwood: 1,040 (86 percent); Mountlake Terrace: 343 (60 percent); Shoreline: 1,286 (81 percent).

1. ENCOURAGE THE DEVELOPMENT OF MULTIFAMILY HOUSING

<p>Reduce residential parking requirements. If the City can reduce the number of parking stalls required for each new housing unit, developers can reduce the amount of land necessary to accommodate parking spaces, and can reduce the need to accommodate parking within a residential building. This can make a project more feasible by reducing costs and allowing more development on a site.</p>	<p>PSRC/Other cities. Many communities across the Puget Sound Region have reduced requirements in transit-rich areas. The PSRC has assembled a summary that provides more information about changing requirements. (link)</p> <p>Seattle. Seattle has no parking minimum for new construction within urban centers, areas designated for transit-oriented development, or urban villages served by frequent transit (10 minutes between bus arrivals or less).</p> <p>Bellevue. Bellevue has reduced parking requirements for affordable units downtown, with 0.25 stalls/studio unit required with 60 percent AMI affordability or less. (link)</p>	<p>Implemented in the Highway 99 subarea. Edmonds recently reduced the required amount of parking spaces per unit in the Highway 99 subarea to ~0.75 per unit (<700 sf), ~1.25 per unit (700–1,100 sf), and 1.75 per unit (>1,100 sf).</p> <p>Wider implementation possible. These standards in the Highway 99 subarea could be extended to other areas of the City, or parking minimums could be reduced further in the Highway 99 area.</p> <p>Available resources to support implementation. King County’s “Right Size Parking” tool could help to evaluate current parking minimums versus predicted usage for different development types. (link)</p>	<p>Significant project cost reductions. Reductions in required parking can provide significantly reductions in the cost of building new multifamily housing. These reductions result from avoiding the costs of structured / underground parking, and the significant land requirements for surface parking. This can make affordable units more economically feasible to develop.</p> <p>Increase in demand for transportation alternatives. Reducing the amount of available parking can also increase the demand for other types of multimodal transportation: walking, biking, transit, etc. When used appropriately, this can support improved accessibility by these modes of travel, and can reduce household transportation costs.</p>	<p>Applications to areas served by transit. Larger reductions in parking requirements may only be possible in walkable areas and/or areas served by transit, where the number of trips by personal vehicles are lower.</p> <p>Off-site parking impacts. If requirements are set too low, there may be parking impacts in the surrounding neighborhood as residents will use street parking when on-site parking is unavailable.</p>
<p>Provide fast, predictable, and user-friendly, permit review. Improving the development process for market-rate and nonprofit developers could entice more to build in Edmonds. Developers seek fast permit reviews, predictable timelines, and an easy-to-understand process and requirements. Tactics to accomplish these outcomes could include: increased department staffing during busy cycles; materials that clearly explain requirements and the application process; public reports on actual permit review times (to increase predictability for applicants); and providing one point of contact for applicants.</p>	<p>Multiple communities. Many communities in the region provide support and performance statistics for their permit processes. Marysville provides annual reports on permit turnaround times, and Seattle reports on permit review times through its “Performance Seattle” webpage. (link, link)</p> <p>Multiple communities. The National Association of Home Builders’ 2015 Report, “Development Process Efficiency: Cutting Through the Red Tape,” describes strategies used by local governments to make development review more efficient, including increasing staff capacity through dedicated revenue from development services, and creating a more user-friendly process. (link)</p>	<p>Permit review information currently provided online. Edmonds Development Services already tracks permit review times; publishing this information on the website should not require large additional resources</p> <p>Potential for contracted support. Many cities in the Puget Sound Region enhance their development review staff capacity through contracting with private firms. This may offer more flexibility than hiring additional full-time city employees.</p>	<p>Reduces costs to developers. Reducing the time necessary to process permits would reduce costs for holding property prior to development, and increase the number of developers interested in building specific desired housing types in Edmonds.</p>	<p>Increases staff time and funding requirements. Increasing staff capacity to provide additional support for permitting, whether through contracting or hiring more city staff, would require additional funding support.</p>
<p>Allow “micro-housing” style developments. “Micro-housing” typically refers to multifamily buildings with very small efficiency units (200 square feet or less) or congregate housing with private rooms and shared kitchens and other facilities. It can provide lower-cost options for smaller households that do not need significant amounts of living space. Modifications or relaxations of code requirements may be necessary to make this kind of development feasible.</p>	<p>Seattle. After several micro-housing projects were developed, the City of Seattle recently modified the building code to place additional restrictions on micro-housing. (link)</p> <p>Kirkland. The City of Kirkland has permitted micro-housing (“Residential Suites”) with units of 120–350 square feet in the Central Business District and Totem Lake Business District. These developments are required to have minimum densities and common areas, and parking is restricted to 0.5 spaces per unit. (link)</p>	<p>May be allowable under current code. Edmonds code doesn’t have minimum unit sizes, but code may prevent congregate housing (further research needed).</p> <p>Unclear if there is demand in Edmonds. Additional research would be necessary to determine if there are developers seeking to build this kind of product in suburban locations like Edmonds. These are typically found in high-amenity neighborhoods of large cities. However, it may make sense to provide for student housing near ECC and CWU-Lynnwood.</p>	<p>Reduced development costs. Micro-housing significantly reduces the development costs per unit, particularly if there are lower (or no) parking requirements. This can increase the viability of a project.</p> <p>Suitable for single-person households. These types of units can meet the needs of single-person households that do not need a substantial amount of living area and can benefit from lower housing costs.</p>	<p>Increased parking demands. There are potential impacts to parking in surrounding areas, especially if parking requirements are relaxed and residents rely on street parking.</p> <p>May be limited to high-amenity locations. Given the lack of private space, micro-housing is most often appropriate for higher amenity locations, often with transit services available. These types of units will be less attractive in locations where these community facilities and resources are limited.</p>

“Encourage the Development of Multifamily Housing” continued on the next page



1. ENCOURAGE THE DEVELOPMENT OF MULTIFAMILY HOUSING

<p>Lobby for state legislation to promote condominium development.</p> <p>The WA State Condominium Act is interpreted to subject condo developers to an implied warranty for constructions, which has resulted in lawsuits against developers. This has had a significant impact on condo development, as the increased risk of liability has reduced the interest of developers in this type of project. The City could work with other stakeholders to lobby for revisions to the Act, or pursue other options for promoting these types of projects with developers.</p>	<p>Seattle. Seattle’s 2015 HALA report includes this recommendation: “The City should work with the University of Washington’s Runstad Center to explore options to stimulate the condo development market, including revising the warranty scheme in the Condo Act. (link)”</p>	<p>Outside the City’s jurisdiction. This solution requires action by the state legislature, and cannot be enacted directly by the City. However, there may be opportunities to better coordinate with other jurisdictions advocating for changes to the Act or working with the state Insurance Commissioner.</p>	<p>Addressing the “missing middle”. Supporting the condo market in Edmonds could result in more opportunities for ownership of “missing middle” housing for small households.</p> <p>Downsizing opportunities for seniors. Condominiums are an option for senior households seeking to downsize while staying in the community. This can be supported by services within these developments dedicated to the needs of seniors.</p>	<p>Limited to market-rate units. New condominium construction will support market-rate, owner-occupied multifamily units, and is not likely to provide housing that is affordable to low-income households.</p>
<p>Coordinate communication and outreach to developers.</p> <p>Keeping local developers informed about city regulations and incentives, especially those designed to encourage specific housing types, could help get more of these projects built in Edmonds. Communication methods can include: web and hard-copy informational handouts, city email listservs, forums or workshops, and personal communication. In developer interviews, several were unaware of City incentive programs.</p>	<p>Shoreline, Mountlake Terrace. Fact sheets on topics such as ADUs, affordable housing regulations, critical areas, and more have been developed by these communities. (link, link)</p> <p>Burien, Mountlake Terrace. Email lists are maintained by these communities where users can sign up for updates on topics such as planning and zoning. (link, link)</p>	<p>Developer information currently provided online. The Edmonds Development Services Department website provides information on long-range planning projects, code updates, fees, and other issues. Adding information on incentive programs or zoning changes would fit with current efforts.</p>	<p>Provides opportunities to advertise major programs. A greater understanding of available programs to support new development may increase the number of developers interested in building specific desired housing types in Edmonds, as well as the uptake of these incentive programs.</p> <p>Encourages communication with the development community. Providing ongoing support for resources to the development community promotes transparency with stakeholders, and clear communication about the expectations for development and the use of incentive programs.</p>	<p>Increases staff time commitment. Staff time would be required for creating additional informational handouts and keeping them up to date, and for administering email lists.</p>
<p>Apply transfers of development rights (TDR) in applicable areas.</p> <p>Land preservation initiatives such as protection of farmlands from development can often employ “transfers of development rights”, where the development rights to lands being preserved are managed through a conservation easement. When these rights are separated in this way, the landowner receives the rights to develop at increased densities in designated urban “receiving areas”, which can be sold to developers in these areas.</p>	<p>Bellevue / King County. King County first developed a TDR program in 1988, which has expanded significantly to protect forestry, farming, and critical habitat lands in unincorporated King County. As part of an interlocal agreement with the City of Bellevue, development rights from sending sites in the County can be used to increase base FAR and base building heights within specific zoning districts in the Bel-Red area. (link)</p> <p>Snohomish County. Snohomish County has identified farm and forest lands for conservation through its TDR program. This allows for increased development in locations zoned as “Urban Center” in unincorporated Snohomish County, as well as areas where rezoning has allowed for increases in allowable lots or dwellings. (link)</p>	<p>Snohomish County program available. The Snohomish County TDR program allows cities to participate and designate “receiving areas” through interlocal agreements. Edmonds currently does not have an interlocal agreement with the County for this program, however.</p> <p>No strong linkage to housing production / affordability. Note that while this program is related to increasing potential density, it is not directly linked with the production of market-rate housing. In fact, this program could divert potential sources of revenue away from programs such as inclusionary housing.</p>	<p>Paired with upzoning. TDR programs are typically combined with upzoning in urban areas that can support additional density.</p> <p>Support for preservation programs. TDR programs assist in the preservation of natural areas, farmland, and other areas in the region under significant development pressures.</p>	<p>Increase in development costs. This program increases the costs of development, which can reduce the affordability of housing in the community.</p> <p>Diversion of funding to land preservation from other housing programs. The additional cost of development is transferred to rural land conservation efforts, which are typically unrelated to building affordable housing at the local or regional level.</p>

2. EXPAND HOUSING DIVERSITY IN THE “MISSING MIDDLE”

<p>Relax restrictions on accessory dwelling units and backyard cottages.</p> <p>The City can promote the development of accessory dwelling units for housing by relaxing requirements that would make it less feasible for homeowners to add these units to an existing property. This can include reducing parking requirements, changing owner occupancy requirements, allowing diverse types of households to reside in these units, and so forth.</p>	<p>Kent. In Kent, waivers to off-street parking requirements are allowed near transit or where available on-street parking is sufficient. (link)</p> <p>Mountlake Terrace, Shoreline, Lynnwood, Everett. Requirements for ADUs are more permissive for certain cases in these communities, such as allowing unrelated households in a unit and allowing detached accessory units. (link), (link)</p> <p>Seattle. The City of Seattle is considering relaxing restrictions on accessory dwelling units further, with possible changes in off-street parking requirements and owner-occupancy limitations. (link)</p>	<p>Potential for broad application across the City. As 78 percent of the land in Edmonds is zoned as single-family residential, and lot sizes are relatively large, this policy could be applied over a wide area.</p> <p>More information about local demand and impacts is needed. Additional research into production of ADUs in similar suburban communities with less restrictions could help to evaluate potential demand and impacts on relaxing these restrictions.</p>	<p>Increases the number of smaller, more affordable dwelling units. Accessory units provide smaller dwelling units that can expand overall housing supply and choice, especially for smaller housing types that are accessible to a wide range of incomes.</p> <p>Provides additional units in developed neighborhoods. Promoting accessory units in existing single-family residential neighborhoods can also provide for more supply in areas with existing development with less impact than infill or redevelopment projects.</p>	<p>Neighborhood impacts. There can be impacts to neighborhood character and parking with accessory units, especially if usage is widespread. Note that this can be mitigated through design standards and appropriate parking requirements.</p> <p>Additional investment from individual homeowners. Accessory units need to be constructed either as part of new construction or renovation of an existing housing unit. This can limit the rate of uptake as it can be based on the investment decisions of individual homeowners.</p>
<p>Targeted rezoning of single-family residential areas to allow multifamily units.</p> <p>Portions of existing single-family neighborhoods can be rezoned as appropriate to allow for new multifamily housing. This may include rezones that allow lower-density multifamily housing, such as duplexes or townhomes, as well as higher density development.</p>	<p>Shoreline. Recent rezones in Link light rail station areas have redesignated single-family areas to either low-rise (45 feet) or mid-rise (70 feet) mixed-use zoning.</p>	<p>Potential areas for rezone in Edmonds. Single family areas near the Highway 99 corridor and Swift Blue Line may be good candidates for rezone. They could serve as transition zones to the General Commercial zone (up to 75 feet) adopted in much of the Highway 99 subarea plan.</p> <p>Limited land supply. Edmonds has limited land area zoned multifamily, and expansions of these areas may be needed to meet local needs.</p>	<p>Increase multifamily development capacity. Increasing the allowable density of development through upzoning can increase the amount of multifamily housing that can be accommodated in the city.</p> <p>Address range of housing types in demand. Rezoned areas can be tailored to promote opportunities for housing in the “missing middle” in historically single-family neighborhoods. This may include townhomes, duplexes, and multifamily housing.</p>	<p>Impacts of increased height and bulk of buildings. There are potential impacts to adjoining single-family neighborhoods due to bulk and shading from larger buildings. This can be mitigated using a transition zone or design standards.</p>
<p>Create/expand fee simple unit lot subdivision.</p> <p>The unit lot subdivision process provides opportunities for dividing fee simple ownership of land to create townhouses, rowhouses and similar fee-owned dwelling units as an alternative to both condominium ownership and traditional single-family detached subdivision.</p>	<p>Mountlake Terrace, Lynnwood, etc.: Other communities such as Mountlake Terrace and Lynnwood have allowed unit lot subdivisions as of 2015–2016. (link), (link)</p>	<p>Adopted in Edmonds. This tool was recently adopted in Edmonds Community Development Code, under ECDC 20.75.045. (link)</p> <p>Additional research may be necessary to review implementation. Work may be conducted to determine the uptake of unit lot subdivision, potential limitations or obstacles to this type of development, and policy changes to improve this approach.</p>	<p>Eases development of townhomes and rowhouses. This can increase the market supply of ownership housing products that may be affordable to middle-income family households.</p> <p>Increases “missing middle” supply. Supporting the development of townhomes can provide more opportunities for households to access housing that is priced and scaled for their needs.</p> <p>Circumvents limitations on condo development. Supporting unit lot subdivision can allow development on a single building site to be divided between multiple owners without the need for a condominium, which can avoid the disincentives for this type of arrangement.</p>	<p>Limited to market-rate units. New townhome construction can support market-rate, owner-occupied multifamily units, but is not likely to provide housing that is affordable to low-income households.</p>

“Expand Housing Diversity in the “Missing Middle”” continued on the next page



2. EXPAND HOUSING DIVERSITY IN THE “MISSING MIDDLE”

Apply targeted rezones to allow for townhouses, cottage housing, and/or small-lot single-family housing.

Targeted rezones in single-family areas can permit more flexibility with building types in projects, with the development of smaller, less expensive housing units possible as part of infill and new development.

Mountlake Terrace. The City of Mountlake Terrace created a smaller lot overlay district near the town center, including new design standards to ensure the quality of new development. ([link](#))

Everett. Everett had provided zoning for small lot single-family dwellings, as well as development standards for duplexes. ([link](#))

Kirkland. Kirkland allowed demonstration projects in 2002 for small-lot development, and these pilot programs were permanently adopted in 2007. ([link](#))

Additional examples can be found at MRSC website ([link](#))

Potential areas for targeted rezones. Single-family areas near the Highway 99 corridor and Swift Blue Line may be good candidates for rezone. They could serve as transition zones to the higher density General Commercial zone adopted in much of the Highway 99 subarea plan.

This PSRC document provides additional examples and steps to implementation ([link](#))

Increases “missing middle” supply. Supporting the development of townhomes, cottage housing, and other housing types can provide more opportunities for households to access housing that is priced and scaled for their needs.

Can be implemented in tandem with design standards. Targeted rezoning should be paired with design standards that encourage pedestrian orientation for higher density development.

Limited to market-rate units. New townhome and cottage housing construction can support market-rate, owner-occupied units in the “missing middle”, but is not likely to provide housing that is affordable to low-income households.

Promote planned unit development (PUD) projects.

PUD ordinances allow developers flexibility to depart from existing zoning requirements in exchange for fulfilling an established set of planning criteria. These criteria may include housing goals such a density, affordable housing, diversity of housing stock, or sustainability.

This PSRC tool description provides additional examples and steps to implementation. ([link](#))

This MRSC tool description provides examples of implementation in different communities ([link](#))

Available but not typically used in the city. The City has this option available in the Zoning Code as “Planned Residential Development” (ECDC 20.35). It has not been used for recent projects given the scale of these projects and nature of the benefits to developers.

Flexibility with development standards. Negotiated standards for a PRD can promote more efficient site designs and lower infrastructure and maintenance costs

Applicable to a range of ownership types. Although PRDs are typically focused on residential subdivisions for owner-occupied housing, this can incorporate the

Provides opportunities for site-specific considerations. PRDs give the City an opportunity to tailor a project design to meet goals for a specific neighborhood or site.

More applicable to larger-scale projects. Planned unit developments are intended to be larger-scale projects, often at the level of a subdivision. Negotiation for specific development considerations may not be feasible for smaller developments.

3. SUPPORT THE NEEDS OF AN AGING POPULATION

<p>Pursue partnerships to support aging in place.</p> <p>Demographic forecasts indicate that the senior and elderly population of Edmonds will grow significantly over the next decade. One way to address the housing needs of this population is to provide resources to support aging in place. Such programs could include home modification, transportation, recreation and socialization, or care management and counseling.</p>	<p>Seattle-King County. The Seattle-King County Advisory Council on Aging & Disability Services is exploring models such as “virtual villages” for supporting aging in place. There are at least three different virtual villages in the Seattle/King County area: NEST (link), PNA Village (link), and Wider Horizons (link).</p>	<p>Identify appropriate role for the City. This tool may be best pursued in partnership with another entity such as Aging and Disability Services of Snohomish County.</p>	<p>Addresses the growing needs from seniors. Aging-in-place programs help address the housing needs of a senior and elderly population in Edmonds that is expected to grow considerably in the coming years.</p>	<p>Does not expand the housing supply or improve housing affordability. These programs are intended to provide seniors with the ability to stay in their own homes, but does not include creating new, affordable units.</p> <p>Requires additional funding and administrative costs. This program will require additional funding from the City, and may compete against other budget priorities.</p>
<p>Promote or develop property tax relief and utility rate/tax relief programs.</p> <p>Low-income homeowners can be at risk of economic displacement when property tax or utility charges increase. Edmonds could expand participation in the County exemption and deferral program, and could also coordinate similar programs for utility costs.</p>	<p>Bellevue. Bellevue’s Utility Tax Relief Program offers a year end rebate check of the utility occupation taxes paid to the city. This program is open to residents who meet low income guidelines. (link)</p> <p>Bellevue. The City offers low income seniors and low-income permanently disabled persons relief on their utility costs for water, wastewater and drainage. Rate Relief offers up to 75 percent off utility costs. (link)</p> <p>Snohomish County. Snohomish County has a property tax exemption and deferral programs for senior and disabled persons as well as property tax deferral program for limited income homeowners. (link)</p>	<p>County currently provides property tax relief. As noted, this program is currently in place for county taxes for the residents of Edmonds.</p> <p>Expansion of the program possible. Additional tax and fee exemptions may be possible from the City of Edmonds. This could be focused on property taxes and/or utility fees.</p>	<p>Reduced housing costs. Tax and fee relief provides a reduction in housing costs for low-income homeowners and those on fixed-incomes, allowing them to stay in their homes.</p>	<p>Reduced utility/tax revenue for City. Encouraging fee or tax relief for low-income homeowners requires that the City address the shortfall in revenue through cuts in services or increases in charges to other residents.</p> <p>Does not increase the housing supply. This program is directed to existing homeowners, and does not encourage the creation of new affordable housing.</p>
<p>Reduce barriers to group homes and housing for seniors.</p> <p>Housing in retirement and assisted living communities, as well as units in nursing homes or memory care facilities, may have certain code requirements which are less applicable to the needs for seniors or other group home residents. Modifications or relaxations of code requirements can help to reduce the costs of development, as well as the associated costs of housing for seniors and other special needs populations.</p>	<p>Additional research needed. While these kinds of facilities are in communities across the State, we have not yet found examples of jurisdictions that have taken actions to reduce barriers.</p>	<p>Edmonds currently has facilities available. According to WA DSHS data the following licensed facilities have mailing addresses in Edmonds:</p> <ul style="list-style-type: none"> • 47 adult family homes (accept Medicaid) • 5 assisted living facilities (no Medicaid) • 2 nursing homes (accept Medicaid) <p>Current examples of new development. A memory care assisted living facility was recently permitted for development in Edmonds. Review of that permitting process may provide insight into the barriers (if any) with Edmonds code requirements.</p>	<p>Provides more senior housing options in the community. Increasing the supply of senior housing can provide more options for Edmonds residents who wish to remain in the City during their later stages of life. More supply will be needed as the elderly population of Edmonds grows in coming years.</p>	<p>Additional research needed. Further research is necessary to determine if there are any barriers currently that can be addressed by the City.</p>

“Support the Needs of an Aging Population” continued on the next page



3. SUPPORT THE NEEDS OF AN AGING POPULATION

Waive or reduce utility connection fees for affordable housing.

Development projects may also be charged a fee to connect with city services, such as sewer and stormwater systems. These fees could be discounted or completely waived for affordable housing projects to reduce the associated costs to the developer and improve the feasibility of development.

Kirkland. In 2017, the City of Kirkland passed an ordinance to allow sewer, potable water, and stormwater connection charges to be waived “with respect to the construction of any shelter or low-income housing project found by the city manager to serve low-income persons” under RCW 35.92.38. ([link](#), [link](#), [link](#))

Fee waivers would need to balance revenue needs and cost incentives. Waivers of these fees may provide further incentives that improve the feasibility of new affordable housing development in Edmonds. However, waivers must be balanced with the need for this revenue to support connections to local infrastructure.

Reduces cost to develop new affordable housing. Eliminating or reducing utility connection fees can reduce the costs to developers, which can help to boost the feasibility of affordable housing development.

Reduced City revenue. The cost of connecting new affordable housing to services would have to be funded with other revenue sources, or otherwise passed on to utility rate payers.

4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

<p>Facilitate donations of land. Although the City does not own significant parcels of land that are appropriate for new affordable housing development, it can play a role in facilitating donations of land from other organizations for affordable housing.</p>	<p>Bellevue. The City of Bellevue has provided direct assistance in the form of leases or donations of public lands for four affordable housing projects: Hopelink Place, Habitat Eastmont, Brandenwood Apartments, and Park Highlands at Wilburton Apartments. (link)</p>	<p>Significant parcels of land available for development. Although there are few larger tracts of land available for new greenfield development in the City, some institutions (including local churches) do hold vacant or underutilized parcels that could be used for developing new housing.</p> <p>Supporting role for the City. As the City does not have substantial land holdings to donate and will not typically be involved directly as a land developer, it will likely serve as a champion and mediator for these types of arrangements.</p>	<p>Supports productive use of available lands for affordable housing. Encouraging the use of donated lands for affordable housing can move sites that are currently vacant or underutilized into productive use to support affordability in the local market.</p> <p>Addresses costs of land acquisition to affordable housing projects. As land prices can be one major factor in the feasibility of nonprofit affordable housing projects, providing land at a low cost can improve the feasibility of development.</p>	<p>Cooperation with other stakeholders required. As the City of Edmonds does not have substantial surplus land reserves to donate, the success of land donation programs will require coordination with other stakeholders. While the City can mediate these efforts, it will require decisions by these organizations to succeed, and may be subject to goals and considerations specific to these organizations.</p>
<p>Coordinate rental assistance programs. Rental assistance programs such as federal Section 8 Public Housing and Housing Choice Vouchers and local and county programs supported by state funding opportunities. Subsidies are based on HUD’s Fair Market Rent, which, in Edmonds, is set based on the Seattle-Bellevue HUD FMR area (King and Snohomish Counties combined).</p>	<p>Nationwide / Snohomish County. Section 8 Housing Choice vouchers are a federal program available nationwide to provide rent subsidies for households with 50 percent AMI or lower. For Edmonds, this program is administered by the Housing Authority of Snohomish County (HASCO).</p>	<p>Currently administered by HASCO. Local management of Section 8 programs is through HASCO. The Authority also manages rent-controlled properties for low-income households and households with special needs, and has participated in voucher programs with the Sound Families Initiative of the Bill and Melinda Gates Foundation.</p> <p>Institutional capacity in Edmonds. The City of Edmonds does not manage rental assistance programs as part of municipal operations. Coordinating rental assistance programs may require partnerships with public housing agencies or other nonprofits.</p>	<p>Significant demand for housing subsidies could be met. Additional investment by Edmonds could provide direct subsidies to support housing affordability to vulnerable populations in the city itself. This could provide a direct means to support affordability in the city.</p>	<p>Institutional capacity for administering rental assistance is limited. Although providing rental assistance may contribute needed resources to these programs, administration by the City may be difficult given the current lack of local capacity. Coordination with existing public housing agencies such as HASCO would be more effective.</p>
<p>Expand the multifamily tax exemption (MFTE) program. The multifamily tax exemption (MFTE) program is a voluntary incentive that exempts private multifamily housing developments from property taxes for up to 12 years if income-restricted affordable units are maintained in the development.</p>	<p>Shoreline. The Shoreline Property Tax Exemption (PTE) program is offered in seven specific areas of the City. Under the program, 20 percent of a project’s units must be rented at “affordable” rates to qualify. For studio and 1-bedroom units, this is calculated according to 70 percent of King County AMI, with 2-bedroom or larger units affordable to 80 percent of King County AMI. (link)</p> <p>Lynnwood. The MFTE program in Lynnwood provides exemptions for apartment and condominium projects of 50 units or more located within the City Center. Tax exemptions of eight years are permitted for any multifamily project, with a 12-year exemption permitted if 20 percent of the units are affordable. (link)</p>	<p>Currently adopted in Edmonds. The City recently adopted a new MFTE program in the Westgate Mixed-use District and SR-99 subarea. The program requires 10 percent of units affordable at 80 percent AMI and 10 percent affordable at 150 percent AMI. No projects have been built to date under this program, however.</p> <p>Lack of awareness in the development community. Interviews indicated that there was a lack of awareness of the MFTE program among developers in the community. Better communication by the City could increase participation in this program.</p>	<p>Affordable units built and managed by private developers. The City is required to monitor the status of affordable units provided by private developers for the MFTE program</p> <p>Helps provide housing for moderate- and middle-income households. MFTE programs can require housing affordable to 80 percent of AMI, providing opportunities for housing to meet the needs of this income group that may otherwise be priced out of the community.</p> <p>Can provide incentives for market-rate housing. MFTE programs may also be used to promote the development of new multifamily housing units that are not income restricted in specific areas where redevelopment is desirable.</p>	<p>Expiration of program benefits. Under the legislation, affordability requirements for units built under this program will expire after 12 years. These could be retained as affordable units, but it would require additional expenditures by the City.</p> <p>Reduced City revenue. An MFTE program will reduce future property tax revenue from the corresponding development, which could have fiscal impacts if its use is widespread in the City.</p> <p>Not applicable for very low income households. This incentive is typically only feasible if the income-restricted units are targeted at 80 percent of AMI or above. Requiring units at lower affordability levels would reduce the economic feasibility and therefore lower the likelihood that a developer would choose to participate in the program.</p>

“Increase the Supply of Income-restricted Affordable Housing” continued on the next page



4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

Develop voluntary inclusionary zoning / density bonusing programs.

Changes to the Edmonds Municipal Code can permit greater building height and/or densities for residential developments in certain areas, in exchange for a percentage of the units being allocated to affordable housing for a specified period.

Shoreline. Under the Shoreline Municipal Code, density bonuses are provided in multifamily areas, with up to a 50 percent increase in density provided for units affordable for households up to 80 percent AMI. Covenants are registered on the property to retain this affordable housing on the site for a 30-year period. [\(link\)](#)

Federal Way. Multifamily housing that includes affordable housing (80 percent AMI) can include one bonus market rate unit for each affordable unit included in the project. In single-family developments with affordable units, lot sizes may be reduced by 20 percent. Units are required to be affordable for the lifetime of the project through a covenant on the land. [\(link\)](#)

Fiscal assessment required. The feasibility for inclusionary zoning requirements must be carefully designed to provide enough incentives to make development feasible.

An Urban Land Institute report provides guidance on optimizing the effectiveness of incentives for inclusionary development. [\(link\)](#)

Additional resources from the PSRC provide details about inclusionary zoning. [\(link\)](#)

MRSC provides links to other resources related to inclusionary zoning. [\(link\)](#)

No public funding required. As inclusionary zoning provides incentives through increased entitlements for development on a site, these projects do not require direct public investment or diversion of revenue from the City.

Units built and managed by private developers. The units developed from inclusionary zoning are managed over the long term by private developers, and do not require intervention by the City.

Expiration of program benefits. Under inclusionary zoning requirements, affordability requirements for units built under this program will expire after a specific period (typically longer than for MFTE programs). These could be retained as affordable units, but it would require additional expenditures by the City.

Impacts of increased height and bulk of buildings. There are potential impacts to adjoining single-family neighborhoods due to bulk and shading from larger buildings. This can be mitigated using a transition zone or design standards.

Not applicable for very low income households. This incentive is typically only feasible if the income-restricted units are targeted at 80 percent of AMI or above. Requiring units at lower affordability levels would reduce the economic feasibility and therefore lower the likelihood that a developer would choose to participate in the program.

Waive or reduce impact fees for affordable housing.

Impact fees in the City of Edmonds are collected to finance capital spending for community infrastructure such as parks and streets. Discounts are provided for certain levels of affordable housing. This program could be modified to further reduce or waive impact fees for new affordable housing, which would reduce development costs and improve the financial feasibility of the development.

Everett. Affordable housing projects for households of 50 percent median family income or less in Everett may apply for a transportation impact fee exemption, which is granted on a case-by-case basis. An exemption requires the developer to register a covenant on title to ensure the site remains in use for affordable housing. [\(link\)](#)

Bellingham. Affordable housing projects for households of 80 percent median family income or lower may receive exemptions from 80 percent of applicable park, transportation, and school impact fees. These exemptions require a covenant to be registered with the property. [\(link, link, link\)](#)

Currently adopted in Edmonds. Discounts for certain impact fees are already implemented in Edmonds for new affordable housing development.

Further discounts or waivers would need to balance revenue needs and cost incentives. Additional discounts/waivers of impact fees may provide further incentives that improve the feasibility of new affordable housing development in Edmonds. This must be balanced, however, with the need for this revenue to support local infrastructure.

Reduces the cost to develop new affordable housing. Eliminating or reducing impact fees can reduce the costs to developers, which can help to boost the feasibility of affordable housing development.

Reduced City revenue. Waiving impact fees can reduce revenue for the City that is typically earmarked for capital improvement programs, such as for parks and streets. This may also require the City to expend other funds directly to replace these fees (depending on the amount of the waiver).

“Increase the Supply of Income-restricted Affordable Housing” continued on the next page

4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

<p>Support community land trusts. Community land trusts (CLTs) are one way to enable stakeholders to get involved in the development of affordable housing through land ownership. This involves alternative ownership structures for land that can reduce costs for development.</p>	<p>Homestead Community Land Trust (Renton, Seattle, Tukwila). Homestead Community Land Trust is a local CLT with projects throughout King County, many of which involve the local city as a partner. Homebuyers typically have incomes from 60–80 percent AMI to qualify for the program. (link)</p>	<p>Oriented to a range of possible housing types. CLTs can be employed in different situations where down payments or monthly mortgage payments are a significant obstacle to homeownership. As a result, this can include a range of owner-occupied housing types, including townhomes, duplexes, cottage housing, and single-family detached housing.</p> <p>Requires an assessment of potential sites for use. Although this could be appropriate for Edmonds, identifying appropriate sites for CLTs will require an evaluation of properties, including opportunities for donations of land in the community.</p>	<p>Provides affordable homeownership. CLTs are a model to enable affordable home ownership for lower income households, and can reduce the down payments and monthly costs for households to access single-family housing units in the community.</p> <p>Viable as a long-term program. Re-selling households are often required to sell the home at resale-restricted and affordable price to another low-income household. This ensures the unit maintains permanent affordability.</p>	<p>Land and capital required to begin a land trust. CLTs typically require donations of land and capital to the managing trust to start up projects. The availability of sites and funding may impact the feasibility of a trust to operate in Edmonds, but the City could serve in a coordinating role for this work.</p> <p>Focuses on owner-occupied housing. CLTs are focused on owner-occupied housing, and typically include single-family options for larger households. This model does not include income-restricted rental housing for lower-income households.</p>
<p>Expedite the permitting process for affordable housing. The City can choose to prioritize the processing of permits for affordable housing projects, which will reduce the time spent in the permitting process and the associated costs with holding the property.</p>	<p>Pierce County. Affordable housing projects for households with less than 80 percent of Pierce County median income can pursue an expedited permit process. Under this process, the permit is considered a priority for review by county departments, and a project manager from the Department of Planning and Land Services is assigned to coordinate the review process. (link)</p>	<p>Balance between permit processing times for different development types. Unless the permitting department is expanded, prioritizing one permit type leads to more delays for other permit types. This could result in making Edmonds a less desirable location for market-rate development.</p>	<p>Reduces time and costs to build new affordable housing. Expediting these permits can reduce the amount of time this process will take for developers. This can also reduce associated costs with holding property and carrying financing.</p>	<p>Increases delays in processing other applications. Providing expedited services will delay other projects, potentially those that will contribute additional housing. Developers interviewed for this study expressed frustration with delays under the current system, and further delays could make the market less attractive for new market-rate housing.</p>
<p>Provide historic tax credits. At the federal level, Low-Income Housing Tax Credits (LIHTC) can be used in conjunction with the Historic Tax Credit (HTC) to rehabilitate older buildings for use as low-income housing. At the local level, this can be supported through special assessments of the value of certain historic buildings after rehabilitation.</p>	<p>Seattle. Properties such as the Pacific Hotel and the Downtowner Hotel in the City of Seattle have been rehabilitated into affordable housing units through a combination of LIHTCs and HTCs. (link)</p>	<p>Applicable for developers. Tax credits under the HTC program are applicable for developers only. The City of Edmonds may have a role in promoting this program with developers, and providing support for applications.</p> <p>Additional research required for historic tax credits. Program criteria from the US Department of Housing and Urban Development indicates funds can only be used for income-producing certified historic structures. Further research required to determine if there are any such structures that are appropriate to be used for affordable housing in Edmonds, but widespread use is unlikely. (link)</p>	<p>Provides an external source of fiscal support. Tax credits from the federal level can offset up to 20 percent of the costs of rehabilitating older buildings for affordable housing.</p> <p>Supports reuse of historic buildings in the community. In communities that have historic buildings available for reuse, these credits can be applied to repurpose these buildings to provide value for the community.</p>	<p>Supports building reuse only. Historic tax credits are not applicable to new development, only building reuse.</p> <p>Limited to historic buildings. These tax credits are allocated for rehabilitating certified historic buildings with a “substantial investment” for use as low-income housing. In the case of Edmonds, this tax credit would not be applicable to a wide range of sites.</p>

“Increase the Supply of Income-restricted Affordable Housing” continued on the next page



4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

Support low-income housing tax credits.

The federal government provides Low-Income Housing Tax Credits (LIHTC) for use in subsidizing affordable low-income housing projects through tax credits of up to approximately 9 percent of the amount of a building’s qualified basis annually for 10 years. In Washington State, these tax credits are issued by the State Housing Finance Commission, which requires applications for prospective projects interested in receiving these credits.

Everett. Housing Hope Properties was approved for almost \$1.4 million in tax credits for HopeWorks Station II, a 65-unit mixed-use affordable housing project for disadvantaged veterans, families, and youth that incorporates a 1,000-sf kitchen as a community meeting place and location for culinary training programs. [\(link\)](#)

Renton. The Low-Income Housing Institute (LIHI) successfully applied for \$984,979 in tax credits for Renton Commons, a 48-unit affordable housing building in downtown Renton. Half of the units in the building are reserved for households at 50 percent AMI or less, and half are reserved for households at 30 percent AMI or less.

Applicable for developers. Tax credits under the LIHTC program are applicable for developers only. The City can provide support for applications and promote this program with developers.

Provides significant tax credits to support development or rehabilitation. Under the LIHTC program, up to around 9 percent of the amount of a building’s qualified basis annually for 10 years, up to a present value of 70 percent of the building’s qualified basis. A 4 percent annual credit up to 30 percent of present value is available for projects receiving federal subsidies or for rehabilitation.

Support for special needs populations. Additional consideration is provided in the application for LIHTCs to projects that provide housing for the homeless, large households, the disabled, and the elderly.

Support for specific types of projects. In addition to special needs populations, LIHTC applications favor projects in transit-oriented areas and areas at risk for market conversion, as well as projects involving donations, nonprofits, and public funding.

Applications and competitive review required. Tax credits under this program are issued by the Housing Finance Commission from a limited pool under a competitive process, and receiving credits under the program is not guaranteed.

Waive or reduce building permit fees for affordable housing.

Permit fees are charged by the City to cover the costs of reviewing and auditing building and development permits during the process of construction. These fees could be discounted or waived for affordable housing projects to reduce the associated costs to the developer and improve the feasibility of development.

Everett. Fees for development permits may be waived at the discretion of the planning director if a landowner agrees to register a covenant on title to retain affordable units on the site for a 30-year period. [\(link\)](#)

Kirkland. Development permit fees are waived in Kirkland for affordable units and the associated bonus market-rate units developed under inclusionary zoning requirements. [\(link\)](#)

Fee waivers would need to balance revenue needs and cost incentives. Waivers of these fees may provide further incentives that improve the feasibility of new affordable housing development in Edmonds. However, waivers must be balanced with the need for this revenue to support staff resources to process permits, and the costs that would be distributed to other applicants.

Reduces cost to develop new affordable housing. Eliminating or reducing building permit fees can reduce the costs to developers, which can help to boost the feasibility of affordable housing development.

Potential for reduced City revenue. Waiving building permit fees will reduce the revenue received by the City specifically to offset the costs of permit review and processing. This would require the City to offset these losses with other sources of funding.

Potential increases in other building permit fees. If the need for additional revenue from permit fees is passed to other applicants, this can increase the costs of other permits and reduce the feasibility of these types of development.

Establish linkage fees.

Fee charged to developers for every square foot of new development. Funds used to pay for new affordable housing.

Seattle. The recently adopted Mandatory Housing Affordability (inclusionary zoning) legislation includes a “performance option” which charges a per square foot fee on all new commercial development in designated areas, with funds dedicated to affordable housing.

Additional research required. Evaluation could be informed by a comparison of developer cost burdens in Edmonds to other communities. Adopting a fee that is too high can be a disincentive to development when similar opportunities can be found in neighboring communities.

New funding source for permanent affordable housing. Funds can be targeted to specific groups in need who aren’t addressed by other tools.

Disincentive to development in Edmonds. Particularly if not implemented in neighboring communities. May reduce the production of new housing supply.

“Increase the Supply of Income-restricted Affordable Housing” continued on the next page

4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

<p>Develop mandatory inclusionary zoning. A requirement that all new development include a certain percentage of units that are affordable and rented to qualifying low-income households. Some programs provide the option of paying a fee instead of providing housing on site. Fees are then used by the City to fund affordable housing elsewhere.</p>	<p>Redmond. Requires 10 percent of units to be affordable to an 80 percent AMI household. Applies to all new residential and mixed-use development in several neighborhoods. (link)</p> <p>Issaquah. The City of Issaquah provides both mandatory and voluntary programs, with the primary focus of the mandatory programs on 70 percent AMI households. (link)</p> <p>Seattle. The Mandatory Housing Affordability (MHA) program requires 5–11 percent of units in new multifamily buildings to be affordable, or payment of an in-lieu fee. (link)</p> <p>Federal Way. The City requires 5 percent of rental units to be affordable at 80 percent AMI, with up to 10 percent additional market units permitted. (link)</p>	<p>Must be paired with upzone. Washington State law requires cities to implement a rezone allowing additional height or density when implementing mandatory inclusionary zoning.</p> <p>Additional research required. Research is necessary to determine appropriate affordability requirements that still incentivize market rate production while also providing affordable units.</p>	<p>New affordable housing. Provides new affordable housing funded by developers, and thus requires no city investment.</p> <p>Mixed-income projects. The inclusion of affordable units in market-rate developments allows for a mix of incomes, providing better outcomes for families and children.</p>	<p>Can be a disincentive to new development. Particularly if the requirements are set too high. This can paradoxically result in less new affordable housing than would be the case with lower requirements.</p>
<p>Apply for Washington State Housing Trust Fund grants. The Washington State Department of Commerce (DOC) administers a Housing Trust Fund (link), which can be used to support projects involving the construction, acquisition, and/or rehabilitation of affordable housing, preferably for households with special needs or incomes below 30 percent of the Area Median Income. Other expenses related to low-income housing may also be eligible.</p>	<p>Communities across Washington State. Nonprofit housing providers across the region access Housing Trust Fund support for financing affordable housing projects.</p>	<p>Funding uncertainty. For 2017, trust fund is unfunded by Washington State legislature due to failure to pass a Capital Budget. Future funding availability will be dependent on future Capital Budgets.</p> <p>Additional research required. Research is necessary to determine the competitiveness of a specific proposal from Edmonds.</p>	<p>State funding source for affordable housing projects. The Housing Trust Fund represents a state-level funding source available for housing projects.</p>	<p>Competitive process. An application under this process may not result in a successful grant.</p> <p>Focus of the grants. Priority for grants is given to projects with local government contributions and several other factors.</p>
<p>Apply for CDBG and other HUD grants. The US Community Development Block Grant (CDBG) program and other sources of grant funding are administered by the US Department of Housing and Urban Development (HUD). Edmonds is a member of an Urban County Consortium in Snohomish County which administers funds from HUD in partnership with cities through an interlocal agreement. These funds can be used to support rehabilitation and infrastructure development to support affordable housing.</p>	<p>Snohomish County. Deadline for 2019 grant applications for public facilities and infrastructure projects is likely to be in fall 2018. Applications must be consistent with the 5-year consolidated plan, and the applicant can be a city or nonprofit. (link)</p>	<p>Generally, only for low-income areas. There are no Low-Income Housing Tax Credit qualifying census tracts in the City of Edmonds. Additional research would be required to determine if this makes Edmonds less competitive for all grant types.</p>	<p>New funding source. These grants would provide an external source of funds for public facilities and infrastructure projects that support affordable housing.</p>	<p>Requires successful application. Funding from these grants is limited, and a competitive application is required to secure funds for specific projects or programs.</p>

“Increase the Supply of Income-restricted Affordable Housing” continued on the next page



4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

Institute a City affordable housing levy.

A City-wide affordable housing levy can be instituted as part of the local property tax. This levy is typically developed as an excess levy, and requires voter approval (with a 60 percent supermajority).

Seattle. Housing levies have been approved in Seattle since 1981, with a median cost of \$112 per year over 7 years. [\(link\)](#)

King County. In 2017, King County voters passed a tax levy lift of \$0.10 per \$1000 for housing and human services needs of veterans, seniors and vulnerable populations.

Bellingham. In 2012, Bellevue passed a 7-year levy combining a single-year levy lid lift with an affordable housing levy under RCW 84.52.105. [\(link\)](#)

Additional research required. Research is necessary to determine potential level of public and elected official support. A successful campaign would also require the support of community organizations and funders.

Potential for future partnerships. Edmonds could also pursue a countywide levy in partnership with other cities and the county.

New dedicated funds for affordable housing. Funds can be targeted to specific groups in need who aren't addressed by other tools.

Requires voter approval. Voter approval is necessary to raise property taxes through a housing levy.

Increases tax burden. Local residents and property owners would need to pay additional taxes under this levy.

Institute a City sales tax for affordable housing.

The local sales tax can be increased to fund affordable housing programs serving households with income below 60 percent of the Area Median Income and within specific categories, including: individuals with mental illness, veterans, senior citizens, homeless families with children, unaccompanied homeless youth, persons with disabilities, or domestic violence victims. This increase must be approved by a ballot measure.

Ellensburg. In 2017 voters in Ellensburg, WA approved a 0.1 percent sales tax to support affordable housing projects. The tax passed with 61 percent in favor. [\(link\)](#)

Additional research required. Further research is necessary to determine potential level of public and elected official support. A successful campaign would also require the support of community organizations and funders.

Potential partnerships. Edmonds could also pursue a countywide sales tax in partnership with other cities and the county.

New dedicated funds for affordable housing. Funds can be targeted to specific groups in need who are not addressed by other tools.

Limited in scope. Increasing sales taxes beyond the maximum allowed under RCW 82.14.030 are typically allowed only for specific uses, such as chemical dependency or mental health treatment services. Housing subsidies would be limited to these specific categories.

Can be repealed by referendum. Under the law, increases in sales taxes require a referendum to be upheld, and could be repealed by popular vote.

Impact on the cost of living in the City. Sale taxes are regressive and can increase cost of living for low income households.

Revenue reliability is tied to retail economy. As more residents buy products online, revenues from a sales tax can decline.

Support employer-assisted housing programs.

Employer-assisted housing programs typically involve housing support programs funded by major employers that provide financial and educational assistance to employees, typically to allow them to live within the community where they work. These programs may be co-sponsored or provided additional support by the City.

Resort communities. Employer-assisted housing programs are commonly found in resort communities where local housing costs far exceed that which is affordable to service workers, and housing access is necessary to support the local labor pool.

Requires a major employer partner. This tool has only limited potential unless a willing partner is identified in the city or surrounding area.

Addresses housing options for the local workforce. Affordable housing can meet the needs of the workforce for a major employer, and ensure that employees can live in the community where they work.

Requires a major employer partner. This program requires a major employer or coalition of employers in the city as a partner to provide funding and/or other support for affordable housing programs.

"Increase the Supply of Income-restricted Affordable Housing" continued on the next page

4. INCREASE THE SUPPLY OF INCOME-RESTRICTED AFFORDABLE HOUSING

<p>Provide funding for affordable housing from the City General Fund.</p> <p>Another source of funding for affordable housing programs is through specific allocations from the General Fund in the City budget. While this does not represent a new funding source and may be subject to tradeoffs within the budget, this does not require tax increases or ballot measures.</p>	<p>Local funding for government programs is typically drawn from the General Fund.</p>	<p>Political focus. The recent move by City Council to allocate general funds for homelessness indicates an openness to using funds for programs that address housing needs.</p> <p>Regional coordination. The amount of funding from this tool is not likely to be significant compared to scale of need. In this case, contributing to a regional fund may be more effective.</p>	<p>New dedicated funds for affordable housing. Funds can be targeted to specific groups in need that are not addressed by other tools.</p>	<p>Tradeoffs in budgeting. The use of general fund dollars requires a trade-off with funding other City priorities.</p>
<p>Contribute to down payment assistance programs.</p> <p>Some cities have down payment assistance programs to help first-time low- or moderate-income homebuyers. Such programs are typically run in coordination with local nonprofits and lending institutions.</p>	<p>Seattle. The Office of Housing works with nonprofit partner organizations to provide down payment assistance to first-time homebuyers at or below 80 percent of area median income. (link)</p>	<p>Best when preserving long-term affordability. Down payment assistance programs may be more effective when paired with CLTs or other tool that uses affordability covenants to ensure homes remain permanently affordable. (link)</p>	<p>Supports moderate income households in purchasing their first home. Providing assistance with down payments addresses one of the main obstacles to homeownership, and can target demographics that may be excluded from the housing market.</p>	<p>Not viable for rental units. Low-income households or other households that are not seeking homeownership may not be directly supported with this program.</p>



5. PARTICIPATE IN SOUTH SNOHOMISH COUNTY STRATEGIES TO REDUCE HOMELESSNESS

<p>Reduce barriers to tiny houses, boarding homes, and single room occupancy housing.</p> <p>These are forms of multi-tenant housing where residents occupy individual rooms and typically share bathrooms and/or kitchens. These are typically rented as permanent housing for low-income and formerly homeless individuals. Certain code requirements in Edmonds may be less applicable to this kind of housing. Modifications or relaxations of code requirements can help to reduce the costs of development, as well as the associated costs of housing for low-income and formerly homeless individuals.</p>	<p>Seattle. Othello Village is a City-authorized homeless encampment with 28 96-square foot tiny houses and 12 tent platforms. It is intended as a short-term housing solution for up to 100 people. Donations to LIHI fund the materials for the tiny houses, with construction mostly courtesy of volunteers. Seattle has five other similar encampments. These are permitted for 12 months with the option to renew for a second 12 months. (link)</p>	<p>Additional research needed. The City will need to determine there are any current legal or development code barriers that would prevent tiny house villages. Similar analysis would be needed to evaluate whether there are barriers to more permanent structures such as SROs or boarding houses.</p> <p>Appropriate locations would need to be identified. One option is underutilized parking lots owned by the City or a willing community partner such as a church.</p>	<p>Provides short-term housing that is inexpensive to build. Tiny houses can be rapidly and inexpensively built when sufficient long-term affordable housing is not available.</p>	<p>Neighborhood opposition. Community outreach would be required to hear and address concerns of nearby neighbors. While Seattle’s camps have been controversial, the City has succeeded in generating some community support in nearby neighborhoods.</p> <p>Temporary housing option only. Tiny houses do not provide adequate long-term housing options for formerly homeless individuals and families.</p>
<p>Pursue partnerships to develop winter shelter programs.</p> <p>Edmonds could work in partnership with nonprofits to develop emergency overnight shelter programs that operate during the winter months. Such programs can also help connect homeless individuals with services resources.</p>	<p>Multiple communities. Many communities have emergency winter shelters provided during extreme weather conditions.</p>	<p>Edmonds currently has one winter shelter program. We All Belong is currently located at the Edmonds Senior Center near the ferry terminal. It opens for night where the temperature drops below 34 degrees. Outreach to this shelter could help inform level of demand and need for additional capacity. (link)</p>	<p>Provides emergency shelter options in the community. Winter shelter programs provide a warm place to sleep when temperatures are dangerously low, and potentially connecting homeless individuals and families with resources.</p>	<p>Does not provide long-term housing stability. Limited long-term benefits for people suffering from homelessness and housing instability, although winter shelters can be an opportunity to connect homeless persons with services and permanent housing opportunities.</p>
<p>Pursue partnerships to develop a housing first program.</p> <p>Edmonds could partner with nonprofits or regional partners to develop a housing first program that prioritizes providing permanent housing to people experiencing homelessness.</p>	<p>Snohomish County. According to the Snohomish County Homeless Prevention and Response System Strategic Plan, the County uses a housing first approach to quickly move people to permanent housing. (link)</p>	<p>Requires the availability of permanent housing. For a housing first program to work, housing units appropriate for persons transitioning from homelessness must be available. Therefore, this tool may be best pursued as a regional strategy in partnership with the County Office of Community & Homeless Services or nonprofit developers of permanent housing for individuals and families transitioning out of homelessness.</p>	<p>Housing stability. The purpose of these programs is to provide stability and attend to necessities like food and shelter without preconditions such as sobriety, treatment, or service participation requirements.</p>	<p>Additional research is needed. Research is necessary to determine what kinds of partnerships would be most effective and what role(s) the City can play.</p>
<p>Pursue partnerships to develop housing for veterans.</p> <p>Military veterans can experience post-traumatic stress, injury and other unique challenges as they return from duty and re-integrate into society. Edmonds could partner with nonprofits to help fund and develop new housing targeted towards veterans which may include case management services.</p>	<p>King County. In 2017, King County voters passed a tax levy lift of \$0.10 per \$1,000 for housing and human services needs of veterans, seniors and vulnerable populations.</p>	<p>Requires a partner seeking to develop a facility in Edmonds. Census data and the Snohomish County PIT report indicates there aren’t likely to be a lot of veterans in Edmonds that suffer from poverty or housing instability.</p>	<p>Provides options for additional support. New affordable housing designed to meet the unique needs of veterans can access programs and funding sources specifically for these households.</p>	<p>Limited impact on overall housing issues. The needs assessment for the City indicates that there is not a sizeable number of veterans in Edmonds who are challenged by poverty or homelessness.</p>

“Participate in South Snohomish County Strategies to Reduce Homelessness” continued on the next page

5. PARTICIPATE IN SOUTH SNOHOMISH COUNTY STRATEGIES TO REDUCE HOMELESSNESS

<p>Pursue coordination of housing and social service assistance programs. Many factors can contribute to homelessness and housing instability. These can include poverty, illness, domestic violence, mental health, and addiction. Edmonds can explore ways to address these root causes of homelessness through support for and coordination with social service providers.</p>	<p>Snohomish County. According to the Snohomish County Homeless Prevention and Response System Strategic Plan “The homeless housing and service system, which uses a low-barrier and housing first approach to quickly move individuals and families to permanent housing consists of: outreach services, Coordinated Entry and navigation services, homelessness prevention, emergency shelter, transitional housing, rapid rehousing, permanent supportive housing, and other permanent housing.” (link)</p>	<p>Identify appropriate role for the City. If Edmonds decides to develop more homeless housing in the city, it can play a role in making sure it is integrated in the county’s coordinated homeless housing and service system.</p>	<p>Connecting services to households in need. Providing coordinating services can ensure that residents are connected with appropriate services from different agencies, presenting a “one-stop” solution for accessing these services in the community.</p>	<p>Institutional capacity in Edmonds. The City of Edmonds does not currently manage housing or social service assistance programs as part of municipal operations. Coordinating assistance programs would require partnerships with public housing agencies or other nonprofits.</p>
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6. PROVIDE PROTECTIONS FOR LOW-INCOME TENANTS

<p>Create requirements to provide fair housing information. An ordinance which requires property managers to provide information to all tenants regarding tenant rights and property manager responsibilities under federal fair housing law.</p>	<p>Seattle. Under city regulations, landlords in the city must provide state and city landlord/tenant regulations as addenda to the lease, as well as voter registration information. (link)</p>	<p>Additional research required. Additional research may be required to determine if discrimination (particularly against households using vouchers) is a significant problem in Edmonds.</p>	<p>Promotes educated tenants that are aware of their rights. If successful, could aid with the education of and outreach to tenants who may be at risk of discrimination.</p>	<p>Not linked with housing affordability. Does not help to make rental housing more affordable. Challenges to enforcement. Enforcing the requirement could be difficult, and it does not ensure that property managers abide by fair housing laws.</p>
<p>Create anti-discrimination requirements for tenants. Ordinances intended to prevent the discrimination of prospective tenants based on source of income, race, ability, or other factors.</p>	<p>Seattle. A Source of Income Protection Ordinance prohibits discrimination against renters who use subsidies or alternative sources of income, among other requirements. Landlords must accept first qualified applicant. (link)</p>	<p>Additional research required. Additional research would be required to determine if discrimination (particularly against households using vouchers) is a significant problem in Edmonds. Controversial application in other communities. Seattle’s requirement for landlord to accept first qualified applicant has been controversial. However, without this requirement it is difficult to enforce fair housing laws.</p>	<p>Increases access to affordable housing by voucher users. Could provide significant benefits to low-income households who use vouchers to subsidize rents. Reduces potential discrimination in the housing market. Could help reduce other forms of housing discrimination that may exist in Edmonds.</p>	<p>Additional costs to the City. Developing and administering a program would be an additional cost to the city. Not linked with housing affordability. Does not help to make rental housing more affordable.</p>
<p>Provide rental housing inspection programs. An ordinance or program intended to educate property owners, managers, and renters about City housing codes. It may also include requirements for owners to register all rental units and verify their property meets standards.</p>	<p>Seattle. A Rental Registration & Inspection Ordinance helps ensure rental units are safe and meet basic housing maintenance requirements. (link)</p>	<p>Additional research required. Additional research would be required to determine if significant portions of Edmonds’ rental housing stock present unsafe or unhealthy conditions for tenants.</p>	<p>Promotes healthy and safe rental units. Helps to ensure that rental units in Edmonds are safe and/or healthy to live in.</p>	<p>Additional costs to the City. Developing and administering a program would be an additional cost to the city. Not linked with housing affordability. Does not help to make rental housing more affordable.</p>
<p>Develop a tenant relocation assistance program. An ordinance or program that provides financial assistance and/or services to households that are physically displaced due to redevelopment or renovation of their rental unit.</p>	<p>Seattle. A Tenant Relocation Assistance Ordinance (TRAO) aids low income (below 50 percent AMI) households displaced due to demolition or renovation of their rental unit. Half of the cost is paid by the property owner and half paid by the city. (link)</p>	<p>Range of options for tenant education and assistance. There are many ways to craft ordinances to help educate tenants of their rights and prevent property owners from exploiting loopholes. Additional research required. Additional research would be required to assess whether there are many building with renter households that are at risk of demolition and redevelopment. Potential to expand to include economic displacement. City Council members in Seattle have proposed expanding their program to include economic displacement due to rising rents.</p>	<p>Assists with members of the community displaced by rising rents. This program can help current renters who are displaced during times of rapid redevelopment. Financial assistance can relieve some of the financial burdens of moving and move-in costs.</p>	<p>Households may relocate outside Edmonds. These programs do not provide any assurance the renters will find housing that is affordable or will choose to remain in Edmonds. Increase in costs to developers. Requiring developers to pay for relocation provides a small disincentive to redevelopment and therefore could, potentially, reduce new housing production.</p>

“Provide Protections for Low-income Tenants” continued on the next page

6. PROVIDE PROTECTIONS FOR LOW-INCOME TENANTS

<p>Support third-party purchases of existing affordable housing for long-term preservation.</p> <p>Units in older, more affordable apartment buildings may be at risk of loss due to redevelopment, renovation, or expiration of affordability requirements as rents continue to rise. The City could provide funds to a nonprofit to purchase for long-term preservation.</p>	<p>Seattle. The City of Seattle uses Housing Levy funds for housing preservation with a required minimum affordability period of 50 years. (link)</p>	<p>Additional research. Further research would be required to determine if there are known properties in Edmonds that would be good candidates for such a program.</p>	<p>Promotes preservation of existing affordable housing. Third-party purchases can ensure the long-term affordability of existing low-cost housing units in Edmonds that are at risk of loss or price increase.</p>	<p>Does not increase the housing supply. This program is directed to rental housing renovations only, and does not increase the number of units on the market.</p> <p>Does not provide net new affordable housing. This program provides an opportunity to preserve existing low-income housing, but does not provide new units.</p>
<p>Assist property owners with improvements in return for affordability covenant.</p> <p>Owners of rental housing that is currently priced for lower income tenants can face a tradeoff between raising rents and making needed improvements, or selling the property due to inability to finance needed repairs. The city could create a program to provide low cost rehab loans in exchange for an affordability covenant.</p>	<p>Seattle. Assistance for renovations in exchange for affordability covenants has been proposed in Seattle’s HALA Report as one option for encouraging affordable housing. (link)</p>	<p>Additional research. Further research would be required to determine if there are known properties in Edmonds that would be good candidates for such a program.</p>	<p>Cost-effective approach to maintain existing affordable housing. Renovating existing housing stock can be more cost-effective than building new affordable housing. This can ensure the long-term affordability of existing low-cost housing units in Edmonds that are at risk of loss or price increase.</p>	<p>Does not increase the housing supply. This program is directed to rental housing renovations only, and does not increase the number of units on the market.</p> <p>Does not provide net new affordable housing. This program provides an opportunity to preserve existing low-income housing, but does not provide new units.</p>