

# Racially Disparate Impacts Guidance - DRAFT

Guidance to update your housing element to address new requirements regarding racially disparate impacts, displacement, exclusion and displacement risk in RCW 36.70A.070(2)(e-h)

Agency contact

**Laura Hodgson**  
SENIOR PLANNER

Growth Management Services

[Laura.Hodgson@commerce.wa.gov](mailto:Laura.Hodgson@commerce.wa.gov)

Phone: 360.764.3143

## About this Document

The Washington State Department of Commerce's Growth Management Services (GMS) team assists and guides local governments, state agencies and others to implement the Growth Management Act (GMA).

In 2021, the Washington Legislature changed the way communities are required to plan for housing. [House Bill 1220 \(HB 1220\)](#) amended the GMA to require local governments to "plan for and accommodate" housing affordable to all income levels. This significantly strengthens the previous goal, which was to "encourage" affordable housing. In addition, new changes require local jurisdictions to examine racially disparate impacts, displacement, exclusion and displacement risk in housing policies and regulations and adopt policies to begin to undo the impacts.

This document is guidance for local governments on how to integrate new requirements related to racially disparate impacts, displacement, exclusion and displacement risk in housing into their housing element updates.

## Organization of the Guidance

The draft guidance is composed of one document for ease of review. Once public comments are received, the material will be integrated with other Commerce guidance into four separate books, organized as follows:

- Book 1: Long-Range Planning Framework for Housing
- Book 2: Community Engagement for Housing
- Book 3: Assessing Housing Needs
- Book 4: Updating Housing Policies and Strategies

Books 3 and 4 will be updated with the new requirements for racially disparate impacts, displacement, exclusion and displacement risk in housing for the final publication.

While this work is underway, guidance for the other new portions of the housing element updates will be released with the HB 1220 Projected Housing Needs (PHN) project. The PHN portion will include guidance on planning for and accommodating housing needs, planning for moderate density housing options in urban growth areas, providing sufficient land capacity for all housing needs, and making adequate provisions for needs of all economic segments. The draft guidance for these pieces will be published in fall 2022 and winter 2023, and then will be integrated into the overall four-book housing element guidance structure noted above.

More details on the combined work plan to provide guidance for the 2021 housing element updates is available on [Commerce's Updating GMA Housing Elements](#) website.

## Request for Feedback

Feedback will be accepted by email to Laura Hodgson ([laura.hodgson@commerce.wa.gov](mailto:laura.hodgson@commerce.wa.gov)), from September 19, 2022 to October 19, 2022. For additional information on the GMA housing programs, please visit the [GMS Planning for Housing Webpage](#) or contact Anne Fritzel, housing programs manager, at [Anne.Fritzel@commerce.wa.gov](mailto:Anne.Fritzel@commerce.wa.gov).

# Table of contents

<b>New requirements for housing planning</b> .....	<b>1</b>
<b>Land use regulation and racial inequality</b> .....	<b>1</b>
<b>Development of the guidance</b> .....	<b>2</b>
<b>Recommended process</b> .....	<b>3</b>
<b>Step 1: Understand your community</b> .....	<b>4</b>
<b>Step 2: Analyze the data</b> .....	<b>5</b>
Racially disparate impacts.....	5
Displacement.....	6
Exclusion in housing.....	7
Identify areas at higher displacement risk .....	8
Examples of displacement risk analysis .....	10
<b>Step 3: Evaluate the policies</b> .....	<b>12</b>
<b>Step 4: Revise the policies</b> .....	<b>14</b>
<b>Step 5: Review and update regulations and programs</b> .....	<b>16</b>
Increase affordable housing production.....	18
Preserve existing affordable housing .....	25
Protect existing communities.....	27
Ensure the benefits of investment and development are equitably distributed .....	31
Monitor for equitable outcomes.....	32
<b>Definitions</b> .....	<b>34</b>
<b>References</b> .....	<b>35</b>
<b>Data sources – general information</b> .....	<b>36</b>
Federal resources.....	36
Washington resources .....	38
Regional, county and local resources .....	39
Commercial and other resources.....	39
<b>Data sources for racially disparate impacts, exclusion and displacement analysis</b> .....	<b>40</b>
<b>Data sources for measures of displacement risk</b> .....	<b>43</b>

DRAFT

# New requirements for housing planning

In 2021, the Washington Legislature changed the way communities are required to plan for housing. [House Bill 1220 \(HB 1220\)](#) amended the Growth Management Act (GMA) housing goal to “plan for and accommodate” housing affordable to all income levels. This significantly strengthens the previous goal, which was to encourage affordable housing. The Legislature chose to replace the passive verb “encourage” with the active verbs “plan for and accommodate.” This conveys that local governments no longer have to simply encourage (e.g., “think about” or “consider”) housing affordable to all, but to actively take action to “plan for accommodate housing.”

HB 1220 also made significant updates to how jurisdictions are to plan for housing in the housing element section of their comprehensive plans, requiring local governments make more detailed planning for housing, especially for the lowest income segments. In addition, each fully planning jurisdiction must now do the following as outlined in RCW 36.70A.070(e-h):

*(e) Identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including:*

- (i) Zoning that may have a discriminatory effect;*
- (ii) Disinvestment; and*
- (iii) Infrastructure availability;*

*(f) Identify and implement policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;*

*(g) Identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and*

*(h) Establish anti-displacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.*

Although none of the terms from the new sections above were defined in the adopting bill, Commerce has worked with a group of stakeholders to develop working definitions for jurisdictions performing this work, included in the **Definitions** section at the end of this document.

## Land use regulation and racial inequality

Addressing the new housing element requirements warrants recognition that a community’s current housing is the product of many forces including policy, regulations, macroeconomic changes, lending practices, cost of development and individual preference.

Land use and related policies contribute to a community’s housing conditions as they can impact who has access to “areas of opportunity” in our communities, including access to healthy environments, safety, recreational opportunities, education, jobs, nutrition and other basic needs. Land use decisions also shape the cost to produce housing, by defining the types and sizes of homes that are allowed to be built. These

constraints affect the affordability and accessibility of housing for different households, and more specifically, determining if and where households can live within a community, based on their income.

Increasing housing supply and opportunity, specifically at prices affordable to Black, Indigenous, and People of Color (BIPOC) households, is one approach to reduce equity-related effects that discriminatory practices have created. Examples of these effects include:

- Past practices like redlining and restrictive covenants have denied many minorities and low-income households the opportunity to share in wealth building offered by homeownership, resulting in lasting racial and economic inequities that we see today.
- Homeownership is out of reach of many minorities and low-income households, making these households particularly vulnerable to housing insecurity and displacement caused by rising rents.
- Higher poverty rates in certain minority neighborhoods have contributed to disinvestment of capital, businesses and services from these neighborhoods.
- Compared to wealthier neighborhoods, residents in lower income and minority neighborhoods often are less engaged and less represented in local government processes and decisions that directly affect their neighborhoods and quality of life.

Washington communities are now to review any history of racially disparate impacts, exclusion and displacement, and take actions to begin to undo patterns of racial segregation and exclusion in land use policy making. Most directly, land use decisions shape the cost to produce housing, and thus the affordability and accessibility of housing for different households. Your review and updates to housing policies and regulations should seek to provide equitable opportunity for safe and healthy housing for all members of the community.

## Development of the guidance

Commerce engaged an advisory work group to develop the methodologies and create this guidance for the implementation of the racially disparate impacts portion of the housing element requirements. The work group included local planners from across the state representing diverse planning contexts (geography, community type and size) and planners with direct experience identifying racially disparate impacts and displacement risk. The goal of including local planners in the work group was to ensure that the guidance would be usable and helpful to planners updating comprehensive plans with the new requirements.

In addition to engaging local planners, the project team consulted with key experts including representatives of stakeholder organizations, regional planning bodies, affordable and fair housing advocates, and technical experts. Key experts were also asked to provide feedback on draft methodologies.

While developing this guidance, Commerce worked towards the following objectives:

- Provide clear definitions.
- Consider differences in resources across jurisdictions.
- Speak to demographic patterns and conditions in both rural and urban areas.
- Provide guidance on how and when people who are most impacted are consulted.
- Write the guidance with the understanding that most planners are not equity experts.

# Recommended process

The GMA requires jurisdictions to identify local policies and regulations that result in racially disparate impacts, displacement and exclusion in housing. Often racially disparate impacts, exclusion and displacement are unintended or indirect outcomes of housing and other policies and programs. Many policies that appear to be race neutral interact with the market and existing prejudice to create inequitable outcomes in housing opportunity and choice. These inequities are reproduced over time, leading to further racial discrepancies in who benefits from safe, stable and secure housing and who does not.

To achieve the intended goals of the housing element to undo racially disparate impacts, displacement and exclusion in housing and establish anti-displacement policies to protect areas at risk of displacement, the steps listed in Exhibit 1 should be followed.

## Exhibit 1: Process for assessing racially disparate impacts



As you complete the steps in the recommended process, it is important to engage with your community along the way. Engaging community members can help you to confirm your findings and improve your understanding of the unique barriers faced by marginalized populations. Engagement may include conducting interviews, focus group and other conversations on the challenges, barriers and root causes behind behaviors and actions that drive disparate outcomes. Identifying and understanding the challenges, barriers and root causes can help to identify policy solutions and regulatory changes that are responsive to community needs and achieve the intended goals of the comprehensive plan.

Although steps 1 and 2 (understand your community and analyze the data) are not expressly required in RCW 36.70A.070(2)(e-h) with the exception of identifying areas at risk of displacement, an understanding of the inequitable housing outcomes in your jurisdiction can help you identify effective policy revisions or additions. To improve the effectiveness of the policy review, it is productive to have an evidence-based and community-vetted understanding of the patterns of exclusion, racially disparate impacts and displacement that exist in your community. This information provides the basis on which to evaluate and improve existing policies and develop new policies that work to undo these impacts.

Steps 1 and 2 support the required work under the GMA to evaluate and, if necessary, amend or add policies that address and begin to undo racially disparate impacts, exclusion and displacement. Including these steps in your analysis will build a common understanding of community conditions and current inequities. Smaller communities who have limited access to detailed data may favor qualitative information provided by community members.

After you complete steps 1-5, we recommend reviewing the RDI Review Checklist on this page. This checklist asks questions that help you identify if you have completed items (e)-(h) of RCW 36.70A.070(2) consistent with the guidance in this document.

## Step 1: Understand your community

A principle of equitable policymaking is committing to reviewing the outcomes of those policies. For housing, this includes assessing the community for evidence of disparate impacts, exclusion and displacement. Examining disparities in outcomes such as rates of homeownership, cost burden, commute time or access to community amenities will reveal if the existing policies have a discriminatory effect regardless of the policy intent. Measures can also include standards related to levels of service such as parks, education or healthcare, among others.

Attention should be given to identifying populations for which you want to assess racially disparate outcomes, exclusion and displacement in housing. Begin by asking:

- What are the local historical patterns, events or actions that may have had a racially disparate effect?
- Who has been subject to disproportionate housing impacts because of race?
- Who has been subject to displacement or exclusion?

### RDI Review Checklist:

- Did you look at local historical factors that could lead to racially disparate impacts?
- Did you look at housing data disaggregated by race?
- Did you review the preliminary data findings with impacted community members to get their perspectives on the policies, regulations, actions or root causes driving the disparities in outcomes?
- Did you determine whether there is evidence of racially disparate impacts, displacement or exclusion in housing?
- Did you identify areas that may be at higher risk of displacement?
- Did you evaluate existing goals and policies for how they may contribute to disparate impacts identified through the data analysis and community input?
- Did you identify policy and goal alternatives or improvements to address and begin to undo racially disparate impacts?
- Did you identify and adopt anti-displacement policies to support those who are most at risk of displacement in your community?
- Did you vet the goal and policy improvements with impacted community members?
- Did you review the policy updates for consistency with other parts of the comprehensive plan?
- Are the policies clear in their intent and provide clarity for measurement and tracking success?
- Is the policy language strong enough and does it provide clear direction for implementation, development regulations, permitting process, structuring fees and programming decisions?
- Did you implement regulations consistent with your policies to address and begin to undo racially disparate impacts, displacement and exclusion?



All jurisdictions are required to identify policies that may have created a racially disparate impact. Racial impacts could be interpreted to include impacts to ethnic groups such as Hispanic and Latino people and indigenous communities. Jurisdictions may also choose to examine communities defined by immigration status, language, historical communities, income group, or age or role in the local economy such as agricultural workers or seasonal resort staff.

Once you have identified your measures for analyzing housing impacts and the populations for which you want to assess these impacts, it is important to discuss your understanding of these measures with the identified populations. Communicating and discussing your findings with community members and groups will better ensure you have adequately understood your community and developed your framework for future evaluation of impacts.

Consultation with other institutions that serve the community—such as community based organizations, health departments, local school districts or social services organizations—can help to identify and define populations in the community that may be underserved in housing or other critical services due to the availability of housing. A small jurisdiction, or a jurisdiction that is relatively homogenous, may identify only one community of interest. A larger jurisdiction with a more diverse population may identify multiple communities of interests. The public participation plan should include strategies to engage members of the communities of interest, which may include activities that are beyond traditional outreach methods.

## Step 2: Analyze the data

Using a variety of data sources and approaches, assess current housing patterns to determine if there are racially disparate impacts, displacement and exclusion in housing. The analysis should provide information on the nature, degree and related factors of disparate impacts as well as identify areas at higher displacement risk. This section walks through what to consider for each of these areas of focus in the statute. A preliminary list of sources for these data is at the end of this document (see: Preliminary list of data sources for analysis). A forthcoming appendix will include a more robust list of data and show examples of how these data can be tabulated to arrive at findings that will be helpful for determining racially disparate impacts, displacement and exclusion.

### Racially disparate impacts

Racially disparate impacts occur when policies, practices, rules or other systems result in a disproportionate effect on one or more racial groups. Racial disparities exist when policies disproportionately confer benefits to one group and burdens to another. When conducting the analysis, disaggregating or breaking down data by race is key to highlighting where disparities in outcomes are occurring and the magnitude of those disparities. It also provides a baseline from which progress can be measured. Communities may also choose to disaggregate the available data by ethnicity and/or income group, as well as other variables.

It is recommended that jurisdictions consider including several of the following measures in their data analysis to assess if there are racially disparate impacts in their community.

- Homeownership rates by racial and/or ethnicity groups
- Rates of housing cost burden by racial and/or ethnicity groups
- Rates of overcrowding (rate of more than one occupant per room) by racial and/or ethnicity groups
- Housing cost compared to median household income by racial and/or ethnicity groups

- Concentrations of racial groups in certain areas of the city with economic characteristics differing from the rest of the community (see guidance discussion on exclusion below)
- If available, results of fair housing testing or analysis of fair housing complaint data

It may take several measures to draw a conclusion about the presence and degree of racially disparate impacts in your community. Jurisdictions are not required to find a racially disparate impact; however, they are required to conduct a well-reasoned analysis of whether local policies and regulations may have contributed to racially disparate impacts, displacement and exclusion in housing. Identifying the racial disparities that do exist and reviewing those with impacted populations will provide a defensible basis on which to conduct your policy evaluation and help develop new policies (steps 3 and 4).

In addition to the measures identified above, there are numerous measures related to well-being that are driven by where a person lives. Housing choice affects the schools children attend, access to public transit and exposure to environmental hazards. Jurisdictions could consider including additional analysis of the following indirect measures or downstream effects of housing outcomes.

- Commute burdens by area, such as minutes traveled to work by either racial group or income group
- Differences in exposure to environmental health hazards by racial and/or ethnicity groups, see the [Washington Environmental Health Disparities Map](#)
- Life expectancy and health differences by neighborhood and race and/or ethnicity, which can be identified with the [Washington State Health Disparities Map](#)
- Location in neighborhoods of transit, parks, jobs, and services by racial and/or ethnicity groups
- Areas affordable to racial and/or ethnicity groups based on income patterns
- Disparities in educational access or benefits.

## Displacement

“Displacement” refers to instances where a household is forced or pressured to move from their home by factors outside of their control. There are three main types of displacement:

- **Economic displacement:** Displacement due to inability to afford rising rents or costs of homeownership like property taxes.
- **Physical displacement:** Displacement as a result of eviction, acquisition, rehabilitation or demolition of property, or the expiration of covenants on rent-or income-restricted housing.
- **Cultural displacement:** Residents are compelled to move because the people and institutions that make up their cultural community have left the area.

Displacement can have a life-changing negative effect on households that are directly impacted. It can also disrupt the social fabric and networks of trust and support that existing within a community.

Assessing patterns of socioeconomic change can help a jurisdiction demonstrate if there is evidence of displacement and risk of displacement (see guidance discussion below on displacement risk). Reviewing where housing has been lost due to demolition or natural disasters can reveal evidence of physical displacement. Comparing the composition of the community today to the composition of the community ten years ago or beyond can reveal evidence of economic displacement. Options for assessment of displacement include:

- Number and location of foreclosures

- Patterns of evictions<sup>1</sup>
- Tenant relocation assistance applications
- Closure of manufactured home parks
- Expiring affordable housing covenants
- Housing units lost due to eminent domain or condemnations
- Housing units lost to natural disaster
- Condominium conversion applications
- Loss of units affordable to low- and moderate-income households
- Reduction of the number of households of a community of interest, such as households of specific races, income groups or age of householder.

Importantly, the scale of displacement analysis should be at the neighborhood level, that is whether households are forced out of their neighborhood.

Community preference policies and permanently subsidized units are examples of ways to mitigate displacement risk in neighborhoods undergoing reinvestment. Additional programs and services can be designed to reduce the risk of displacement from neighborhood reinvestment. See step 5 for housing strategies to mitigate displacement.

## Exclusion in housing

Housing patterns are a product of historical housing and other policy at the federal, state and local levels that in many places have created racially segregated communities. In some cases, segregation is reflected in comparisons between neighborhoods within a jurisdiction.

In other cases, however, regulations and jurisdictional boundaries were developed to exclude specific populations intentionally or unintentionally. In these cases, comparing the population of communities of interest in the jurisdiction to a larger regional geographical area can illuminate patterns of exclusion. Comparing the workforce profile and the residential profile can also illuminate patterns of exclusion. For example, if a jurisdiction has a grocery store, it should also have housing accessible to people who work in grocery stores so that they are not excluded from living in the areas in which they work.

Exclusion in housing can be identified through measures that assess:

- Over- or under-representation of a subgroup relative to the jurisdiction as a whole, also known as patterns of segregation and exclusion. This analysis can identify an area of the city in which populations are over- or under-represented, or compare the city to a larger geographic reference such as the county or the region.
- Concentration or dispersion of affordable housing or housing choice voucher usage within the jurisdiction. When housing patterns or policies concentrate subsidized housing into a few areas, it may mean that low-income households have reduced access to places of opportunity.
- Ratio of workers to residents, by racial group or income. These measures help to illuminate how well the local housing stock is serving the local workforce.

---

<sup>1</sup> The [Evictions Study](#) is a great new resource for communities in King, Pierce, Snohomish and Whatcom counties. It maps data about evictions by selected geography (down to census tract scale), risk factors that contribute to housing instability such as cost-burden, and relative eviction risk by race of tenant.

## Identify areas at higher displacement risk

Many communities across the state are struggling with displacement due to rapidly increasing housing costs as well as pressure for redevelopment. The GMA requires communities to identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments (RCW 36.70A.070(2)(g)). Identifying these areas allows a community to better plan for the needs of impacted households and implement protective measures.

Displacement risk analysis looks at where future displacement, disparate impacts and exclusion are likely to occur given the current and expected market conditions and characteristics of households in the area. The outcome of this analysis will typically be a map showing the areas at higher risk of displacement. Further analysis of the areas with high displacement risk can provide useful information for implementing protective measures targeted to the needs of households and businesses most at risk of displacement. BIPOC communities, and Black communities in particular, are at higher risk of displacement due to past racial prejudice, persistent lower purchasing power and underrepresentation in the policy- and regulation-making system.<sup>2</sup>

Local land use decisions impact displacement risk as planning activities interact with the market. Planning decisions influence the market through planning land uses and approving development proposals, regulating land use and environmental controls, stimulating certain kinds of development with subsidies and incentives, and building capacity by developing public-private partnerships or creating networks among actors (Tiesdell and Allmendinger, 2005).

By considering who benefits and who is burdened by planning decisions and infrastructure investments, jurisdictions can adopt mitigating policies to reduce the greatest harms, such as displacement, rising housing costs and exclusion, among others. By examining areas of the jurisdiction for signs of current and potential gentrification, jurisdictions can prioritize their mitigating measures for households most at risk.

Displacement risk analysis considers a combination of factors including:

- **Data** that serves as indicators of neighborhood change and displacement risk.
- **Staff knowledge** of areas that have experienced redevelopment/displacement or how a change in zoning or regulations could influence the development feasibility of the area.
- **Engagement** with residents, developers, community-based organizations, housing agencies and other parties that would have knowledge of displacement.

Data measures to identify displacement risk typically fall into four types of factors:

- Sociodemographic factors that are associated with vulnerability to displacement. Examples include:
  - Percent of households that rent housing. Households that rent are at a greater risk of displacement than households that own their homes, as rent may go up at any time. Households that rent their housing are also unlikely to benefit from the increased land values associated with gentrification.
  - The percent of people that are BIPOC in an area is greater than the city average. Communities of color are particularly vulnerable because their housing options are more constrained due to generally lower incomes, less access to mortgage credit and discrimination (Bates, 2013).

---

<sup>2</sup> See [The Color of Law: A Forgotten History of How our Government Segregated America](#) by Richard Rothstein for more on racial discrimination in housing.

- Linguistic isolation, which can be measured as the percent of households in which members ages 14 or older do not speak English.
  - Educational attainment such as percent of the population older than 25 that has less education than a bachelor's degree.
  - Households experiencing housing cost burden (paying more than 30% of their income on housing).
  - Presence of low-income households compared to the larger area (Seattle uses 200% of poverty level, which is available through the American Community Survey (ACS)).
- **Evidence of demographic change**, meaning that the presence of some populations are increasing while others are decreasing. This consists of testing if there is a neighborhood change in the sociodemographic factors listed above over time.
- **Market factors** that indicate increased economic pressure on the uses of land in the area. Examples include:
- Percent increase in housing costs (housing cost velocity) - particularly when housing costs were originally lower than citywide averages. This could be measured as a change in rents or a change in home sales prices, often standardized on a square foot basis.
  - Increased cost of living above the regional average. The Center for [Women's Welfare at the University of Washington publishes a Self-Sufficiency Standard](#) for counties and some sub-county areas in Washington state. Areas where the cost to meet one's basic needs is rising faster than other areas can lead to displacement.
  - Parcels with underutilized development capacity based on a buildable lands analysis or low improvement to land value ratios based on assessor data. This indicates areas that are more feasible to redevelop, potentially displacing residents.
  - Changes in the number of units that are affordable to households at different income levels, through either demolition, redevelopment or expiring covenants.
  - Homeowner tax arrears (unpaid taxes), which is an indicator of economic hardship for homeowners. The measures could be the amount in arrears or the length of time in arrears.
  - New residential construction permits (compared to citywide average).
  - Proximity to a gentrifying area. Some studies identify whether a census tract is touching a census tract that has high housing values or housing values that are accelerating faster than the citywide average. However, data on price estimates often include areas facing different market pressures, as housing prices are heavily influenced by local factors such as view corridors, topography, pedestrian barriers, railroad tracks and other factors. Community input can help identify local factors and features that influence redevelopment pressure.
- Proximity to amenities may predict future market pressure (less commonly used than the other categories).
- Access to employment centers.
  - Proximity to transit. A standard measure is ¼ mile to frequent or high-capacity transit.
  - Proximity to civic infrastructure such as parks, natural amenities or other features.
  - Proximity to high-income neighborhoods, for example, census tracts with a median income of less than 80% of area median income (AMI) abutting tracts with a median income of greater than 120% AMI.

There are a variety of displacement risk analysis examples in Washington state, notably the [Puget Sound Regional Council's \(PSRC\) Displacement Risk Map](#) designed to identify communities with elevated risk to displacement in the central Puget Sound region. The PSRC Displacement Risk Map uses a variety of indicators across the following five major categories: socio-demographics, transportation qualities, neighborhood

characteristics, housing (including development capacity and price trends) and civic engagement. Jurisdiction’s in the central Puget Sound region can use this analysis, or choose to do their own analysis using similar data sets to evaluate their own displacement risk.

While a data-driven displacement risk analysis demonstrates where there is an increased risk of displacement, additional information is needed to help confirm that the data analysis adequately reflects local experience and identifies root causes and structural factors contributing to gentrification and displacement. This additional information will help to identify the most effective policies to mitigate gentrification and displacement. Community engagement with neighborhood representatives, community-based organizations, developers, local businesses and others is essential in accessing local knowledge and experience to help identify the root causes of the displacement risk and answer questions such as:

- Are there nonmarket factors such as intimidation, crime or harassment driving people out?
- Do the at-risk populations face additional barriers to accessing other housing in the neighborhood such as a prior experience with eviction or poor credit?

Alternatively, “pull factors” such as new job opportunities, the ability to move near a cultural resource, or changing neighborhood preferences may make residents choose to move to a different area. The local nuances to push and pull factors are important context for designing policies, programs and services that best meet the needs of the intended populations.

Information resulting from the displacement risk analysis will inform the development of anti-displacement policies, which is discussed more in steps 3 and 4. The analysis can also provide a data baseline for on-going monitoring to assess displacement.

## Examples of displacement risk analysis

**Portland, Oregon:** The City of Portland’s approach for measuring gentrification and displacement risk uses American Community Survey (ACS) data to determine the presence of vulnerable populations, the occurrence of demographic change, and the relative condition of the housing market across the city (Bates, 2013). These factors are compiled to assess the degree of gentrification. The factors used to identify gentrification and displacement risk are listed in Exhibit 2. This analysis was done on a census tract level.

### Exhibit 2. Factors indicating Gentrification and Displacement Risk, City of Portland

Vulnerable population?	Demographic change?	Housing market condition?
Percent BIPOC people greater than the city average	The white population share increased or decreased slower than the citywide average	Median sale value for single-family homes indexed to citywide median sale value
Percent people age 25+ with less than a 4-year degree greater than city average	The share of adults with a four-year degree increased faster than the citywide average	Rent values based on quintiles
Percent renter households greater than city average	Share of homeowners increased or decreased slower than the citywide average	Percent change in median sale values or rental indices

Vulnerable population?	Demographic change?	Housing market condition?
Percent households with income less than 80% AMI greater than city average	Median household income increased faster than citywide average	Whether the tract touched the boundary of at least one tract with a high value or high appreciation

Source: Bates, 2013.

For each variable, the census tract is assigned a factor of 0 – 4 based on the quintile of each tract, and then values for all variables are summed. As a result, each tract has an economic vulnerability score of 0 to 16, with a higher score indicating higher economic vulnerability. Tracts with a score of 10 or greater are generally consider highly vulnerable.

Walla Walla: As part of the [Walla Walla Regional Housing Action Plan](#) (2021), FSC Group conducted a displacement risk analysis for the cities of College Place, Dayton, Waitsburg and Walla Walla. The analysis assesses vulnerability to displacement by census block groups across the region, adapted from the work of Dr. Lisa Bates of Portland State University (Bates, 2013) to address small sample sizes and ease of replicability. The analysis uses data from the American Community Survey (five-year estimates) on:

- Percent of households that are renters
- Percent of households that are low-income
- Percent of adults (25 or older) without a four-year degree
- Percent of population who identify with a community of color
- Median home value
- Median gross rent

When an area has higher rates of these factors or indicators compared to regional patterns, there is an increased probability of redevelopment as well as a population and businesses that are more likely to be displaced due to rising housing costs. As shown in Exhibit 3, if a census tract had less than three of the above indicators, the displacement vulnerability was low; if it exhibited three or four indicators, it had a moderate displacement vulnerability; and if it exhibited five or more indicators, it had a high displacement vulnerability.

## Exhibit 1. Walla Walla Regional Displacement Vulnerability Assessment

Thresholds	Walla Walla County
% People of Color	>28%
% Without College Degree	>71%
% Rentals	>35%
Poverty Status: % Doing Ok	<66%
Median Home Value	<\$209,800
Median Gross Rent	<\$893

Thresholds	State
% People of Color	>31%
% Without College Degree	>65%
% Rentals	>37%
Poverty Status: % Doing Ok	<73%
Median Home Value	<\$311,700
Median Gross Rent	<\$1,194

Vulnerability Levels	
<b>High</b>	>5 indicators
<b>Moderate</b>	3-4 indicators
<b>Low</b>	<3 indicators

### Census Tracts

City	Census Tract	Poverty Status: % Doing OK	% Rentals	Median Home Value	Median Gross Rent	% Without Degree	% POC	Total Indicators
	9204	100%	0%	NA	NA	97%	57%	2
	9205	46%	54%	\$ 102,600	\$ 851	87%	66%	6
	9206	54%	51%	\$ 134,200	\$ 891	84%	45%	6
Walla Walla	9207.01	67%	53%	\$ 198,800	\$ 878	67%	20%	3
	9207.02	68%	28%	\$ 224,100	\$ 1,023	56%	21%	0
	9208.01	48%	42%	\$ 186,500	\$ 1,000	76%	20%	4
	9208.02	49%	55%	\$ 208,500	\$ 831	65%	24%	4
Waitsburg	9201	80%	17%	\$ 254,300	\$ 870	70%	12%	2
College Place	9203	69%	41%	\$ 190,000	\$ 890	66%	25%	3
Dayton	9602	68%	31%	\$ 170,800	\$ 740	75%	14%	3

Source: [Walla Walla Regional Housing Action Plan](#), FSC Group, 2021

## Step 3: Evaluate the policies

Jurisdictions should review policies and regulations to identify local policies and regulations that result in racially disparate impacts, displacement and exclusion in housing, including but not limited to: zoning that may have a discriminatory effect, disinvestment and infrastructure availability.

When evaluating existing policies, consider the following questions:

- Does the policy contribute to racially disparate impacts? Displacement? Or exclusion in housing? (for example: by making large areas of the city effectively “off-limits” to most types of housing except single-family houses?)
- Is the policy effective in accommodating more housing? If not, does it cause disparate impacts, displacement or exclusion in housing?
- Does the policy increase displacement risk? If so, can this be mitigated through policies or actions?
- Does the policy provide protection to communities of interest from displacement?

Certain language that has historically been used to marginalize communities of color or culturally-laden terms that encode bias should be removed from all policy documents. As part of the policy evaluation, jurisdictions should also review each goal and policy in the existing housing element for terminology that encodes prejudice, racially informed presumptions, or phrases that promote exclusion. Some examples of language that encodes bias, prejudice or exclusion could include:

- Policy language that references “appropriate areas for housing” instead of clear descriptions of geography
- Language that conflates desired characteristics with a housing type, such as policies intended to “identify the unique physical and social aspects of the city while establishing goals and policies that support, preserve and protect existing single-family neighborhoods”
- Language that references code administration and enforcement without clear guidelines to avoid unintentional displacement, such as “maintain the appearance and safety of neighborhoods through frequent and effective code administration and enforcement”
- Terms that do not say what the jurisdiction means (“citizen participation,” instead of “public participation”)

Communities should also be careful with vague references to “community character.” Unspecific, vague phrases or words can be misinterpreted as coded language that communicates exclusionary messages. The context in which the phrase is used is also important to consider. Some phrases were so often used to describe a specific idea or group of people that over time this context is embedded in the phrase’s meaning. For example, rather than unspecific references to “community character,” jurisdictions should instead describe specific attributes of a place.

Additionally, while the character of a community may be important, it should be recognized that the GMA does not support the idea that neighborhoods should remain unchanged over time. Neighborhood are anticipated to evolve and change over time to adapt to the changing needs of residents. Policies that seek to preserve neighborhoods from any new forms of development can contribute to housing supply shortages and the displacement of long-time residents when housing costs escalate.

A policy evaluative framework is often useful to organize and document findings. An example evaluative framework is provided below in Exhibit 4. As noted in the section on measures, the policy evaluation should be informed by consultation and conversation with representatives of communities of interest to help identify the root cause of disparities, exclusion and displacement. Engaging impacted community members prior to



evaluating policies will help reduce bias in the interpretation of outcomes and lead to policy solutions that better address the experience of impacted communities.

## Exhibit 4: Policy Evaluation Framework

Criteria	Evaluation
The policy is valid and supports achieving the GMA goal for housing. There is a need for the policy and/or it addresses identified racially disparate impacts, displacement and exclusion in housing.	S: Supportive
The policy can help achieve the GMA goal for housing but may be insufficient or does not specifically address racially disparate impacts, displacement and exclusion in housing.	A: Approaching
The policy may challenge the jurisdiction's ability to achieve the GMA goal for housing. The policy's benefits and burdens should be reviewed to optimize the ability to meet the policy's objectives while improving the equitable distribution of benefits and burdens imposed by the policy.	C: Challenging
The policy does not affect the jurisdiction's ability to achieve GMA goal housing and has no influence or impact on racially disparate impacts, displacement or exclusion.	NA: Not applicable

Exhibit 5 below shows an example of findings from a policy evaluation using the framework above. The evaluative framework relies on several steps that are part of steps 1 and 2, including techniques that will enable you to measure disparate impacts, displacement and exclusion; populations for which you want to assess these impacts; and the identification of areas that may be at higher risk of displacement.

## Exhibit 5: Example of Policy Evaluation using the Framework

Policy	Evaluation	Why?
Promote private and public efforts to preserve the existing quality housing stock by maintaining sound units, rehabilitating substandard units, and replacing severely deteriorated units.	S Supportive	Public and private efforts can help to preserve existing affordable housing inventory and allow residents to stay in housing they can afford. Renters, who are primarily BIPOC in the community based on the housing analysis, can benefit from this policy.  Anti-displacement policies will need to be in place to ensure that replacing units, especially in areas at high risk of displacement, ensures households are not displaced.

Policy	Evaluation	Why?
Allow more homes to be developed in areas that have existing infrastructure.	A Approaching	Using existing infrastructure supports the goals of GMA and results in lower building costs, which may result in lower rents and purchase prices. At the same time, adding more housing in areas served by existing infrastructure could still lead to some infrastructure upgrades or improvements being needed.  Furthermore, new or upgraded infrastructure should be considered for areas that have been historically disinvested in, especially areas where communities of color live.
Maintain the character of established single-family neighborhoods, through adoption and enforcement of appropriate regulations.	C Challenge	Depending on how it is implemented, this policy has the potential to challenge the city's ability to meet the range of housing needs identified in the housing needs assessment. If implemented without regard to other housing needs, this policy may serve as a barrier to meeting these needs.  Some types of zoning and regulations including minimum lot size requirements, prohibitions on multi-family homes, and limits on the height of buildings restrict the types of homes that can be built. Research has connected zoning to racial segregation, creating disparities in outcomes. Amending zoning standards to allow more types of housing and expands housing choices that can be more affordable is an important way to undo past harm.

Although amendments to the GMA's requirements for the housing element did not include updates to other elements of the comprehensive plan, the updated requirements specifically require jurisdictions to review policies that result in racially disparate impacts, exclusion and displacement including those as a result of disinvestment and infrastructure availability (RCW 36.70A.070(2)(e)). Therefore, a review and subsequent update to related elements such as capital facilities, land use, and transportation would ensure a comprehensive implementation of section (e) of the housing element requirements.

## Step 4: Revise the policies

Jurisdictions will need to use a range of policies, incentives, strategies, actions and regulations to address equity and meet housing needs. Local jurisdictions can refer to the policy framework below for suitable policies in the housing element that can be implemented through incentives, strategies, actions and regulations. These policies refer to broad housing outcomes that both address housing needs and begin to undo racially disparate impacts, exclusion and displacement. To make progress towards equitable outcomes, implementing incentives, strategies, actions and regulations should be targeted based on the results of the jurisdiction's analysis of past and current history of discriminatory practices and local policies and regulations that have resulted in racially disparate impacts, displacement and exclusion in housing.

An example of broad policies that can begin to undo racially disparate impacts, displacement and exclusion in housing follows. In this example, policies are grouped into four broad categories. Exhibit 6 summarizes the policies by category. Descriptions of related incentives, strategies, actions and regulations that helps illustrate the range of strategies a jurisdiction could consider are included in step 5. Step 5 also includes examples of detailed policies from jurisdictions identifying how that community should implement specific policies, programs or regulations.

## Exhibit 6. Example Policy Framework

Category	Policies
Increase affordable housing production	Use local and/regional resources to generate revenue for housing, particularly for households with extremely low-, very low- and low-incomes.
	Adopt funding tools to support the development of affordable housing.
	Adopt incentives, strategies, actions and regulations that increase the supply of housing for households with extremely low-, very low- and low-incomes.
	Implement strategies that address cost barriers to housing affordability.
	Increase affordable housing options for all residents in areas with that are within easy access to job centers or transit.
Preserve existing affordable housing	Dedicate resources to preserve existing housing for low-income households.
	Adopt incentives, strategies, actions and regulations that reduce barriers and promote access to affordable homeownership.
	Develop and promote community land trusts to allow permanently affordable ownership housing.
Protect existing communities and households	Adopt incentives, strategies, actions and regulations that encourage equitable development and mitigate displacement.
	Put in place strategies and regulations that protect housing stability for renter households.
Ensure the benefits of investment and development are equitably distributed	Adopt incentives, strategies, actions and regulations to create and sustain neighborhoods that provide equitable access to parks and open space, safe pedestrian and bicycle networks, clean air, soil and water, healthy foods, high-quality education, affordable and high quality transit options and jobs.
	Adopt incentives, strategies, actions and regulations that increase the ability of all residents to live in the neighborhood of their choice and reduce disparities in access to areas with access to transit, open space, good schools, jobs and amenities.
	Protect the health of residents and mitigate any exposure to environmental hazards in neighborhoods.
	Use measures to track implementation and performance to ensure policies are working as intended to address racially disparate outcomes, exclusion, displacement and displacement risk.
Begin to undo racially disparate impacts, exclusion and displacement	Engage with communities disproportionately impacted by housing challenges in developing, implementing and monitoring policies that reduce and undo harm to these communities. Prioritize the needs and solutions expressed by these disproportionately impacted communities for implementation.
	Engage and partner with communities most disproportionately impacted by housing challenges to inform strategies, actions, regulations and resource allocation decisions that reduce and undo harm to these communities.

Category	Policies
	Adopt intentional, targeted strategies, incentives, actions and regulations that repair harms to households from past and current racially discriminatory land use and housing practices.
	Participate in relocation assistance to low- and moderate-income households whose housing may be displaced by condemnation or city-initiated code enforcement. (Redmond Comprehensive Plan, 2010)
	Strive to increase class, race and age integration by equitably dispersing affordable housing opportunities. Discourage neighborhood segregation and the isolation of special needs populations. (Wenatchee Urban Area Comprehensive Plan, 2014)
	When income-restricted housing becomes at risk of being converted to market-rate status, inform the tenants of any purchase and relocation options available. When possible, help the Housing Authority and non-profit organizations buy such housing.
	Work to decrease disparities in homeownership by race and ethnicity. (Seattle Comprehensive Plan, 2021)

Note: Additional policy examples may be located in Appendix D of the [Guidance for Updating Your Housing Element](#) (2021). See sections titled preservation; variety of housing types; home ownership; affordable and subsidized housing; vulnerable populations and homelessness; equity, displacement and integration; and tracking and monitoring.

## Step 5: Review and update regulations and programs

Implementing goals and policies is most effective if you select realistic incentives, strategies, actions and regulations that help you move toward your goals. These measures are strongest when they are included in the policies themselves, or they can be listed in comments associated with policies or selected later through local implementation actions.

Commerce's 2020 [Guidance for Developing a Housing Action Plan](#) (referred to as "HAP Guidance" herein) provides detailed recommendations for identifying and selecting incentives, strategies, actions and regulations that have the greatest potential to address housing needs given your community's unique characteristics and market conditions. It also describes a wide range of possible incentives, strategies, actions and regulations that jurisdictions can use to achieve housing supply, diversity and affordability goals, including case studies and tips for most effective implementation and policies to prevent or address displacement.

In addition, this step (step 5) compiles a list of incentives, strategies, actions and regulations that offer choices that can begin to undo racially disparate impacts, displacement and exclusion in housing at the local or regional level. Examples of implementation measures to undo racially disparate impacts, exclusion and displacement (incentives, strategies, actions and regulations) can be organized under four broad categories:

- Increase affordable housing production
- Preserve existing affordable housing
- Protect existing communities and households
- Ensure the benefits of investment and development are equitably distributed

Exhibit 7 lists example policies and a summary of related implementations measures (incentives, strategies, actions and regulations). A detailed description of individual implementation measures are included in the following section.

## Exhibit 7. Matrix of Racially Disparate Impacts, Exclusion and Displacement Policies and Related Implementation Measures

Category	Policies	Incentives, strategies, actions and regulations
Increase affordable housing production	<p>Use local and/ regional resources to generate revenue for housing, particularly for households with extremely low-, very low- and low-incomes.</p> <p>Adopt funding tools to support the development of affordable housing.</p> <p>Adopt incentives, strategies, actions, and regulations that increase the supply of housing for households with extremely low-, very low- and low-incomes.</p> <p>Increase affordable housing options for all residents in areas with that are within easy access to job centers or transit.</p>	<p>Generate revenue for affordable housing</p> <ul style="list-style-type: none"> <li>• Affordable housing property tax levy</li> <li>• Housing and related services sales and use tax</li> <li>• Housing Trust Fund</li> <li>• First quarter percent real estate excise tax (REET 1)</li> <li>• Second quarter percent real estate excise tax (REET 2)</li> <li>• HB 1406 affordable housing sales tax credit</li> <li>• Lodging tax</li> <li>• Community Development Block Grants (CDBG)</li> <li>• HOME investment partnerships program</li> <li>• Low-Income Housing Tax Credit (LIHTC)</li> <li>• Community Revitalization Financing (CRF)</li> <li>• Linkage fees for affordable housing</li> </ul> <p>Create new affordable housing</p> <ul style="list-style-type: none"> <li>• Affordable housing incentive programs</li> <li>• Density bonuses</li> <li>• Rezoning</li> <li>• Affordable housing overlay (AHO) zones</li> <li>• Zoning reforms</li> <li>• Inclusionary zoning (IZ)</li> <li>• Strategic infrastructure investments</li> <li>• Local programs to help build missing middle housing</li> <li>• Vacant/underutilized land and buildings</li> <li>• Multi-Family Tax Exemption (MFTE)</li> <li>• Impact fee waivers</li> <li>• Accessory dwelling units (ADUs)/Detached ADUs (DADUs)</li> <li>• Waive, reduce or defer fees and charges for low-income housing projects to incentivize affordable housing</li> </ul>
Preserve existing affordable housing	<p>Prioritize the use of local and/regional resources to preserve existing housing that serves the needs of BIPOC communities.</p> <p>Adopt incentives, strategies, actions and regulations that reduce barriers to and promote access to affordable homeownership.</p>	<ul style="list-style-type: none"> <li>• Mobile home park preservation</li> <li>• Mobile home park conversion to cooperative</li> <li>• Support third-party purchases of existing affordable housing</li> <li>• Support Community Land Trusts (CLTs)</li> <li>• Retain affordability over time</li> <li>• Notice of intent to sell ordinance</li> <li>• Regulating short-term rentals</li> </ul>

Category	Policies	Incentives, strategies, actions and regulations
Protect existing communities and households	<p>Adopt incentives, strategies, actions and regulations that encourage equitable development and mitigate displacement.</p> <p>Put in place strategies and regulations that protect housing stability for renter households.</p>	<ul style="list-style-type: none"> <li>• Support programs that provide financial assistance to low-income homeowners through down payment assistance</li> <li>• Support homeownership and foreclosure education and counseling programs</li> <li>• Support programs that offer home repair and rehabilitation assistance</li> <li>• Support home mortgage loan programs</li> <li>• Fee waivers for water or sewer connection</li> <li>• Rental assistance</li> <li>• Programs that protect tenants</li> <li>• Right to return policy</li> <li>• Rental inspection and registry program</li> <li>• Support for tenant education and property owner incentive programs</li> <li>• Deferral of property tax</li> <li>• Tax deferral for retired persons</li> <li>• Tax deferral for specific individuals</li> <li>• Sewage and solid waste fee assistance programs</li> <li>• Relocation assistance</li> <li>• Tenant Opportunity to Purchase (TOPA)</li> </ul>
Ensure the benefits of investment and development are equitably distributed	<p>Adopt incentives, strategies, actions and regulations that increase the ability of all residents to live in the neighborhood of their choice and reduce disparities in access to areas with access to transit, open space, good schools, jobs and amenities.</p> <p>Use measures to track implementation and performance to ensure policies are working as intended to address racially disparate outcomes, exclusion, displacement and displacement risk.</p>	<ul style="list-style-type: none"> <li>• Community benefits agreements</li> <li>• Support community-led investments</li> <li>• Monitor for equitable outcomes</li> </ul>

Descriptions of related incentives, strategies, actions and regulations and selected examples from cities across the state are included below.

## Increase affordable housing production

### Generate revenue for affordable housing

The options listed below are drawn from [MRSC’s overview of funding sources available to cities and counties in Washington](#) and “Appendix 4: Resources for Funding Affordable Housing in Washington State” in [Guidance](#)

[for Developing a Housing Action Plan](#). Please see these resources for more detailed information and a comprehensive list of sources.

**Affordable housing property tax levy.** Up to \$0.50 per \$1,000 of assessed value can be levied toward an affordable housing fund for projects serving very low-income households (<50% of area median income (AMI)) if approved by a majority of voters in a taxing district (RCW 84.52.105). Funds can be used for a variety of purposes such as:

- Matching funds for nonprofit housing developments, which increases competitiveness for additional financing from state or national sources.
- Affordable homeownership, owner-occupied home repair and foreclosure prevention programs for households up to 80% of AMI.

**Housing and related services sales and use tax.** Counties can pass a sales and use tax of up to 0.1% to fund affordable housing programs serving households with incomes below 60% of the AMI. Any city or town may impose the same sales tax if the county has not done so first. Funds must serve those households with incomes below 60% of the AMI that fall into one of the following categories: individuals with mental illness, veterans, senior citizens, homeless families with children, unaccompanied homeless youth, persons with disabilities or domestic violence survivors (RCW 82.14.530).

**Housing Trust Fund.** Housing trust funds are distinct funds established by local governments that receive an ongoing source of dedicated funding to support housing affordability. They can be designed to meet the most critical housing needs in each community. Housing trust funds can leverage additional funding from state or national programs (e.g., Community Development Block Grants) to maximize the benefit of dollars raised. The Washington State Housing Trust Fund, administered by the state's Department of Commerce, awards nonprofit housing developers, local and county housing authorities, indigenous tribes, and local governments funding for projects that build and preserve housing for people making 80 percent area median income and below.

**First quarter percent real estate excise tax (REET 1).** Any city or town may levy a 0.25% real estate excise tax primarily for capital projects and limited maintenance (RCW 82.46.010). Revenues are restricted and may only be used for certain capital purposes and housing relocation assistance, depending on the city's population and whether it fully plans under GMA. Revenues may also be used for limited capital facility maintenance, with additional reporting requirements. REET 1 does not require voter approval.

**Second quarter percent real estate excise tax (REET 2).** Any city or town that is fully planning under the GMA may impose an additional 0.25% real estate excise tax. Revenues can only be used to finance capital projects in the Capital Facilities Plan of the Comprehensive Plan, which until January 1, 2026, may include up to \$100,000 or 25% (up to \$1 million) of available REET 2 funds to rehabilitate, repair and/or purchase affordable housing (RCW 82.46.035). REET 2 does not require voter approval for cities required to plan under GMA, but does require voter approval for cities voluntarily planning under GMA.

**HB 1406 affordable housing sales tax credit.** From July 2019 to July 2020, cities and counties had the option to participate in the HB 1406 affordable housing sales tax revenue sharing program (RCW 82.14.540). Any jurisdiction that followed the required procedures before the July 2020 deadline will receive a share of the State's portion of the sales tax for 20 years.

**Lodging tax.** Cities and counties may also use lodging tax revenues to repay general obligation bonds (RCW 67.28.150) or revenue bonds (RCW 67.28.160) issued to finance loans or grants to nonprofit organizations or public housing authorities for affordable workforce housing within a half-mile of a transit station.

**Community Development Block Grants.** The federal Community Development Block Grant (CDBG) program provides annual grants to local governments and states for a wide range of community needs, including housing rehabilitation, homeownership assistance, local connections to sewers and affordable housing plans. These funds cannot fund new housing construction but can fund infrastructure in support of new affordable housing. Eligible rural cities and counties serving low- and moderate-income households in CDBG non-entitlement communities<sup>3</sup> can find more information at Commerce’s CDBG website. For urban CDBG entitlement programs, contact the local CDBG program manager.

**HOME Investment Partnerships Program.** The HOME Investment Partnerships Program (HOME) is a U.S. Department of Housing and Urban Development (HUD) block grant program similar to Community Development Block Grants, except that the funds are for the sole use of preserving and creating affordable housing. The funds can be used for a variety of activities related to affordable rental housing and affordable homeownership. The income requirements vary depending on the nature of the funded activity, but typically target very low-income households (less than 50% AMI). Some HOME funds are awarded through the state Housing Trust Fund Process.

**Low-Income Housing Tax Credit.** The Low-Income Housing Tax Credit (LIHTC) is a federal tax credit program created in 1986 to provide private owners an incentive to construct and maintain affordable rental housing. The U.S. Internal Revenue Service (IRS) allocates program funds on a per capita basis to each state. The Washington State Housing Finance Commission (WSHFC) administers the tax credits, and investors in housing projects can apply for different tax credits depending on the project type. LIHTC is the largest federal program for the production and rehabilitation of affordable housing.

**Community Revitalization Financing (CRF).** The CRF authorizes creation of tax increment areas where community revitalization projects and programs are financed by diverting a portion of the regular property taxes imposed by local governments within the tax increment area (Chapter 39.89 RCW). Counties, cities, and towns may use this financing tool. HB 2497 (laws of 2020) added creating or preserving permanently affordable housing to the list of eligible public improvements for this funding, required for at least 40 years for rental housing and 25 years for ownership housing.

**Linkage fees for affordable housing.** A linkage fee is a fee charged by a local government on real estate developments to raise funds to help pay for the additional needs of the community that result from the additional development. Cities and counties may assess linkage fees on new commercial and residential developments to help fund affordable housing development within accessible commuting distance. The tax is typically assessed on a per square foot basis.

## Create new affordable housing

**Affordable housing incentive programs.** Any GMA city or county may enact or expand affordable housing incentive programs through development regulations or conditions on rezoning or permit decisions, or both, on residential, commercial, industrial or mixed-use development (RCW 36.70A.540). The program may include

---

<sup>3</sup> Non-entitlement areas are cities with populations of less than 50,000 (except cities that are designated principal cities of Metropolitan Statistical Areas), and counties with populations of less than 200,000.



mandatory or optional elements, such as density bonuses within the urban growth area, height and bulk bonuses, fee waivers or exemptions, parking reductions, expedited permitting, tiny house communities or mandatory amount of affordable housing provided by each development. Incentive or bonuses housing units are for low-income rental (50% or less of county median family income) or for purchase (80% of county median family income), or other income levels as needed to address local housing market conditions. Housing must remain affordable for 50 years or a jurisdiction may accept payments in lieu of continuing affordability. Payment or property in lieu of housing is acceptable.

**Density bonuses.** A density bonus program incentivizes housing developers to provide public amenities or benefits in exchange for increased building capacity that exceeds what is permitted. The public amenities and benefits should tie into the community's needs and may include new affordable housing units. Density bonuses are best used in areas with strong demand for new construction.

**Rezoning.** Strategic rezones to higher intensities can expand the capacity for residential development in municipalities. A jurisdiction can upzone a large or small area, or individuals or groups of property owners can apply for an upzone. Some upzones may be accomplished within the framework of an existing Comprehensive Plan, though many will necessitate an update to the Comprehensive Plan. This strategy should be considered if there is a deficit of development capacity relative to ongoing population growth, minimal activity in areas desired for development or redevelopment, or a lack of residential development near public infrastructure. Rezonings can lead to greater efficiencies in building that may lead to more affordable units, but they do not themselves ensure new housing is affordable. Therefore, other tools or regulations may be needed to ensure new capacity leads to affordable housing opportunities.

**Affordable housing overlay (AHO) zones.** AHO zones are intended to help produce permanently affordable housing more quickly and at lower costs in neighborhoods that currently have little affordable housing. AHO zones place an additional zoning layer over base zoning. AHO zones provide incentive packages to developers who include affordable housing in their projects, such as impact fee waivers, enhanced density bonuses, reduced parking ratios, changes to setback requirements, relaxed height standards and by-right zoning. Incentives can also include expedited approval and permit processes. To qualify, developers must meet baseline affordability qualifications established by local zoning. Typically, an AHO will require that between 25 and 100 percent of units in a development be affordable for households earning 50 to 80 percent of Area Median Income (AMI). In addition, in places where land is not zoned for residential use but where a city would like to see affordable housing built, an AHO can eliminate lengthy permitting processes.

**Zoning reforms.** Amendments to local zoning codes and/or development standards can help facilitate the development of housing types that can be relatively more affordable. Eliminating or lowering minimum lot size requirements and floor area regulations, adjusting lot coverage requirements, adjusting permitted housing uses, and right-sizing parking requirements are examples of zoning reforms that can encourage the market to produce more diverse and affordable housing. Examples of housing types that should be encouraged include accessory dwelling units, manufactured homes, multifamily housing, affordable ownership housing like townhouses and condominiums, micro-units or single-room occupancy developments.

**Inclusionary zoning (IZ).** A city or county may require the inclusion of affordable housing in new residential development projects where a city has decided to upzone or increase residential capacity (see RCW 36.70A.540). Within the umbrella of inclusionary zoning, there is voluntary inclusionary zoning and mandatory inclusionary zoning. A voluntary inclusionary zoning program allows developers to choose incentives or bonuses in exchange for providing affordable units, while a mandatory inclusionary zoning program requires

that a minimum number of affordable housing units be constructed or provide a payment in lieu of construction.

Mandatory inclusionary zoning regulations often specify the minimum quantity of affordable units to be provided (often a percentage of the development's total dwelling units), the targeted income range of households served by the affordable units, the designated geographic area, and the time that the affordable units must remain affordable. All affordable units created through an inclusionary zoning program must remain affordable for at least 50 years.

**Strategic infrastructure investments.** Investments in sewer or water extensions or transportation infrastructure can support upzones or catalyze development around new amenities such as transit hubs or community centers. Strategic selection of infrastructure priorities in the capital facilities element can thus help support housing goals. Infrastructure investments should be paired with anti-displacement policies and programs if the infrastructure is located in areas at high risk of displacement.

**Local programs to help build missing middle housing.** HB 2343 (laws of 2020) amended the list of potential actions in RCW 36.70A.600 to include development of a local program that offers homeowners a combination of financing, design, permitting or construction support to build ADUs or to convert a single-family home into a duplex, triplex or fourplex where those housing types are authorized. A city may help property owners by identifying lenders, providing stock designs and helping property owners develop housing.

**Vacant/underutilized land and buildings.** Washington State allows any state agency, municipality or political entity with authority to dispose of surplus public property to transfer, lease or dispose of such property for affordable housing for low-income and very low-income households (RCW 39.33.015). This transfer can lead to the effective use of publicly owned surplus and underutilized land and buildings to address community needs.

**Multi-Family Tax Exemption.** Any city may establish a multi-family tax exemption (MFTE) program to stimulate the construction of new, rehabilitated or converted multi-family housing, including affordable housing, within designated areas (RCW 84.14). In 2021, SB 5287 made substantial changes to the Multifamily Housing Tax Exemption (MFTE) Program. Cities who qualify under this new provision may provide the following programs within areas zoned to have an average minimum density of 15 or 25 dwelling units per gross acre depending on city size:

- A 12-year exemption where the applicant must commit to renting or selling at least 20% of the multifamily housing units as affordable housing units to low and moderate-income households, and any additional income eligibility conditions adopted by the local government. This opportunity is available until December 31, 2026.
- A 20-year exemption, where at least 25% of the units must be sold to a qualified nonprofit or local government partner that will assure permanent affordable homeownership. The remaining 75% of units may be rented or sold at market rates. This opportunity is available until December 31, 2031.
- An eight-year exemption is also available, but it does not require a minimum affordable unit commitment. This opportunity is available until December 31, 2031.

**Impact fee waivers.** Counties, cities or towns charging impact fees can waive up to 100% of fees for permanently restricted affordable housing (for rental or purchase) for households earning less than or equal to 80% AMI. Eighty percent of fees may be waived; but if 100% of fees are waived, 20% must be paid with other public moneys. A school district receiving impact fees must approve any exemption. See RCW 82.02.060.

**ADUs/DADUs.** Accessory dwelling units (ADUs) are small dwelling units that are either attached to the primary dwelling or in a detached structure (DADU) that is typically placed to the side or rear of the primary dwelling. ADUs have long been an important option for communities to add variety and housing choice in low-density neighborhoods. ADUs can increase housing options in established neighborhoods. ADUs can also offer a critical source of monthly income for homeowners when rented out, thereby allowing individuals to stay in their homes when their incomes are static or prices in the area are increasing.

In Washington, cities and towns with a population greater than 20,000 are required to allow ADUs in single-family zones (RCW 43.63A.215). This requirement also applies to counties planning under the GMA or with a population greater than 125,000. New 2020 state laws added new definitions and requirements related to ADU parking (ESSB 6617).

**Waive, reduce or defer fees and charges for low-income housing projects to incentivize affordable housing.** Fee waivers or fee reductions can reduce up-front costs of construction for residential development. Fees, such as impact fees, utility connection fees, and project review fees, can run in the tens of thousands of dollars per unit for residential properties. Waiving some or all of these fees for income-restricted units or reducing or scaling fees for different types of housing (like cottage housing or smaller housing types) can be a valuable incentive for encouraging the production of housing.

## Community examples

Category	Community / example
INCREASING AFFORDABLE HOUSING	
<p><b>Generate Revenue for Affordable Housing:</b> Levy, Sales Tax, REET, Lodging Tax, CDBG, HOME, LIHTC, CRF, Linkage Fees</p>	<p><b>REET, Trust, Other:</b> <a href="#">Langley H-4.2</a> - Work with Island County and other local governments to investigate and implement regional funding options to support the development and/or maintenance of affordable housing such as a regional housing trust fund, regional housing tax levy, real estate excise tax or other mechanisms.</p> <p><b>Levy and Other Funding Policy:</b> <a href="#">Bellingham, Policy H-22</a> - Support and expand low-income housing programs and public funding (e.g. the Housing Levy and HUD entitlement funds).</p> <ul style="list-style-type: none"> <li>Bellingham <a href="#">Housing Sales Tax, Levy Funds, CDBG Funds, and Housing Constructed as of 2021</a></li> </ul> <p><b>General Funding/Resources:</b> <a href="#">Jefferson County, Policy HS-P-3.3</a> - Reinvigorate cooperative City of Port Townsend County coordination regarding affordable housing, low-income and special needs household assistance and regulatory updates to support affordable housing development throughout Jefferson County. Determine and fund staffing and other resources necessary to sustain continuous coordination regarding affordable housing.</p> <ul style="list-style-type: none"> <li>Jefferson County <a href="#">Sales Tax Ordinance, Housing and Related Services, 11-1221-20</a></li> </ul> <p><b>Low Income Tax Credit:</b> <a href="#">Washington DC, Action H-1.2.D</a> - Low-Income Housing Tax Credits Expand for-profit builders' use of Low-Income Housing Tax Credits as one tool to provide new or rehabilitated affordable housing in the District.</p> <p><b>Linkage Fees:</b> <a href="#">Seattle Policy H 5.18</a> - Consider implementing programs that require affordable housing with new development, with or without rezones or changes to development standards that increase development capacity.</p> <ul style="list-style-type: none"> <li>Seattle <a href="#">Mandatory Housing Affordability Program</a></li> </ul>

**Create New Affordable Housing:**  
Incentives, Bonuses, Inclusionary, Rezoning, Overlays, MFTE

**Incentives/Bonuses Policy:**

- [Ellensburg, Goal H-2, Policy B, Program 2](#): Evaluate, review, revise, and publicize the density bonus incentive program.
- [Langley, H - 4.1](#): Explore innovative techniques that enable increased housing affordability including but not limited to long term rentals of accessory dwelling units (ADU), a housing trust fund, inclusionary zoning, density bonuses, smaller lot size, elimination of minimum lot size with appropriate open space, expediting permit processing, exempting Real Estate Excise Taxes (REET) to qualified sellers; incentives such as reduced or waived connection fees and reduced parking requirements, form-based codes, mixed use planned unit development, and other provisions to be determined.
- [Poulsbo Policy HS-4.3](#): Provide density bonus opportunities in the City's Zoning Ordinance for development proposals that provide low- to moderate-income housing units. Provide criteria and process for ensuring that those units remain affordable over time.

**Inclusionary Housing:**

- [Everett Policy 4.3.2](#): Consider inclusionary housing measures, as appropriate, along with affordable housing incentives as necessary to promote affordable housing in the Everett Planning Area.
- [Tacoma Policy H-4.15](#): Modify and expand the City's inclusionary housing provisions to target unmet need and align with market conditions.
- [Kirkland Policy H-3.2](#): Require affordable housing when increases to development capacity are considered.
  - [KZC 112.15 Affordable Housing Requirement](#): All developments creating four or more new dwelling units in commercial, high density residential, medium density and office zones shall provide at least 10 percent of the units as affordable housing units

**Zoning/Overlays, Income Restricted Development:** [Mount Vernon, Policy 4.1.2](#): Evaluate the adoption of zoning regulations that would allow multi-family residential developments that are income-restricted to those at or below 60 percent of the area median income for at least fifty years to be located in zoning districts other than multifamily residential.

- Example: Overlay, Permanent Supportive Housing Regulations, [Mount Vernon, MVMC 17.67](#)

**Zoning/Affordability and Access:** [Tacoma Policy H-4.4](#): Facilitate the expansion of a variety of types and sizes of affordable housing units, and do so in locations that provide low-income households with greater access to convenient transit and transportation, education and training opportunities, Downtown Tacoma, manufacturing/industrial centers, and other employment areas.

**MFTE Policy:** [Ellensburg, Goal H-2, Policy B, Program 1](#): Expand the Multifamily Tax Exemption program beyond the downtown area to encourage multifamily housing in other areas where it is needed.

**Strategic Funding – Acquisition:** [Chelan County Policy H 4.4](#): Support the Housing Authority or other agency's efforts to acquire and development lands for low-income housing.

- Example: [Chelan County Cascade Public Infrastructure Fund](#): Helps finance public projects that facilitate the creation or retention of businesses and jobs or permanently affordable housing opportunities in the county.

**ADUs/Multiplex:** [Spokane, H 1.18 Distribution of Housing Options](#): Promote a wide range of housing types and housing diversity to meet the needs of the diverse population and ensure that

Category	Community / example
	<p>this housing is available throughout the community for people of all income levels and special needs.</p> <ul style="list-style-type: none"> <li>Example: <a href="#">Building Opportunity and Choices for All</a> pilot program allowing attached homes, duplexes, triplexes, and fourplexes citywide</li> </ul> <p><b>Missing Middle Housing:</b> <a href="#">Langley, H-1.3</a>: Enable the 'missing middle' housing typology that includes row housing, townhouses and small-scale apartments to be developed as infill within existing single-family neighborhoods.</p> <p><b>Remove Permit Barriers:</b> <a href="#">City of Yakima 5.1.10</a>. Remove barriers to development of affordable and market rate housing. * Maintain a zoning system that allows a wide range of housing types and densities. * Use creative SEPA tools such as exemption thresholds, infill and mixed use exemptions, or planned actions to encourage housing and streamline permitting. * Ensure that City fees and permitting time are set at reasonable levels so they do not adversely affect the cost of housing.</p> <ul style="list-style-type: none"> <li>Example: Yakima Zoning Permit Facilitation, <a href="#">Ordinance 2020-001</a>, and Increased Exemption Thresholds and Infill Exemption, <a href="#">YMC 6.88.070</a></li> </ul> <p><b>Surplus Land:</b> City of Chelan Policy HO V-5. Where appropriate, work in partnership with other public entities to facilitate use of surplus public land (including land owned by the City and by other entities, such as the Chelan County PUD) for affordable housing development.</p> <ul style="list-style-type: none"> <li>Example: Public land zoning amended in 2017 to allow affordable housing.</li> </ul>

## Preserve existing affordable housing

### Mobile home park preservation

Mobile homes and mobile home parks can provide housing at relatively affordable price points compared to site-built housing that is similarly located and sized. They offer an affordable housing option with a one-story floor plan that is attractive to people with mobility restrictions and older adults. They are often some of the only homeownership options available to households with lower incomes, households that are underserved by local housing markets. Providing policy support in the Comprehensive Plan for preservation of mobile homes and establishing a separate zone for mobile home parks can help preserve this unique housing type. Several jurisdictions in Washington State use Mobile/Manufactured Home Zoning as a tool to regulate parks and promote their preservation by limiting the ability of the landowner to convert the land to other uses, including other residential uses. This approach has been affirmed by Washington’s Supreme Court through *Laurel Park Community, LLC v. City of Tumwater* (2012), which concluded that the City of Tumwater rezoning properties as “Manufactured Home Parks” did not represent a taking of the owners’ interest in the parks.

### Mobile home park conversion to cooperative

A community investment program for mobile home parks offers financial tools that enable mobile home park residents to organize and purchase the land that serves their community. Mobile home parks often house moderate- and low-income residents, and this program, which operates as a cooperative, protects residents from unexpected rent increases over time. This helps to preserve this important form of affordable housing. It also empowers residents to complete much-needed deferred maintenance projects. The WSHFC, in

partnership with Resident Owned Communities (ROC) Northwest and ROC USA, offers the financial tools and expert guidance for manufactured-housing (“mobile home”) communities to become self-owned cooperatives. The Commission works in partnership with ROC USA to provide financing for the purchase, and sometimes improvement, of the property. This financing means a bank loan with favorable terms for the cooperative.

## Support third-party purchases of existing affordable housing

Community-based organizations, nonprofits and community land trusts (CLTs) can be important property owners within a neighborhood. Using public resources to empower trusted institutions can preserve or create affordable housing and space for community-serving organizations and businesses. Municipal and other funds can assist these institutions in land and property acquisition efforts that preserve affordable housing and prevent displacement within a neighborhood. Policy support for these programs in the Comprehensive Plan can provide a basis for their implementation.

## Support Community Land Trusts

A Community Land Trust (CLT) is a private, nonprofit organization created to acquire and hold land and provide long-term affordable access to land and housing for community residents. Using a shared-equity housing model, CLTs are an important anti-displacement tool that removes land from the speculative real estate market and uses it to provide affordable housing to low- and moderate-income families. The land is owned by the nonprofit organization that helps to preserve land and buildings for long-term affordable use by communities, while the homes are owned by the community residents. By offering lower barriers to homeownership, including lower initial and overall costs, CLTs provide underserved communities with more opportunities to become homeowners and develop equity.

Policy support for CLTs and for technical assistance to build the capacity of local organizations to create CLTs can be an anti-displacement tool. Funding to acquire the land may come the city, county and state through real estate excise tax and property taxes.

## Retain affordability over time

**Long affordability periods.** In rapidly changing housing markets, it would do little good to require affordable housing without providing a mechanism to ensure that the units remain affordable over time. If programs to create affordable housing are to create and preserve mixed-income communities, long-term restrictions are vital for the programs to have a lasting impact. If homes expire out of the affordability program and return to market rate after a few decades, the program will not actually increase the stock of affordable housing in the long term. It is therefore important for affordable housing programs or incentives to adopt very long-term affordability periods.

One recommended approach to preserve affordability is to ensure functionally permanent affordability where units must remain affordable in perpetuity, for 99 years or for the life of the building. Programs with shorter affordability restrictions can preserve affordability in perpetuity by “resetting the clock” on each transaction and by maintaining the preemptive option to purchase the unit back upon transfer.

**Notice of Intent to Sell ordinance.** A city may also enact a “Notice of Intent to Sell” ordinance that requires a property owner with at least one affordable unit to notify the city and tenant when selling the property. This ordinance can help tenants seek potential anti-displacement protection and relocation resources and allows the city to evaluate the property and utilize related tools, including affordable housing preservation incentives and property acquisition.

## Community examples

Category	Community / example
Preservation programs and facilitation	<p><a href="#">Mount Vernon, Policy 2.2.4</a>: In cooperation with Skagit County, the City should encourage the preservation of existing housing. Private investment should be encouraged in older residential neighborhoods, manufactured home parks, and multifamily complexes to ensure the health, safety and affordability of existing housing. Programs supporting weatherization, home repair and rehabilitation, and infrastructure maintenance should be supported.</p> <p><a href="#">Skagit County Policy 7B-1.1</a>: Facilitate the rehabilitation and reuse of existing structures for housing by allowing reduced permitting fees and “grandfathered” development standards.</p>
Mobile home park preservation	<p><a href="#">Snohomish County Housing Element 1.B.3</a>: The county shall support the development and preservation of mobile and manufactured home parks.</p> <ul style="list-style-type: none"> <li>• Subsection a. Create a comprehensive plan designation and development regulations that will encourage the long-term preservation of mobile and manufactured parks.</li> <li>• Subsection b. Investigate the development of site size and buffering standards for mobile and manufactured parks that permit development in all medium and high density residential zones and conditional development in low density residential zones.</li> </ul> <p><a href="#">City of Chelan, Policy HO III-3</a>: Allow mobile home parks in one or more zoning districts and adopt and enforce development and maintenance standards to keep housing condition and livability high in the parks and the neighborhoods in which they are located.</p> <ul style="list-style-type: none"> <li>• <a href="#">Example: Mobile Home Park Zone</a></li> </ul>
Third-party purchases of existing affordable housing	<p><a href="#">Tukwila, Housing Element Policy 3.2.7</a>: Support the acquisition of housing developments by private and public affordable housing groups, by acting as a facilitator between affordable housing groups and property owners to aid in the preservation of affordable housing.</p>
Community Land Trusts	<p><a href="#">Seattle, Policy H 5.26</a>: Explore implementation of models that could provide opportunities for affordable homeownership, such as community land-trusts, down payment assistance, mixed income housing requirements and limited equity housing co-ops.</p> <ul style="list-style-type: none"> <li>• Example: <a href="#">Homestead Community Land Trust, Seattle</a></li> </ul> <p><a href="#">Skagit County, Policy 7E-1.1</a>: Work in partnership with other public agencies and the private sector to ensure an adequate supply of farmworker housing. (a) Support strategic actions of the Skagit Valley Farmworker Housing Trust Advisory Council to develop new farmworker housing. (b) Recognize farmworker housing would occur primarily in urban areas where services are available and secondarily in rural areas when sensitively designed to minimize loss of agricultural lands of long-term commercial significance. (c) Consider the seasonal nature of farming and potential options to accommodate seasonal housing that does not permanently convert agricultural lands of long-term commercial significance.</p> <ul style="list-style-type: none"> <li>• Example: <a href="#">Home Trust of Skagit</a></li> </ul>

## Protect existing communities

In addition to the policy options listed below, additional policies around commercial stabilization, job training and business development for residents in at-risk areas, preservation of cultural facilities, financing of cultural

spaces and support for new businesses in at-risk areas are components of a robust anti-displacement strategy. These policy options are tied to economic development and cultural preservation and addressed through policies outside the housing element of the comprehensive plan.

## Homeownership programs

**Support programs that provide financial assistance to low-income homeowners through down payment assistance.** Saving enough money for a down payment can take many years, and economic displacement pressures often push households to relocate long before they save enough for a down payment. Down payment assistance programs offer no-interest or low-interest capital for qualified buyers. Many programs support first-time homebuyers and can be accompanied with homeownership education courses to support financial preparedness for first-time homeowners. Policy support for a down payment assistance program can help lower-income families purchase a home, thereby stabilizing monthly housing payments, building equity, and preventing risk of displacement.

**Support homeownership and foreclosure education and counseling programs.** Agencies like WSHFC offer housing education and counseling programs. Through local partnerships, WSHFC helps homebuyers learn how to purchase and maintain a home. Commission-sponsored homebuyer education seminars are free; open to the public; and include information about the Commission's first mortgage programs, down payment assistance and other loan programs. Seminars are accepted by all affordable housing loan programs as meeting or exceeding educational requirements.

**Support programs that offer home repair and rehabilitation assistance.** Homeowner rehabilitation assistance programs provide funds to income-eligible owner-occupants to assist with the repair, rehabilitation or reconstruction of their homes. The goal of these programs is to allow homeowners who might not otherwise be able to afford necessary repairs to maintain a safe and healthy living environment. Owners can use these funds to bring a property up to code, tend to electricity or plumbing issues, repair the roof and floor, or make upgrades that enhance the home's energy efficiency or accessibility. These programs can help prevent the displacement of low-income households who otherwise may struggle to keep their home in livable condition.

**Support home mortgage loan programs.** The Washington State Housing Finance Commission currently operates two mortgage loan programs: Home Advantage and House Key Opportunity. The Commission works through a network of participating lenders who originate and close the loans.

**Fee waivers for water or sewer connection.** Waiver or delay of tap-in charges, connection or hook-up fees for low-income persons for water, sanitary or storm sewer, electricity, gas or other utility are available. Implementing an ordinance that allows such waivers or delays of fees can help reduce costs for units that are designated for low-income households. While no specific income level is detailed, the reference to "low-income" presumes that household incomes should be less than 80% AMI (see RCW 35.92.380).

## Rental assistance

Administered by HUD and managed at the local level by public housing agencies, the Housing Choice Voucher program provides rental assistance to help recipients live-in privately-owned rental housing of their choice. While this is a federal program, local public housing agencies have many discretionary decisions available to them to tailor the program to local needs and priorities.

Cities can provide assistance to renters to supplement tenant-based rental assistance provided through the federal Housing Choice Voucher (HCV) and/or HOME programs. Cities can tailor eligibility for this assistance



to local needs and priorities. Cities can also provide security and/or utility deposit assistance as part of the program to increase their ability to protect vulnerable households. In some cases, these funds are provided as short-term emergency assistance to households at risk of homelessness or to cope with situations such as the COVID pandemic. For example, the City of Seattle's Rental Assistance Program provided assistance during the pandemic. Between April 2020 and February 2022, the Seattle Office of Housing and partners distributed rental assistance funding through implementation of three programmatic approaches: working with Community Based Organizations (CBOs), nonprofit affordable housing providers and United Way of King County (UWKC).

## Programs that protect tenants

Tenant protections help avoid or slow the process of displacement for households by providing access to legal resources, more time and/or resources to find another place to live. The Residential Landlord-Tenant Act (RCW 59.18) is the primary statute regulating landlord-tenant relationships at the state level, and there are several policies and programs that go further at the local level. Some programs designed to protect tenants could be implemented in whole or in part by cities. Others could be led by partner community organizations but supported through referral and resource contributions on the part of a city. Policy support for these programs in the Comprehensive Plan can provide a basis for their implementation. Some examples include:

**Right to Return policy.** A "Right to Return" policy helps to reverse effects of past physical displacement by giving highest preference for housing support to those who can show that they were forced to move in the wave of displacement that occurred to make way for new development, including recently constructed streets, other infrastructure or other development. These policies can also be designed to give current or formerly displaced residents preference for income-restricted housing or provide down payment assistance for first-time homeowners who can prove that they have been victims of displacement.

**Rental inspection and registry program.** Rental registry programs inspect and inventory rental units for health and safety, adequate weatherproofing, provision of emergency egress, proper ventilation and functional utilities under existing regulation. They help preserve rental units overall and provide a third-party actor in cases where renters feel they do not have the power to address safety and legal concerns with property owners directly. Keeping existing housing in good repair prevents displacement due to deterioration of housing.

**Support for tenant education and property owner incentive programs.** Tenant education can be offered to both prospective and current renters. Topics such as Fair Housing Laws, rental screening and communication with property owners prepare individuals to become successful tenants. Pairing this education with reimbursements or monetary incentives for property owners to rent to graduates of the of the tenant education program can help insure renters' security deposits. This type of support can address displacement

**Deferral of property tax.** Very-low and low-income households may apply to defer payment of 50% of special assessments or real property taxes, or both, provided the household's combined disposable income is \$57,000 or less and the claimant has paid one-half of the total assessments and taxes for the year (RCW 84.37). The Washington State Department of Revenue pays one-half of the annual property taxes on your behalf.

**Tax deferral for retired persons.** RCW 84.38 allows eligible agencies to provide tax relief to eligible households earning less than 75% AMI. This deferral program is intended to assist retired persons in maintaining their dignity and a reasonable standard of living by residing in their own homes without requiring assistance from welfare programs.

**Tax deferral for specific individuals.** Property tax exemption for seniors or veterans with certain qualifications are also an option (RCW 84.36.381). The Washington State Department of Revenue pays one-half of the annual property taxes on your behalf.

**Sewage and solid waste fee assistance programs.** RCW 35.92.020(5) allows a city or town to provide assistance to aid-low income persons for sewer and solid waste fees.

**Relocation assistance.** Neighborhoods that are rezoned may see an increase in demolition of existing housing units to build newer, higher-density housing types. This process displaces existing tenants who then incur moving costs. Local governments, authorized by WAC 365-196-835 and detailed in RCW 59.18.440, can pass an ordinance that requires developers, public funds or a combination of the two to provide relocation funds for these displaced tenants. Tenants at or below 50% of the county median income, adjusted for family size, qualify for available funds. Resident relocation assistance as a result of public action is required, with details outlined in RCW 8.26.

**Tenant Opportunity to Purchase (TOPA).** A “Tenant Opportunity to Purchase” policy provides tenants with the first opportunity to purchase and the right of first refusal when a property owner sells or demolishes a rental housing unit. This protection provides a tenant with the opportunity to form partnerships with other organizations such as land trusts and cooperatives, and helps a tenant avoid being displaced.

**Regulate short-term rentals.** Many communities have adopted short-term rental (STR) regulations to reduce their impact on displacement and housing affordability. A first step may be to track STR activity by requiring registration and reporting from owners of these units. Policy regulations should prioritize actions that reduce the likelihood of converting long-term rentals into STRs. Some examples include:

- Regulate number of days for use of short-term rentals,
- Limit zones in which short-term rentals are allowed, and
- Limit number of units that any host can provide as short-term rentals.

In addition, as a mitigation measure, STRs can be charged transient rental or hotel taxes, with revenue contributing to anti-displacement initiatives.

## Community examples

Category	Community / example
General homeownership programs	<p><a href="#">Lakewood, LU-4.8</a>: Subject to funding availability, conduct periodic surveys of housing conditions and fund programs, including housing rehabilitation, to ensure that older neighborhoods are not allowed to deteriorate.</p> <p><a href="#">Lakewood LU-2.6</a>: Encourage home ownership opportunities affordable to moderate income households.</p> <p><a href="#">Lakewood Station District Subarea Plan</a>: Encourage homeownership options that allow local residents to invest in the community to gain equity and wealth.</p>
Rental assistance	<p><a href="#">Kenmore 2022 Amendments, Policy H-1.2.1</a>: Implement tenant protections that increase housing stability such as notice of rent increase and just cause eviction for tenants on termed leases.</p>

Category	Community / example
Programs that protect tenants	<p><a href="#">Renton Housing Element, Policy HHS-12</a>: Encourage expansion of programs that result in home repair, weatherization, and other energy-efficient improvements to owner-occupied and rental housing, and promote additional funding for these programs at the state and federal level.</p> <ul style="list-style-type: none"> <li>• Example: <a href="#">Renton Rental Registration Program</a></li> </ul> <p><a href="#">Tukwila Housing Element Policy 3.4.1</a>: Continue to improve the condition of rental housing through administration of the Residential Rental Licensing and Inspection Program.</p> <ul style="list-style-type: none"> <li>• Example: <a href="#">Tukwila Residential Rental Licensing and Inspection Program</a></li> </ul>
Relocation assistance	<p><a href="#">Kenmore, 2022 Amendments, Policy H-34.1.35</a>: When displacement is unavoidable, determine who is most likely to be harmed and ensure that the brunt of the impact is not carried by the same communities in Kenmore. Support relocation assistance and development of replacement housing to be developed, where feasible, to help very low- and low income households. For mobile home parks in particular, consider a funding pool to assist low- and moderate-income residents in deteriorating and obsolete mobile homes to find alternative housing in the community, or help to establish preferences in nearby housing for persons giving up their homes.</p>
Anti-displacement, create permanently affordable housing	<p><a href="#">Portland, Housing Policy 5.16: Involuntary displacement</a>: When plans and investments are expected to create neighborhood change, limit the involuntary displacement of those who are under-served and under-represented. Use public investments and programs, and coordinate with nonprofit housing organizations (such as land trusts and housing providers) to create permanently-affordable housing and to mitigate the impacts of market pressures that cause involuntary displacement.</p>
Regulate short-term rentals	<p><a href="#">Chelan, Housing Policy H 2.4</a>: Encourage appropriate placement and use of vacation rentals.</p> <ul style="list-style-type: none"> <li>• Example: <a href="#">Chelan's short-term rental license requirement</a> and limits to locating short-term rentals to specific land use zones</li> </ul>

Ensure the benefits of investment and development are equitably distributed

## Community Benefits Agreements

Development agreements or community benefit agreements (CBAs) are voluntary, negotiated contracts between developers and municipalities or between developers and a community based organization representing the interests of the community, respectively. These agreements specify public benefits that the development will provide, along with the responsibilities of each party. They can support affordable housing, affordable commercial space, community gathering spaces and other public amenities. These public benefits should align with the community's needs and desires. The agreements provide assurances to developers that certain development regulations or community support will not change during the term of the agreement and a city or community based organization can, in turn, require conditions to mitigate project impacts, clarify project

phasing, mitigate displacement of cultural institutions and provide public improvements. Policy support for these agreements in the Comprehensive Plan can help in their implementation.

## Support community-led investments

Local governments can invest in community-led investments. Actions that support community and fund community organizations and nonprofits to create community-owned assets such as affordable housing developments, community space preservation projects and small business support projects are examples.

## Community examples

Category	Community / example
Geographic distribution	<a href="#">Washington, DC, Policy H-1.2.9: Advancing Diversity and Equity of Planning Areas:</a> Proactively plan and facilitate affordable housing opportunities and make targeted investments that increase demographic diversity and equity across Washington, DC. Achieve a minimum of 15 percent affordable units within each Planning Area by 2050. Provide protected classes (see H-3.2 Housing Access) with a fair opportunity to live in a choice of homes and neighborhoods, including their current homes and neighborhoods.
Healthy, equitable and affordable housing	<a href="#">Renton, Goal HHS-H:</a> Actively work to increase the availability of healthy, equitable, and affordable housing for people in all demographic groups and at all income levels and promote a balance of housing and the amenities needed by residents at a neighborhood level, such as childcare, availability of fresh food, recreational opportunities, and medical care.
Capital investment distribution	<a href="#">Burien Equity Element, Pol. EQU 1.5:</a> Burien shall develop its Capital Investment Plan with a goal of providing equitable access to municipal services such as roads, pedestrian and bicycle facilities, park facilities, and street trees.
Amenity and infrastructure distribution	<p><a href="#">Everett Parks Recreation and Open Space (PROS) Policy 9.5.1:</a> Phase improvements in the park and trail system to remove barriers and increase equity through:</p> <ul style="list-style-type: none"> <li>• Improving existing parks.</li> <li>• Opening undeveloped parkland in the City’s inventory.</li> <li>• Adding new trails that connect neighborhoods to existing parks.</li> <li>• Adding new parks.</li> <li>• Adding or improving tree canopy.</li> </ul> <p>See <i>Section 4.1 of Parks Plan, Equitable and Sustainable Access</i>. Parks funding prioritization based on equity. See Exhibit 1.1-10 and Appendix 12.3 Example Project Evaluation.</p> <p>Everett’s Stormwater Management Action Plan also <a href="#">includes equity</a>.</p>

## Monitor for equitable outcomes

Ongoing monitoring using defined measures is important to ensure policies are working as intended to address racially disparate outcomes, exclusion, displacement and displacement risk. Monitoring also provides an early warning system that can alert jurisdictions to successes or failures so that resources can be focused on actions that are the most effective for communities of interest.

A robust monitoring program should include both implementation and performance monitoring. Implementation monitoring should track the extent to which policies are being implemented. Performance monitoring should track whether policies are achieving the desired results.

## Community examples

Category	Community / example
Monitoring	<p><a href="#">Bellingham, Policy H-25</a>: Monitor the City's housing affordability market, including housing demand by housing type across all income levels and in all neighborhoods, and report on the effectiveness of the City's housing affordability policies.</p> <p><a href="#">Covington Housing Element Implementing Action, Exhibit HO-4</a>: Monitor housing supply, affordability, and diversity as part of Comprehensive Plan Updates and at the time of the annual Office of Financial Management building permits report, Multifamily Tax Exemption annual reporting to the State Department of Commerce, and the King County Buildable Lands Report. Adapt plans and codes as needed to meet the local housing need and share of the countywide need.</p> <p><a href="#">Mount Vernon, Policy 4.4.1</a>: Consider adopting a schedule to have the Community &amp; Economic Development Department (CEDD) report to Council on the number of renters and owners that are paying 30% or more of their income on housing in the Mount Vernon Metropolitan Statistical Area (MSA) as reported through the Comprehensive Housing Affordability Strategy (CHAS) Data Query Tool from the U.S. Department of Housing and Urban Development (HUD). ...This report could provide Council with an opportunity to reassess and adjust policies and development regulations to meet low income housing needs.</p> <p><a href="#">Skagit County, Policy 7A-1.7</a>: Work with the Skagit Council of Governments to establish a program for regular updating of the Housing Needs Assessment, including provisions to monitor and assist in providing affordable housing opportunities. The Assessment should be updated on a regular basis, several years in advance of each periodic GMA required Comprehensive Plan update.</p> <p><a href="#">Spokane, H 2.5: Housing Goal Monitoring</a>: Provide a report annually to the City Plan Commission that monitors progress toward achieving the housing goals and includes recommended policy change if positive direction toward achieving the housing goals is not occurring.</p> <p><a href="#">Housing Element Performance Measures</a>, Mountlake Terrace Housing Element</p>

# Definitions

- **Community planning requirements:** Requirements set forth in the Growth Management Act, which requires jurisdictions to plan for population and job growth and develop Comprehensive Plans for their jurisdictions, which are aligned with countywide planning policies and projections of population from the Office of Financial Management.
- **Discriminatory effect:** The effect, regardless of intent, of differentiated outcomes for a group based on a protected classification. May be an action or failure to act. Protected classifications include race/color, national origin, religion/creed, sex/gender/domestic violence status, familial status, disability, marital status, sexual orientation and military/veteran status.
- **Disinvestment:** A process by which a community is not prioritized for investment, or by which a system, policy or action disincentivizes investment in a specific area. Disinvestment processes occur over time, often in the long term.
- **Displacement:** The process by which a household is forced to move from its community because of conditions beyond their control.
  - **Physical displacement:** Households are directly forced to move for reasons such as eviction, foreclosure, natural disaster or deterioration in housing quality.
  - **Economic displacement:** Households are compelled to move by rising rents or costs of home ownership like property taxes.
  - **Cultural displacement:** Residents are compelled to move because the people and institutions that make up their cultural community have left the area.
- **Displacement risk:** The likelihood that a household, business or organization will be displaced from its community.
- **Equitable development initiatives:** Public and private investment, programs, and policies designed to meet the needs of marginalized populations and to reduce disparities so that quality of life outcomes such as access to quality education, living wage employment, healthy environments, affordable housing and transportation are equitably distributed. (City of Seattle)
- **Exclusion in housing:** The act or effect of shutting or keeping certain populations out of housing within a specified area, in a manner that may be intentional or unintentional, but which leads to non-inclusive impacts.
- **Gentrification:** The process in which the character of an area is changed, resulting in households being unable to remain in their neighborhood or move into a neighborhood that would have been previously accessible to them. This is also referred to as “neighborhood exclusionary change” or “exclusionary displacement.”
- **Inclusionary zoning:** A regulatory tool that requires permanent affordable units to be included within new residential development projects, or requires payment for construction of such units elsewhere (fee-in-lieu). “Permanent” refers to affordable unit availability in the long term, specifically, for 50 years as defined by Washington code.

- **Infrastructure:** The facilities and systems that serve a country, city, or area, such as transportation, parks, communication systems, energy and utility systems, and schools.
- **Land disposition policies:** Conversion of underutilized and surplus public land for other uses, guided by state law. State law has identified affordable housing as a public benefit and allows cities to sell or lease land at a reduced cost, or donate it altogether, for development of affordable housing.
- **Market forces:** Economic factors that impact the provision, price and/or demand for housing.
- **Preservation of historical and cultural communities:** Efforts by the Washington Department of Archaeology and Historic Preservation (DAHP) or another nongovernmental entity to identify, document, protect, or commemorate specific places associated with historical or cultural significance. Historical communities in Washington state are considered to be 30 years or older. Significance is defined by local communities, but often can be limited in its recognition when communities do not have the resources to make the necessary nominations.
- **Racially disparate impacts:** When policies, practices, rules or other systems result in a disproportionate impact on one or more racial groups.
- **Tenant protections:** Includes legal protections for people who pay rent for the place where they live. In Washington state, legal protections are established under the Residential Landlord-Tenant Act (RCW 59.18). Local governments can establish additional protections for people who rent the place they live.

## References

Bates, L. K. (2013). Gentrification and Displacement Study: implementing an equitable inclusive development strategy in the context of gentrification. Commissioned by the City of Portland, Bureau of Planning and Sustainability. Retrieved from <https://www.portland.gov/sites/default/files/2020-01/2-gentrification-and-displacement-study-05.18.13.pdf>

Tiesdell, S. and Allmendinger, P. (2005). Planning tools and markets: towards an extended conceptualisation. In: Adams, D., Watkins, C. and White, M. (eds.) Planning, Public Policy and Property Markets. Series: Real estate issues (Oxford, England). Blackwell Publishing.

# Data sources – general information

## Federal resources

### Census Bureau

#### United States Decennial Census

The United States census provides a complete count of the entire U.S. population every 10 years. It is the most reliable population data available for small areas because it surveys the entire population of persons living in housing structures. Census data is limited to age, race, number of people in household and housing type.

Because they represent statistical estimates based on responses from a sample of the total population, all census data are provided with a margin of error.<sup>4</sup> Reviewing margins of error is important for interpreting estimates. The margin of error indicates the range of the possible true values based on a 90% confidence interval. The margin of error reflects the number of reported data (the sample size) and the variation of data. Generally, estimates for larger populations will have greater reliability and less margin of error. Reviewing margin of error is particularly important when comparing estimates between communities, populations or trends over time. If your comparison shows a difference that is smaller than the margin of error, you are not reliably able to conclude that there is a valid difference.

The U.S. Census Bureau compiles summary statistics with margin of error for states, counties, census-designated places and additional smaller geographies. Information on the data collection procedures, accessing data and interpreting estimates is available at [www.census.gov](http://www.census.gov).

#### American Community Survey (ACS)

The American Community Survey (ACS) is an ongoing nationwide survey conducted by the U.S. Census Bureau in addition to the census. It is 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 commonly used for the Community Profile section of a housing needs assessment.

Census releases two kinds of ACS data products: 5-year estimates and 1-year estimates. The estimates reflect different sampling strategies with implications to be considered when using these data in a needs assessment.

---

<sup>4</sup> For a more detailed discussion of margin of error in the ACS, see <https://www.census.gov/programs-surveys/acs/guidance/training-presentations/acs-moe.html>.



Product	Description	Considerations
1-Year Estimates	Estimates are based on survey responses collected during a 12-month period.	<ul style="list-style-type: none"> <li>Reflects more current data. May be more useful for analyzing areas with rapidly changing characteristics.</li> <li>Larger margin of error due to smaller sample size.</li> <li>Data is only available for areas with population of 65,000 or greater.</li> </ul>
5-Year Estimates	Estimates are based on survey responses collected during a 5-year period.	<ul style="list-style-type: none"> <li>Less current information. May not be as suitable for analyzing themes that are changing rapidly (such as those relating to housing costs).</li> <li>Smaller margin of error due to larger sample size.</li> <li>Data is available for all communities in Washington state.</li> </ul>

## On the Map

[OnTheMap](#) is a web-based mapping tool useful for understanding the local workforce (demographic information about who works in your community), the work patterns of residents and commuting patterns. It uses a dataset called the LEHD Origin-Destination Employment Statistics which includes data on job locations and residential locations and the connections between the two. It also provides companion reports on age, earnings, industry distributions, race, ethnicity, educational attainment and sex. The data set is limited to jobs that are covered by unemployment insurance as well as federal employees. More information can be found at <https://lehd.ces.census.gov/>.

## HUD Office of Policy Development and Research Comprehensive Housing Affordability Strategy (CHAS)

Each year, the U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of 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.

CHAS data groups households by income level relative to median family income (MFI). These data include adjustments to account for differences in household size to reflect the fact that the living expenses for a 1-person household are significantly less than those of a household of four. These adjustments are based on HUD's published household [Income Limits](#) needed to qualify for income-restricted affordable housing that is set aside for households at a specified income level or below. [Washington State Housing Finance Commission](#) publishes an expanded version of these income limits for each county in Washington state. An example for Kittitas County is shown in below. It shows that in 2019, a 1-person household with an annual income of \$40,000 would be considered to have an income just shy of 80 percent MFI, while a 4-person household with the same income would be considered to have an income between 50 percent and 60 percent MFI.

## 2022 HUD Income Limits for Kittitas County (Median Family Income: \$85,800)

Set-aside percentage	1-person	2-person	3-person	4-person	5-person	6-person	7-person	8-person
20%	\$11,900	\$13,600	\$15,300	\$17,000	\$18,360	\$19,720	\$21,080	\$22,440
30%	\$17,850	\$20,400	\$22,950	\$25,500	\$27,540	\$29,580	\$31,620	\$33,660
35%	\$20,825	\$23,800	\$26,775	\$29,750	\$32,130	\$34,510	\$36,890	\$39,270
40%	\$23,800	\$27,200	\$30,600	\$34,000	\$36,720	\$39,440	\$42,160	\$44,880
45%	\$26,775	\$30,600	\$34,425	\$38,250	\$41,310	\$44,370	\$47,430	\$50,490
50%	\$29,750	\$34,000	\$38,250	\$42,500	\$45,900	\$49,300	\$52,700	\$56,100
60%	\$35,700	\$40,800	\$45,900	\$51,000	\$55,080	\$59,160	\$63,240	\$67,320
70%	\$41,650	\$47,600	\$53,550	\$59,500	\$64,260	\$69,020	\$73,780	\$78,540
80%	\$47,600	\$54,400	\$61,200	\$68,000	\$73,440	\$78,880	\$84,320	\$89,760

Source: Washington State Housing Finance Commission, [Income and Rent Limits for All Tax Credit and Bond Financed Properties, 2022](#).

## Washington resources

### Office of Financial Management

The Office of Financial Management (OFM) publishes annual population estimates as of April 1 for each county. These are the official population counts for implementing the Growth Management Act. In addition to current population estimates, OFM develops a range of possible population growth projections for Washington counties, which inform the long range planning housing targets.

- [April 1 Official Population Estimates](#)
- [Growth Management Act County Projections](#)

In addition to the official population estimates and projections, OFM provides data on community demographics, housing, the economy and other variables useful for conducting a housing needs assessment. See the OFM's [Washington Data and Research](#) page.

### Washington Department of Health, Washington Environmental Health Disparities Map

The Washington State Department of Health, together with the University of Washington Department of Environmental & Occupational Health Sciences (DEOHS), compiles information on environmental health and

hazard risk information for each census tract in Washington state. The dataset helps to identify which neighborhoods are most impacted by environmental pollution. For more information and access to the mapping tools, see the [Washington Environmental Health Disparities Map](#).

## Regional, county and local resources

### Puget Sound Regional Council

The Puget Sound Regional Council (PSRC) [evaluated displacement risk in census tracts across the Puget Sound region in 2019](#). Risk factors in this index include a variety of data points under the categories of socio-demographics, transportation qualities, neighborhood characteristics, housing and civic engagement. Areas indicated as higher displacement risk are those where vulnerable populations live or those where high value investments such as mass transit can increase real estate demand and drive up the cost of housing or commercial space. The highest risk areas will likely include a combination of both of these characteristics. In these high risk areas, residents are most vulnerable to displacement when there are changes in zoning or an influx of capital investment. See PSRC's [technical documentation](#) for more information.

### Fair housing assessments

The Fair Housing Act of 1968 protects people seeking homes from discrimination based on race, color, national origin, religion, sex, familial status and disability. The Fair Housing Act requires that recipients of federal housing and urban development funds take meaningful action to address housing disparities, including undoing segregated living patterns, transformation racially and ethnical concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. Towards this end, HUD requires bodies receiving Community Development Block Grants to conduct analysis to identify impediments to fair housing choice within the jurisdiction and take appropriate actions to overcome the effects of any impediments identifies through the analysis.

An example of an analysis of impediments to fair housing is the Pierce County Consortium's (2019) analysis. The analysis identified contributing factors to fair housing issues or impediments. The [Pierce County Consortium](#) consists of 19 cities and towns and the unincorporated areas of Pierce County. The [report](#) is available on Pierce County's website.

## Commercial and other resources

### Policy Map

Policy Map is a web-based tool that provides access to data from the U.S. Census Bureau, along with other data sources. The platform offers some tools in its public access version, as well as a subscription model for greater data and functionality. It includes a range of data variables including demographics, economic, housing, lending, education and quality of life, among others. The platform also offers easy access to measures of racial diversity, segregation, housing cost burden, subsidized housing points and other factors for determining racially disparate impacts. More information is available at <https://www.policymap.com/>.

### The Evictions Lab

Provides nationwide eviction data to explore the prevalence of evictions. The data are compiled from formal eviction court records combined with demographic information from the U.S. Census. The "modeled" data includes synthesized data to provide a data on all U.S. states and counties. The "original" data includes estimates for counties, cities, census tracts and block groups. See <https://evictionlab.org/>.

# Data sources for racially disparate impacts, exclusion and displacement analysis

Data measure	Data sources	Considerations	Examples
<b>DIRECT MEASURES OF DISPARATE IMPACTS IN HOUSING</b>			
Homeownership rates by race/ethnicity	<ul style="list-style-type: none"> <li>-American Community Survey (ACS) B25003. (Racial subgroups in sub tables A-I)</li> <li>-CHAS (Comprehensive Housing Affordability Strategy, HUD)</li> <li>-<a href="#">Policy Map</a> (requires subscription for some data)</li> <li>-PUMS data</li> </ul>	When interpreting disparities in homeownership, we recommend also looking at differences median age of householders. Younger residents (under age 35) are less likely to be homeowners than older residents, so some differences in homeownership rates could be due to the population structure of the groups (age distribution).	<ul style="list-style-type: none"> <li>-Recommended in 2021 King County Countywide Planning Policies (CPPs)</li> <li>-<a href="#">Puyallup Housing Action Plan (2021)</a></li> <li>-<a href="#">Seattle Market Rate Housing Need Study (2021)</a></li> </ul>
Housing cost compared to the household income, broken down by racial and ethnicity groups	<ul style="list-style-type: none"> <li>-ACS</li> <li>-CHAS (provides households grouped by ratios to Area Median Income; data also accounts for household size)</li> <li>-Market data by Zillow or Redfin</li> </ul>	<ul style="list-style-type: none"> <li>-This data answers the question of access to housing in general.</li> <li>-It does not account for “down renting” in which a household occupies a housing unit that would otherwise be affordable to a lower-income household. This challenge is common where there are housing supply constraints, particularly a lack of ownership housing opportunities.</li> </ul>	-Recommended in 2021 King County CPPs
Cost burden status by race and ethnicity	-HUD CHAS	-Cost burden disaggregated by race requires observations on income, rent, and race, which will create larger margins of error for small jurisdictions.	
Rate of more than one occupant per room (an indicator of overcrowding)	-ACS (B25014), may be available for racial subgroups	-Can impose cultural biases in interpretation. Consultation with community members can help suggest determining the needs related to size of housing.	
Housing tenure by race or ethnicity	<ul style="list-style-type: none"> <li>-ACS Table S2502</li> <li>-ACS Table S1101</li> </ul>	-Housing tenure by race, by household income or cost-burden status	

Data measure	Data sources	Considerations	Examples
<b>INDIRECT MEASURES OF HOUSING OUTCOMES</b>			
Commute burdens by area	-ACS - <a href="#">On the Map</a> - <a href="#">National Equity Atlas</a> (Spokane and Seattle only)	-Can measure by (1) minutes to work by race, and/or (2) minutes to work by income group  -An indicator of workforce housing needs that are not being met.	
Exposure to environmental health hazards	- <a href="#">Washington Environmental Health Disparities Map</a> , Washington State Department of Health		
Life expectancy differences by neighborhood	-Center for Disease Control (CDC) <a href="#">U.S. Small-area Life Expectancy Estimates Project (USALEEP), 2010-2015</a>		
Access to areas of opportunity by race or ethnicity		-Requires a process to determine areas of opportunity	-Recommended in 2021 King County CPPs
Disparities in education access or benefits	- <a href="#">Washington School Improvement Framework</a> (for school quality) - <a href="#">Washington Office of Superintendent of Public Instruction</a> (OPSI) for demographic composition of students	-Representativeness of children in higher performing schools compared to lower performing schools  -Location of higher performing schools relative to racial composition of neighborhood  -Performance of student racial groupings	- <a href="#">City of Seattle Equitable Development Indicators</a>
Areas affordable by median household income by race	-ACS for median household income -Zillow or Redfin for local market prices	-Answers the question of which areas in the city are accessible to different groups of people.	
<b>MEASURES OF EXCLUSION</b>			
Over- or under-representation of a sub group	-ACS	-Could be focused on differences within an area of a city or compare the city to a larger geographic reference such as the county or the region	
Concentration or dispersion of affordable housing or housing choice voucher usage within the jurisdiction	- <a href="#">Policy Map</a> (requires subscription for some data) - <a href="#">HUD Affirmatively Furthering Fair Housing Tool</a> (AFFHT)		-Recommended in 2021 King County CPPs

Data measure	Data sources	Considerations	Examples
Segregation by neighborhood, e.g., degrees of integration and segregation	-ACS - <a href="#">AFFHT</a> , based on decennial census data		-Recommended in 2021 King County CPPs
Ratio of jobs to workers -By racial group -By wages and affordability	-Census: ES202 data		
<b>MEASURES OF DISPLACEMENT</b>			
Foreclosures	-Notice of Trustee Sales -County recordings -Zillow reports on percentage of sales that are foreclosure resales	-Affects homeowners who are no longer able to maintain mortgage payments or renters whose landlords face foreclosure -Likely a small number	-Used in Seattle housing displacement risk indicator (HDRI)
Evictions	-County Court records - <a href="#">The Eviction Lab</a>	-May undercount informal eviction stemming from landlord harassment or when landlords remove amenities relied on by tenants that were available during lease up such as parking or utilities.	-Used in Seattle HDRI
Tenant relocation assistance applications	-Depends on relevant programs for the jurisdiction - <a href="#">Mobile home relocation assistance program</a>	-Can include state-wide tenant relocation assistance programs for manufactured home parks or local programs if they exist.	
Expiring affordable housing covenants	-Washington State Housing Finance Commission (WSHFC) -Internal city data		-Used in Seattle HDRI
Condemnations	-City records		
Housing units lost to natural disaster	-Incident report		
Eminent domain	-Noted by city action		
Deterioration in housing quality	-Assessor rating		

Data measure	Data sources	Considerations	Examples
Condominium conversion applications	-City data	-Provides an early warning of specific households or buildings at heightened risk of displacement.  -Might not be relevant to displacement for higher rent apartments.	-Used in Seattle HDRI
Loss of housing units over an interval of time (demolition)	-City administrative data	-Loss of overall number of housing units suggests a displacement of residents. Additional input would be needed to confirm economic displacement (disinvestment) or loss due to environmental displacement (flood, storm, etc.).	- <a href="#">Montgomery County, Maryland</a>
Loss of units affordable to low- and moderate-income households	-ACS -CHAS for housing units	-Only reliable for larger areas, or for the entire jurisdiction in some cases.	
Reduction of number of households of a sub-group (race, income group, age of householder)	-ACS -CHAS for households	-Smaller jurisdictions (under 60,000) will need to use ACS estimates aggregated over a 5-year period. We recommend avoiding comparing overlapping observation periods.	

## Data sources for measures of displacement risk

Indicator / risk factor	Data sources	Notes
<b>SOUIDEMOGRAPHIC FACTORS</b>		
Percent of households that rent housing	-ACS data -Decennial Census	-A common measure
Percent BIPOC people greater than the city average	-ACS data -Decennial Census	-Used by Seattle (2015) and Portland
Linguistic isolation	-ACS data	-Portland defines this as percent of households in which members 14+ do not speak English. -Used by Seattle (2015)
Educational attainment (often households with less than a bachelor's degree)	-ACS data	-Used by Seattle (2015) and Portland

Indicator / risk factor	Data sources	Notes
Housing cost burden -Can be disaggregated by household income, race, seniors, households with children	-CHAS data -HUD data	-Only reliable for larger areas, or for the entire jurisdiction in some cases. -Disaggregation reduces reliability due to sample-nature of the estimates. -Does not distinguish between market-rate and subsidized housing units. -Used in Seattle housing displacement risk indicator (HDRI)
Presence of low-income households compared to the larger area (Seattle uses 200% of poverty level)	-ACS data -CHAS	-Households with incomes less than AMI, who do not benefit from a housing subsidy, are at higher risk of displacement. -Of particular concern to areas with naturally occurring affordable housing
<b>MARKET FACTORS</b>		
Increased cost of living above regional average	- <a href="#">University of Washington self-sufficiency standards</a> (available for counties)	-Primarily driven by housing and childcare costs
Percent increase in housing costs (housing cost velocity), when housing costs were originally lower than city wide -Change in rents (often on square foot basis) -Change in home sales prices (per square foot)	-Zillow or Redfin on sales -Zillow Rental Estimates (ZRI) -Washington Center for Real Estate Research (WCRER) County Data -Costar (contract rents on newly leased units)	-Used in Seattle HRDI -Used in King County Skyway-West Hill work
Parcels with underutilized development capacity or low improvement to land value ratios	-Buildable lands analysis -Assessor data	
Affordability and supply of affordable housing	-CHAS data	-Supply = Number of units that are affordable to households at ratios of area median income (AMI) -Affordable and Available = Number of rental units that are affordable and occupied by a households with corresponding income ratio to AMI - Lack of affordable units can lead to economic displacement. It can also be a sign of “exclusionary neighborhood change” -Used in Seattle HDRI
Homeowner tax arrears (can include amount, length of time in arrears)	-County Treasury reports	-An indicator of economic hardship for homeowners -May only be available after 3+ years in arrears, data cleaning needed to identify occupied housing (Seattle) -Used in Seattle HDRI



Indicator / risk factor	Data sources	Notes
Development capacity	-Buildable land analysis	-Based on difference between existing and zoned capacity
New residential construction permits (compared to city-wide average)	-City permit data	-Used by Seattle HDRI
-Adjacent to gentrifying area	-Geographic Information Systems (GIS) analysis	-Used by Portland and Seattle
<b>PROXIMITY TO AMENITIES</b>		
Access to employment centers		-Threshold for “accessibility” needs to be determined based on local conditions
Proximity to transit	-Puget Sound Regional Council (PSRC) data	- Standard measure is ¼ mile to frequent or high-capacity transit -Used by Seattle (2015)
Proximity to civic infrastructure	-Geographic data (google) -PSRC data	-Generally a weighted average distance (by household) to nearest school or park
Proximity to high-income neighborhood	-ACS data	-Census tracts with median income <80% AMI abut tracts with median income >120% AMI -Used by Portland
Proximity to core business	-Geographic data (google) -PSRC data	-Generally a weighted average distance (by household) to nearest grocery, pharmacy or food establishment