

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Comprehensive Housing Strategy Workplan
DEPARTMENT: Planning and Development Services
PRESENTED BY: Joe Tovar, Director of Planning and Development Services Steve Cohn, Project Manager for Comprehensive Housing Strategy

PROBLEM / ISSUE STATEMENT:

The City Council has directed the staff to prepare a draft scope and workplan for a Comprehensive Housing Strategy for Shoreline. The purpose of this memorandum is to: 1) identify key facts, issues and approaches for a comprehensive housing strategy so that the Council can provide direction with more specific objectives/outcomes of such a strategy and 2) lay out a draft work program for review so that Council can review the proposed sequencing of various steps and check-in points as well as gauge the amount of staff effort that should be applied to this task.

I. Context - Shoreline as a "First Suburb"

Shoreline is an excellent example of a "first suburb." These were the first suburbs built after World War II and are usually in the first ring of communities near the central city of a metropolitan area. They were often bedroom communities for commuters and even today, almost 50 years after they were built, may still largely be bedroom communities. (According to the 2000 U.S. Census, 45% of Shoreline's housing stock was built prior to 1960. This compares to 38% in Lake Forest Park, 26% in Edmonds, and 30% in Mountlake Terrace. Shoreline's percentage of housing built before 1960 is very similar to Burien's (46%).)

Many first suburbs are experiencing similar changes, because they are affected by similar demographic and economic forces. They are seeing aging housing stock, aging populations, smaller household sizes, and more ethnic diversity. Much has been written recently on the unique challenges facing first suburbs, including a Brookings Institute study available online at http://www.brook.edu/metro/pubs/20060215_FirstSuburbs.htm A recent newspaper article in the Seattle P-I talked about First Suburbs in the Seattle region, and specifically made mention of Shoreline. (See Attachment 1.)

As our city continues to age, Shoreline's housing stock will change. Some people will choose to maintain their homes (single-family, condos, apartments); others will not. The City, through its actions, can affect some of these investment decisions, through a variety of actions, one of which is offering incentives. (The State Legislature recognized the cities' interest in affecting housing stock in the recent passage of HB 2984 and its

Senate counterpart which allows cities to offer regulatory incentives to residential developers in defined parts of town in exchange for constructing units that are affordable to people with limited incomes.)

II. City Policies and Actions relative to Housing in Shoreline

In 1998 the City adopted comprehensive plan housing policies (see Attachment 2) and since then has implemented various programs that assist homeowners to continue living in their homes. The Development Code provides density incentives for the development of affordable housing and accessory dwelling units to help residents afford their homes.

On January 19, 2006 the City hosted a forum focused on a portion of Shoreline's population: those for people with limited incomes. The purpose of that "Affordable Housing Strategy" forum was to explore whether affordable housing is an issue in Shoreline and hear from non-profit and government agency experts about how other jurisdictions in the region are addressing this portion of the housing issue. A separate follow-up report on the Affordable Housing Strategy is being prepared by Rob Beem, our Human Services Manager.

On February 13, 2006, the City Council voted to repeal the cottage housing provisions of the Development Code. In so doing, the Council determined that a broader look at the question of housing in Shoreline was needed and directed staff to draft a workplan for a comprehensive housing strategy. In expanding on the motion, Deputy Mayor Fimia clarified that the plan would:

- Present the Council and community with more detail of present and future housing needs, economic drivers, community values and goals;
- Provide information about viable options and ways to achieve these goals and identification of alternatives and potential partners in this effort; and
- Bring together ideas in a strategic fashion and look at the broader short- and long-term housing needs of our citizens.

III. Development of a Comprehensive Housing Strategy for Shoreline

How can the housing needs of Shoreline's changing demographics and other community objectives be met? A comprehensive housing strategy offers an avenue to address these changes while identifying potential City actions that can expand housing choices for present and future residents.

Staff identified three focus areas that will guide the development of a strategy. These are presented as a continuum to illustrate that each focus area includes a range of choices.

Focus Area 1: Population to be Served

Who do we want to live here?

Identify who lives here now and who we would like to be able to live here in the future.

<i>Those who are here today</i>	<i>Current population as it ages</i>	<i>Fill gaps in housing choice</i>	<i>Identify new population segments to attract to Shoreline</i>
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- Do we want to focus on accommodating those that live here as they age?
- Do we want to provide housing for younger residents who may want to stay in Shoreline when they grow up or others who may want to live here because of its location, schools, or other reasons?
- Who is this housing strategy for?
- What are the needs gaps that should be highlighted and addressed?

In answering these questions, staff will collect data on the City’s demographics, housing stock, market trends, and comparison with the regional profile. Analysis of this data should provide some insight as to how local and national trends affect Shoreline.

Focus Area 2: Housing Choice/Type

What do we want to happen with housing supply, what type of housing mix do we want?

<i>Reinforce/protect current housing stock</i>	<i>Consolidate/rezone/redevelop</i>
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Shoreline is a predominately single family City with a greater percentage of single family homes and land area zoned for single-family homes than many comparable cities in King and Snohomish Counties. (See Attachment 3, Chart of Comparable Cities and Attachment 4, Zoning Map) Providing housing choices can mean helping someone stay in their home, move to other housing in the City, or provide options for children as they become adults. These choices may not be available with the current housing stock.

Currently, Shoreline is attractive to many first time home buyers because Seattle neighborhoods are more expensive.

- Will that drive up the cost of housing in Shoreline’s more affordable neighborhoods?
- Are there portions of the City that can accommodate residential options that are alternatives to traditional single family homes?
- Can we identify and work with partners such as adjacent cities and non-profit housing providers to increase the stock of low to moderate income housing?
- Have market forces changed enough in Shoreline that alternative forms of market rate housing might develop here?

This continuum spans alternatives like: home repair programs to help owners stay in their homes; providing incentives to use currently zoned land more efficiently; looking for certain areas that may lend themselves to innovative housing forms (for example,

lands adjacent to the Aurora Corridor); targeting certain areas for public improvement dollars for walkways, storm drainage improvements, and roadways to encourage infill and redevelopment to expand housing choices; and forming a north-King/south-Snohomish Counties consortium of cities to pool resources similar to the eastside cities' ARCH (A Regional Coalition for Housing).

Focus Area 3: City Involvement in Housing Strategy

How active should the City be in implementing new housing?

<i>Respond to market forces</i>	<i>Use incentives to encourage specific types of housing</i>	<i>Invest public dollars to create specific types of housing</i>
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Shoreline's housing stock will be affected by both internal and external forces, but market forces will have the greatest impact in the long run. If demand for housing remains strong in the Puget Sound area, there will be continued redevelopment of existing housing stock and pressure to develop new housing in areas that permit higher densities.

However, the City can affect the overall housing stock by encouraging, providing incentives, or requiring certain outcomes. Another option is to provide resources (staff or dollars) to work with other groups to build units that serve target populations.

Focus areas 1 and 2 are, in some ways, tied together. Focus area 3 (City Involvement) can be considered independently of the other two.

Draft Work Plan

It is our expectation that the comprehensive housing strategy (CHS) could include some or all of the following implementation outcomes:

- Strategy
- Comprehensive Plan policies
- Development Code amendments
- Potential projects and funding sources

Staff's proposed timeline and workplan is:

1. April 2006 – At Council Retreat: Affirm, revise and refine scope of focus of the CHS.
 - Staff provides existing relevant comprehensive plan policies
2. Summer 2006 -- Inventory existing conditions
 - Housing stock and Land use potential
 - Demographics and trends
 - Housing market and regional context
3. Late Summer 2006 -- Develop draft 2007 budget implications (becomes part of budget proposal)

4. September 2006 -- Check-in point with Council
 - Staff identifies current and future housing need
 - Staff identifies easy and difficult housing gaps
 - Staff presents draft strategy, incentives and programs. Council clarifies scope and direction of CHS
 - Council appoints citizen advisory committee (CAC) comprised of representative stakeholders to assist in developing strategy. The Council may want to consider appointing Council or Planning Commission representatives to serve on the CAC.
5. October 2006
 - Committee meetings begin
6. November 2006
 - Staff and CAC hold community meeting to present existing conditions
 - Report to Council – Compare gaps with Council objectives
7. November-January 2007
 - Advisory committee begins work to develop proposed strategies
8. February 2007 -- Check-in point with Council
 - Draft proposed strategies are presented to Council
 - Council provides any needed clarification or direction
9. March 2007 - Community meeting on proposed strategies and options
 - Needs gaps
 - Integrate affordable housing strategy component
 - Implementation
 - Costs
10. April 2007 - Council public hearing and adoption of CHS by resolution

IV. Resources

Staff estimates that accomplishing the proposed workplan will take the following resources:


- An FTE (or consultant) working two months during the summer to gather the information described in the workplan. The cost of a consultant is estimated to be \$15,000. As a new workplan item, it was not budgeted. Staff will work to identify funding options to cover the cost of this task.
- Approximately .25-.3 FTE to work with the committee to develop the comprehensive housing strategy. This can be absorbed with current staffing levels.

RECOMMENDATION

No action is required. The Council will discuss this subject more fully at its upcoming retreat. Staff is bringing these ideas forward now so that Council can review the draft scope and schedule, then ask additional questions or offer ideas to staff so that we can provide responses at the retreat.

Attachments

- 1. Newspaper article about First Suburbs
- 2. Comprehensive Plan Housing Policies
- 3. Chart of Comparable Cities
- 4. Shoreline Zoning Map

Approved By: City Manager  City Attorney _____

SEATTLE POST-INTELLIGENCER | THURSDAY, FEBRUARY 16, 2006

The original 'burbs are in trouble

Outside the city, the neighborhood is changing fast

BY CHARLES POPE

P-I Washington correspondent

WASHINGTON -- They are the places that helped America gather itself after World War II, close-in "first suburbs" such as Shoreline and Burien where cheap land and a good life attracted millions of new residents and lit the fuse on the greatest economic expansion in modern history.

That was then. Today, King County and 63 others across the country are stressed as never before, forced to cope with aging populations, rising poverty rates, a rapid influx of immigrants and sky-high housing costs, according to a study released Wednesday by the Brookings Institution.

The study also found that the gap between rich and poor is getting wider and that household income comes increased everywhere in

the nation except first suburbs during the 1990s. First suburbs, which are defined as areas just outside primary cities, also have more foreign-born residents than primary cities.

"First suburbs are staring down a set of looming challenges that threaten their overall stability," the study said, which was released at a seminar that included King County Executive Ron Sims and county leaders from Pittsburgh, Dallas, New York and northern Virginia metropolitan areas.

The crunch is arriving at a time when the inner counties are often invisible to political leaders, researchers say. At the same time, 52 million people in the United States live in first suburbs, a larger population than primary cities and even newer suburbs.

Sims said King County is addressing the problems better than most, although he acknowledged even for King County, solutions are difficult and expensive.

"For whatever reason, we've been very fortunate and doing it well enough to kind of avoid the consequences of metropolitan

age family income of \$57,802, according to the 2000 Census.

Like other counties in the report, King County's poverty rate has risen, from 5.16 percent in 1970 to 6.75 percent in 2000. Its roads have also been overwhelmed. The aggregate commute time in 1980 was 8.8 million minutes; in 2000, it was 15.5 million minutes.

Researchers said the study sought to identify -- and quantify -- the changing nature and health of the first inner suburbs. Those areas are defined in the study as those areas that "developed first" just beyond a city's boundaries but before rapid suburban expansion took hold.

"They are usually in the first ring of communities very close to the metropolitan core and often began as bedroom communities for professional, white, downtown commuters," the study said.

The study identified 64 counties across the country as homes to first suburbs and analyzed demographic changes in those counties from 1950 to 2000. The Northeast has the largest concentration of first suburbs with 27;

FIRST SUBURBS

Growing close-in suburbs are being shortchanged by federal housing and transportation policies that favor central cities and outer suburbs, a private research group suggests

► Population of "first suburbs" of King County

1960: 377,927
2000: 1,173,660

► Population of Seattle

1960: 557,087
2000: 563,374

Source: Brookings Institution

areas in other parts of the country," he said.

King County fits the profile of other first suburbs. Its population has soared 342 percent between 1950 and 2000. Nearly 1.2 million people live in the county today.

Family income has also risen faster than the nation as a whole, with the county claiming an aver-

the West has the fewest, nine. In addition to King County, Pierce County met the definition of "first suburb."

Sims said King County already has embraced some of the recommendations in the report, including a focus on high-density development instead of sprawl. Researchers and county leaders say the problems aren't going away any time soon. Mayors -- even from small cities -- have done a far better job at concentrating their political muscle than their counterparts from the counties, researchers say.

Meanwhile, federal politicians have fixated on the "exurb" as the newest and richest source of votes and contributions, Sims and others said.

"We just want the federal government to be more sensitive to our needs," Sims said. "There are more poor people outside Seattle than in it. There are more people of color outside Seattle than in it."

P-I Washington correspondent
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Housing Element Goals & Policies

Housing Goals

Goal H I: Provide sufficient development capacity to accommodate the 20 year growth forecast in an appropriate mix of housing types by promoting the creative and innovative use of land designated for residential and commercial use.

Goal H II: Pursue opportunities to preserve and develop housing throughout the city to address the needs of all economic segments of the community.

Goal H III: Maintain and enhance single-family and multi-family residential neighborhoods, so that they provide attractive living environments, with new development that is compatible in quality, design and scale within neighborhoods and that provides effective transitions between different uses and scales.

Goal H IV: Encourage and support a variety of housing opportunities for those with special needs, particularly relating to age, health or disability.

Goal H V: Support interjurisdictional cooperation to meet housing needs and address solutions which cross jurisdictional boundaries.

Housing Policies

Facilitate Provision of Adequate Housing Supply

H1: Encourage a variety of residential design alternatives that increase housing opportunities in a manner that is compatible with the character of existing residential and commercial development throughout the city.

H2: Provide incentives to encourage residential development in commercial zones as a support to commercial areas.

H3: Allow accessory dwelling units in single-family houses with the following considerations:

- One accessory dwelling unit per lot
- The applicant constructs satisfactory stormwater mitigation as defined
- in the municipal code
- Owner must occupy one of the units
- Cannot be larger than 50% of the living area of the main unit
- One additional off-street parking space must be provided

H4: Support programs to assist owners and renters to share housing.

H5: Require new residential development to meet or make provisions for the minimum density as allowed in each zone.

H6: Encourage infill development on vacant or underutilized sites to be compatible with existing housing types.

H7: Continue to seek opportunities for streamlining development permit procedures to minimize permit processing delays to avoid unnecessary housing development costs while maintaining opportunities for public involvement and review.

H8: Evaluate the housing cost and supply implications of proposed regulations and procedures.

H9: Promote working partnerships with public and private groups to plan and develop a range of housing choices.

H10: Provide opportunities and incentives through the Planned Unit Development (PUD) or Master Plan process for a variety of housing types and site plan concepts that can achieve the maximum housing potential of a large site.

H11: Allow manufactured homes where residences are permitted in the City.

H12: Allow cottage housing in residential areas, if the development goes through design review and adheres to the following characteristics:

- Common open space
- Reduced parking areas
- Detached homes
- Common amenities (e.g. garden plots, play areas, storage buildings, orchard)

Promote Affordable Housing Opportunities

H13: Work cooperatively with King County and neighboring jurisdictions to assess the feasibility of developing a regional approach to affordable housing.

H14: Provide for housing needs of the City by economic segment, consistent with state and regional regulations, including:

- Analysis and linkage between housing options and the housing needs of various economic segments
- Development of definitive goals and strategies for housing needs for various economic segments and
- A monitoring process to ensure progress in meeting housing needs for various economic segments.

H15: Ensure that a proportion of housing created through an increase in permitted density is priced to accommodate low and moderate income households.

H16: Explore the feasibility of creating a City housing trust fund for low income housing.

H17: Encourage the dispersal of affordable housing opportunities throughout the City.

H18: Provide incentives and work cooperatively with for-profit and non-profit housing developers to provide affordable housing.

H19: Develop policies and practices which will provide good management, preservation, maintenance and improvement to existing affordable housing.

H20: Ensure that any affordable housing funded in the city with public funds remains affordable for the longest possible term.

H21: Continue to review and update information to residents on affordable housing opportunities.

Maintain and Enhance Neighborhood Quality

H22: Initiate and encourage community involvement to foster a positive civic and neighborhood image.

H23: Maintain the current ratio of owners and renters.

H24: Promote additional opportunities for first time home ownership.

H25: Continue to provide financial assistance to low-income residents for maintaining or repairing the health and safety features of their homes through a housing rehabilitation program.

H26: Protect residential areas from illegal land uses and health and safety violations through enforcement of City codes.

H27: Anticipate future maintenance and restoration needs of older neighborhoods through a periodic survey of housing conditions.

H28: Assure that site and building regulations and design guidelines create effective transitions between substantially different land uses and densities.

H29: Explore the feasibility of implementing alternative neighborhood design concepts into the City's regulations.

Address Special Housing Needs

H30: Encourage, assist and support social and health service organizations that offer housing programs for people with special needs.

H31: Support the development of emergency, transitional, and permanent supportive housing with appropriate services for persons with special needs throughout the City and region.

H32: Encourage the dispersal of special needs housing throughout the City, using a siting process which includes citizen input and is consistent with State regulations.

H33: Identify regulatory methods for improving housing opportunities for special needs populations in the City.

H34: Encourage opportunities for senior and disabled citizens to remain in the community as their housing needs change, through home share programs, senior cottages, and facilitating the retrofitting of homes for lifetime use.

Participate in Regional Housing Initiatives

H35: Cooperate with King and Snohomish County and neighboring jurisdictions to assess housing needs, create affordable housing opportunities and coordinate funding for housing.

H36: Cooperate with private and not-for-profit developers and social and health service agencies to address regional housing needs.

H37: Work to increase the availability of public and private dollars on a regional level for affordable housing.

H38: Support and encourage housing legislation at the county, state and federal levels which would promote the City's housing goals and policies.

H39: Cooperate with the King County Housing Authority to develop housing in Shoreline that serves the needs of Shoreline's population.

ATTACHMENT 3

Housing stock comparison: Shoreline and similar cities

<u>City</u>	<u># of units</u>	<u>%Single Family</u>	<u>%Multi-family</u>	<u>% owner</u>	<u>% renter</u>	<u>% built prior to 1960</u>	<u>% built from 1960-1979</u>	<u>% built since 1980</u>
Shoreline	21,330	74%	26%	68%	32%	45%	37%	18%
Edmonds	17,519	65%	35%	68%	32%	26%	44%	30%
Burien	14,024	59%	41%	57%	43%	46%	32%	22%
Bothell	12,362	56%	44%	68%	32%	10%	36%	55%
Mountlake Terrace	8,162	62%	38%	60%	40%	31%	41%	28%
Kenmore	7,488	70%	30%	71%	29%	21%	38%	42%
Lake Forest Park	5,243	84%	16%	80%	20%	38%	44%	18%

ATTACHMENT 4

SHORELINE

Geographic Information System

ZONING

Representation of Official Zoning Map Adopted By City Ordinance No. 292.

Shows amendments through June 21, 2005.

Zoning Designation

- R-4: Residential, 4 units/acre
- R-6: Residential, 6 units/acre
- R-8: Residential, 8 units/acre
- R-12: Residential, 12 units/acre
- R-16: Residential, 18 units/acre
- R-24: Residential, 24 units/acre
- R-48: Residential, 48 units/acre
- O: Office
- NB: Neighborhood Business
- CB: Community Business
- NCBD: North City Business District
- RB: Regional Business
- I: Industrial
- CZ: Contract Zone
- Regional Business-Contract Zone

Other Map Features

- City Boundary
- Open Water
- PAI
- Tax Parcel Boundary
- Underwater Right of Way

1 inch equals 2,000 feet
 0 500 1,000 2,000 3,000 4,000 Feet

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