



**Overarching Goal:** *The region will preserve, improve, and expand its housing stock to provide a range of affordable, healthy, and safe housing choices to every resident. The region will continue to promote fair and equal access to housing for all people.*

*Housing is a basic need for every individual. With the opportunities and challenges that come with growth and new development, the region must be attentive to how we address the housing needs of the region's population while protecting our environment, supporting our economy, and enhancing our communities. Our success depends on ensuring the availability of a variety of housing types and densities, as well as an adequate supply of housing affordable at all income levels, to meet the diverse needs of both current and future residents.*

*VISION 2040's housing policies respond to changing demographics and the need to diversify the region's housing supply. The policies address affordability, jobs-housing balance, focusing housing in centers, and innovations in housing.*

The Growth Management Act calls for making affordable housing available to “all economic segments of the population,” providing a variety of residential densities and housing types, and encouraging preservation of existing housing stock. Local governments are to plan for housing that meets the varied needs of their diverse communities and residents and to ensure they are providing sufficient zoned land capacity for housing to accommodate 20-year growth targets. To this end, a primary goal of the Act is to facilitate sufficient and appropriate housing production and supply.

A sustainable community is one that has a stable mix of residents and workers at different income levels, living and working right in the community. Affordability is a key element for ensuring sustainable housing. Sustainable homes rely on efficient building techniques that allow for the reuse and recycling of materials, or the use of new materials that come from sources that can be more rapidly renewed. As housing stocks increase to accommodate the region's growth, there are a number of steps that can be taken to improve the sustainability, efficiency, and comfort of our homes.

**What the Region Can Do.** The complexity of addressing the full range of housing needs and challenges requires a coordinated regional-local approach. Through VISION 2040 and its regional housing policies and actions, the Puget Sound Regional Council is in a position to work with its member jurisdictions on housing both today's and tomorrow's population, including our children, grandchildren, and new residents.

### **The Sustainable Home and Green Building**

*Conserving resources and reducing environmental impacts can literally begin at home. Efficient fixtures, appliances, and landscaping can help conserve water and energy. New systems and technology provide opportunities for the reuse of wastewater. Improved indoor air quality and increased daylight contribute to better health and comfort. More efficient sources of energy allow each household to decrease the amount of carbons entering the atmosphere and can save money as well.*

Through the *Regional Growth Strategy*, the region has articulated a preferred pattern of urbanization that will help direct new housing development to the urban growth area and regionally designated growth centers. By prioritizing the investment of regionally managed funding to support housing, affordable housing, and infrastructure projects in regional growth centers, the Regional Council can help promote strategically located workforce housing and improved access to and between major employment centers.

To assist counties and cities, the Regional Council can serve as a forum for setting regional priorities and facilitating coordination among its member jurisdictions and housing interest groups. A key tool is the development of a regional housing strategy.

Through guidance and technical assistance, the Regional Council can encourage jurisdictions to adopt best housing practices and establish coordinated local housing

### **Local Housing Responsibilities Under the Growth Management Act**

*Local housing elements should ensure the vitality and character of established residential neighborhoods and include the following components: (1) an inventory and analysis of existing and projected housing needs, (2) goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, (3) identification of sufficient land for a range of housing types to match community needs, and (4) adequate provisions for the needs of all economic segments of the community. (RCW 36.70A.070)*

*Under the Act's buildable lands provisions, local governments must also determine whether there is sufficient zoned land to accommodate their county's 20-year population projection and the local growth target allocations adopted by counties and their cities. Reasonable measures must be taken to address any inconsistencies. (RCW 36.70A.215)*

### **A Regional Coalition for Housing (ARCH)**

*This coalition — which includes King County and 15 Eastside cities — was organized to preserve and increase the supply of housing for low- and moderate-income households. ARCH supports a wide range of local organizations to produce housing that serves families, seniors, the homeless, and people with special needs.*

### **Addressing Homelessness**

*In 2005, the Washington Legislature directed counties to develop ten-year homeless plans (RCW 43.185C). The minimum goal is to eliminate 50 percent of homelessness by 2015. All four counties in the central Puget Sound region now have ten-year plans. The counties must also conduct a count of homeless persons each year and provide annual reports. The legislation identifies proposed strategies in three areas: (1) prevention and reentry strategies, to keep individuals from slipping into homelessness, (2) short-term emergency responses, to move people rapidly from homelessness, and (3) affordable permanent housing services, to assist people in maintaining stable housing.*

### **Universal Design**

*Universal design involves designing products and environments to be usable by all people to the greatest extent possible — regardless of special needs or age — without requiring adaptation or specialized design.*

and affordable housing targets. Through the regional plan review process, the Regional Council can work with jurisdictions to develop effective local housing elements, strategies, and implementation plans. The Regional Council can also help to collect and monitor housing data, as well as track the implementation and outcomes of various housing efforts and report on the region's successes and challenges.

**What Local Governments Can Do.** Local governments play a critical role in housing, including its production. Local governments possess regulatory control over land use and development. They are key players, both individually and in cooperation with other housing interests, in stimulating various types of development activity. The Growth Management Act assigns them roles in setting targets, as well as in analyzing *buildable lands* — that is, assessing where new development or redevelopment can be accommodated.

There are numerous tools and strategies available to local governments to encourage housing diversity and promote affordable housing. While one size does not fit all, many of these tools can be applied in a manner that is tailored to and respectful of local market conditions, community characteristics, and the vision for growth embodied in local comprehensive plans.

**Changing Demographics.** The characteristics of the region's households have been changing over time and will continue to do so. The size of the average household has been decreasing. Fewer people are living in family households with two parents and children. More households are comprised of singles, couples without children, or single-parent families. Many households have two or more workers. The region's population is becoming far more racially and ethnically diverse. And as the population ages and new generations enter the housing market, there will be demands and preferences for new and different types of housing. Changes in the region's housing market may range from the desire of some households for smaller, lower-maintenance homes to ownership of second homes.

Changing circumstances require diversifying the region's housing stock. Local jurisdictions should develop more mechanisms to allow for a wider array of housing types — especially more affordable housing opportunities — and encourage the use of emerging best practices in the areas of green building and universal design.

**Affordability.** Housing affordability continues to be a major challenge for the region. Housing costs are a greater burden for many households today than a decade ago, leaving less for other basic needs and amenities. Renters, in particular, face a considerable shortage of affordable housing opportunities.

With housing prices significantly outpacing income growth over the last several years, it has become more difficult for low-, moderate-, and even middle-income households to purchase first homes. Homeownership rates in King and Pierce counties lag behind the national average, and rates for minorities remain well below the average rate for all households.

Paying a mortgage or rent is only a portion of the overall cost of housing. To address housing affordability more completely, it is also important to account for utility costs, insurance and taxes, appliances and furniture expenditures, and repair and maintenance, including yard care. Expenses for commuting to and from work and for travel to services and other daily destinations are also critical factors when considering the true costs of housing.

Finding affordable housing options near employment centers can be difficult for many workers. Low- to middle-wage workers — such as teachers, health care professionals, retail workers, administrative personnel, police officers, and firefighters — who are essential to the economic and social vitality of a community, often cannot afford to live in the places where they work. The imbalance between where people live and where people work can result in longer and more expensive commutes. More driving also leads to worsening air quality, including greenhouse gas emissions.

VISION 2040 calls for increasing the supply of housing throughout the region by providing a variety of housing types and densities for both renters and owners. Special emphasis is placed on providing equitably distributed affordable housing for low-, moderate-, and middle-income households and appropriate housing for special needs populations. It also encourages more low- to middle-income homeownership opportunities.

### **Affordable Housing**

*Affordable housing is commonly defined in terms of housing costs as a percentage of household income. Housing is considered unaffordable when a household's monthly housing costs exceed a certain threshold — most commonly 30 percent of gross income — thereby reducing the budget available for basic necessities and other amenities.*

### **Housing Affordability**

*Housing affordability refers to the balance (or imbalance) between incomes and housing costs within a community or region. A common measurement compares the number of households in certain income categories to the number of units in the market that are affordable — at 30 percent of gross income.*

*VISION 2040 uses the following household income categories and definitions to track regional housing affordability:*

- *Middle: 80%-120% of area median income*
- *Moderate: 50%-80% of area median income*
- *Low: Below 50% of area median income*
- *Very Low: Below 30% area median income*

### **Workforce Housing**

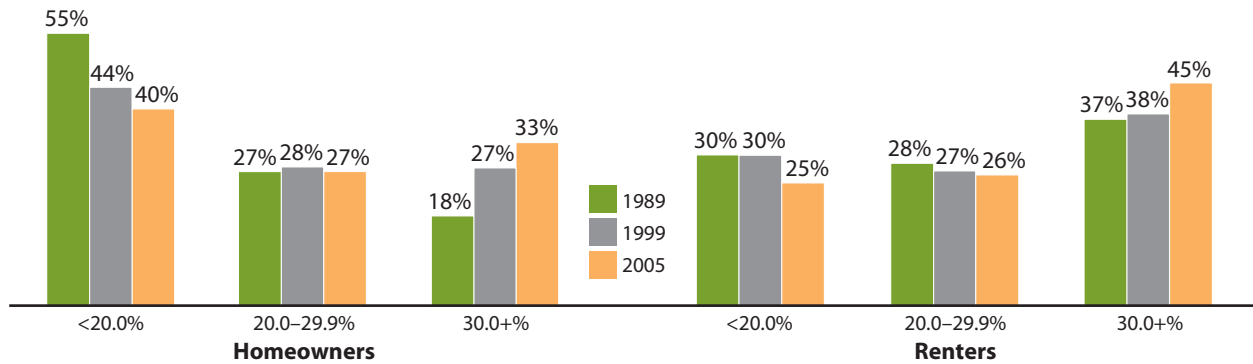
*Workforce housing refers to housing that is affordable to households with at least one full-time worker in which earned incomes are too high to qualify for significant federal housing subsidies, and which — given local housing market conditions — have difficulty affording market prices for homes or apartments in the communities where the residents work.*

*See also "Family Wage" sidebar in the Economy section.*

### **Special Needs Housing**

*Special needs housing refers to supportive housing arrangements for populations with specialized requirements, such as the physically and mentally disabled, the elderly, people with medical conditions (for example, HIV/AIDS, Alzheimer's, and chemical dependency), the homeless, victims of domestic violence, foster youth, refugees, and others.*

## Percent Gross Monthly Income Spent on Housing Costs



Source: U.S. Census Bureau

Note: For homeowners, housing costs are defined as including monthly payments for mortgage principal and interest, real estate taxes, property insurance, utilities and fuels, and condominium and mobile home fees. For renters, housing costs include contract rent plus the estimated monthly cost of utilities and fuels, whether paid by the renter or someone else.

**Jobs-Housing Balance.** Jobs-housing balance is a concept that advocates an appropriate match between the jobs base and available housing supply within a geographic area. Balance is a means to address travel demand by improving accessibility to jobs, as well as to goods, services, and amenities. Improving balance means adding more housing to job-rich areas and more jobs to housing-rich areas. There is also an affordability aspect to achieving balance that involves matching the mix of dwelling types and prices with labor force needs and wages.

Better mobility and efficiency can also improve jobs-housing balance. For example, convenient and efficient travel to major job centers, especially because of easy accessibility to high-capacity transit, can also serve some of the objectives of balancing jobs and housing. Facilitating travel by transit also serves to reduce vehicle miles traveled — which benefits air quality and the climate — and offers mobility options for residents who do not drive or have access to vehicles. Ensuring that services are located near home or work also helps to reduce travel demands.

VISION 2040 encourages adding housing opportunities to job-rich places, and promotes economic development to bring jobs to all four counties — with special attention given to Kitsap, Pierce and Snohomish counties. (See also “Places” subsection under *Economy*.)

**Focusing Housing into the Urban Area.** Another key growth management goal is to focus new development within the urban growth area. Within the central Puget Sound region emphasis is placed on directing housing and jobs into centers — that is, places designated for higher densities and a mix of land uses. Communities all across the region are realizing these aims by encouraging infill, redevelopment, and more compact development, including in designated centers and around transit stations.

VISION 2040 continues to advance the centers strategy as a way to provide greater accessibility to employment. In this approach, centers function as major concentrations of jobs and housing, which can be easily accessed from nearby neighborhoods and communities, and are linked by a highly efficient, high-capacity transportation network.

**Innovations and Best Practices.** There are numerous incentives and tools that local jurisdictions can work with to help increase the overall supply and diversity of housing, including: (1) innovative land use practices, such as flexible zoning, streamlined development regulations, and density bonuses, (2) funding approaches, such as housing levies and tax exemptions, (3) provision of needed infrastructure and public services, such as transportation facilities and services, utilities, parks, and other amenities, and (4) public education to increase awareness and acceptance of housing alternatives and innovations, such as accessory dwelling units, small lot single-family homes, townhomes and other multifamily housing options, and mixed-use projects. Such techniques and practices offer greater affordability and promote more efficient use of urban land.

It is also important to provide homeowners and renters with more complete information on the true costs of housing — that is, costs beyond mortgage and rent payments. Information on innovative private sector programs can also help individuals and families identify affordable housing opportunities. One example is a location efficient mortgage, which adjusts the amount that can be borrowed based on proximity of the home to transit. The rationale behind this program is that if a household has the ability to use transit regularly, it may eliminate the need to own one or more automobiles. Not having additional car payments and related maintenance costs provides more buying power for that household, making mortgages more affordable.

VISION 2040 encourages local jurisdictions to adopt available best housing practices and innovative techniques to advance the provision of affordable, healthy, and safe housing for all the region's residents.

## **HOUSING POLICIES**

### **Housing diversity and affordability:**

**MPP-H-1:** Provide a range of housing types and choices to meet the housing needs of all income levels and demographic groups within the region.

**MPP-H-2:** Achieve and sustain — through preservation, rehabilitation, and new development — a sufficient supply of housing to meet the needs of low-income, moderate-income, middle-income, and special needs individuals and households that is equitably and rationally distributed throughout the region.

**MPP-H-3:** Promote homeownership opportunities for low-income, moderate-income, and middle-income families and individuals.

### **Jobs-housing balance:**

**MPP-H-4:** Develop and provide a range of housing choices for workers at all income levels throughout the region in a manner that promotes accessibility to jobs and provides opportunities to live in proximity to work.

### **Centers housing:**

**MPP-H-5:** Expand the supply and range of housing, including affordable units, in centers throughout the region.

**MPP-H-6:** Recognize and give regional funding priority to transportation facilities, infrastructure, and services that explicitly advance the development of housing in designated regional growth centers. Give additional priority to projects and services that advance affordable housing.

### **Best housing practices:**

**MPP-H-7:** Encourage jurisdictions to review and streamline development standards and regulations to advance their public benefit, provide flexibility, and minimize additional costs to housing.

**MPP-H-8:** Encourage the use of innovative techniques to provide a broader range of housing types for all income levels and housing needs.

**MPP-H-9:** Encourage interjurisdictional cooperative efforts and public-private partnerships to advance the provision of affordable and special needs housing.

## VISION 2040 HOUSING ACTIONS

The following VISION 2040 actions have been developed to help implement the housing policies. Detailed information on specific measures that will be used to monitor implementation and performance is contained in *Part IV: Implementation*.

### REGIONAL HOUSING ACTIONS

#### Regional Housing Strategy: H-Action-1

The Puget Sound Regional Council, together with its member jurisdictions, housing interest groups, and housing professionals, will develop a comprehensive regional housing strategy. The housing strategy will provide the framework for a regional housing program (see H-Action-2, below) and shall include the following components:

1. A regional housing needs assessment
2. Strategies to promote and/or address: housing diversity, housing affordability, special needs housing, centers and workforce housing, innovative techniques, and best local housing planning practices
3. Coordination with other regional and local housing efforts

- Short-term / H-1 through 9
- Results and Products: *regional housing strategy*

#### Regional Housing Program: H-Action-2

The Puget Sound Regional Council will develop and implement a program to encourage best housing practices and stimulate local housing production, including affordable housing. The program will make planning for housing more transparent and shall include the following components:

1. Guidance for developing local housing targets (including affordable housing targets), model housing elements, and best housing practices
2. Regional guidelines for and the review of local housing elements, that call for documentation of strategies and implementation plans for meeting housing targets and goals, i.e., a “show your housing work” provision
3. Technical assistance to support local jurisdictions in developing effective housing strategies and programs
4. Collection and analysis of regional housing data as part of the region’s monitoring program, including types and uses of housing

- Short- to mid-term / H-1 through 9
- Results and Products: *(1) guidance and best practices, (2) regional review of local housing elements, (3) technical assistance for local governments, (4) monitoring of regional housing data and trends*