

Planning for Housing Needs & Growth Targets

December 2023



Jurisdictions are navigating new requirements to plan for housing needs. PSRC’s goal is to help every community successfully adopt their local plan and be fully certified. This document seeks to clarify questions about how to demonstrate consistency with planning for growth targets under VISION 2050 and housing needs for PSRC’s certification process.

Changes to comprehensive plans required by House Bill (HB) 1220 underscore an important reality: the region has a housing crisis. Jurisdictions must plan and act with urgency to address the housing needs of all residents. Local governments recognize this challenge and are working through various state and regional requirements to understand and implement the law.

Please see [RCW 36.70A.070](#) for the complete statutory language and [Commerce guidance](#) for more information about developing all aspects of your housing element.

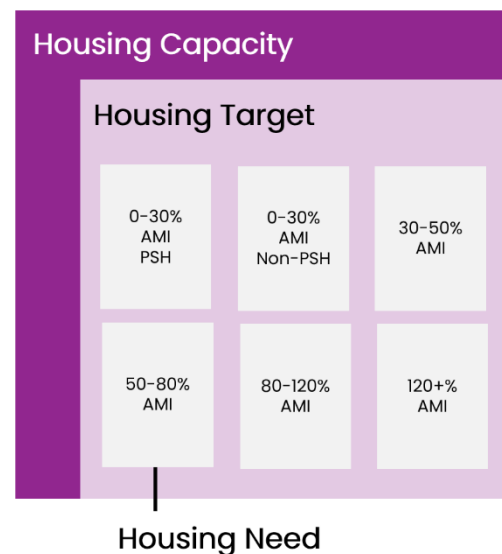
Cities and counties need to remove barriers to developing affordable housing. Local governments can provide needed housing capacity while implementing the Regional Growth Strategy’s goals to focus growth in areas served by high-capacity transit.

This document reviews common questions about growth targets and housing need. Key concepts to know:

Growth Target: The amount of population, housing, or employment growth expected for the 20-year planning period that each jurisdiction has agreed to plan for through the collaborative process to adopt countywide growth targets. The growth targets are based on the 2022 Washington State Office of Financial Management’s Growth Management Act (GMA) population projections and represent the jurisdiction’s share of forecasted county growth.

Land Use Assumptions: The amount of growth a jurisdiction is planning for throughout its comprehensive plan. Per direction in VISION 2050, the land use assumptions used throughout the comprehensive plan should be “substantially consistent” with the adopted countywide growth targets.

Housing Capacity: The total amount of development that could be built under adopted zoning. GMA requires counties and cities, at a



The figure shows the relationship between housing needs, targets and capacity



minimum, to provide capacity to accommodate the 20-year growth targets and projected housing needs. Capacity for growth can exceed the adopted growth targets, and many communities will need to increase capacity to accommodate housing around transit stations, along with state requirements for middle housing and accessory dwelling units. Documentation should be included in the comprehensive plan to show how this capacity is consistent with state law and regional policies.

Housing Need: As determined by the countywide process, the number of housing units needed for each household income category. Jurisdictions must provide sufficient capacity to accommodate housing needed within each housing bracket.

Why should comprehensive plan land use assumptions be consistent with the countywide growth targets?

VISION 2050 emphasizes that where growth happens is important. Coordination and consistency among jurisdictions are critical in planning for transportation, sizing the urban growth area, achieving climate goals, understanding actual forecasted growth, and jobs-housing balance. Planning for growth targets that have been developed through the countywide process ensures that growth is coordinated throughout the region and transportation investments are right-sized for forecasted growth.

How do we demonstrate to PSRC that our plan is consistent with VISION 2050 and new housing requirements?

The bullets below include steps jurisdictions can take to demonstrate consistency:

- Use your jurisdiction’s **growth targets** as the land use assumptions throughout all elements of your comprehensive plan. PSRC looks for substantial consistency between the 20-year growth assumptions used throughout the plan and the adopted countywide growth targets. This standard is outlined in [VISION 2050](#) (see Guidance to Align Growth Targets, p. 42).
- In your Housing element, reflect the adopted distribution of **housing need** across affordability levels.
- Demonstrate sufficient total **housing capacity** and capacity for different affordability levels based on guidance [provided by Commerce](#).
- Identify **barriers** to addressing housing needs for all income levels, such as restrictive zoning and regulations and limits in available funding.
- Identify appropriate **tools and strategies** that can meaningfully address the need at different income levels. For example, could an affordable housing provider develop units in your community based on existing land use and development regulations?

Can we change the growth targets?

Changes to targets can occur only through the countywide planning process and adoption by the county. Local jurisdictions cannot change growth targets on their own. Counties may have a reconciliation process to adjust targets. If your jurisdiction wants to use land use assumptions that are substantially different than the growth targets, now is the time (before a draft plan is developed) to talk to the county about the process to adjust growth targets. Jurisdictions should not assume the targets will be changed without starting a conversation with the county.

Can our housing capacity exceed the targets?

Yes, it is appropriate for most cities to have zoning capacity that exceeds their growth targets. Many jurisdictions will increase capacity to address requirements for middle housing, accessory dwelling units, development



around transit stations and upzoning areas of exclusionary zoning. Additional capacity can help achieve adopted growth targets by providing more flexibility on the type, location and timing of actual development. In your plan, be clear why you're adding capacity and how this supports state law and regional policy.

Many jurisdictions may need to increase capacity to address housing need and provide housing choices. However, the scale of increases in housing capacity should be consistent with state law and regional policy.

Can we plan for more growth than the target?

Targets are each jurisdiction's share of anticipated growth. Comprehensive plans should be based on the adopted growth target, but jurisdictions can provide additional capacity and consider other scenarios in their environmental analysis. Jurisdictions can evaluate other scenarios to be prepared for growth beyond 2044 and the potential that growth could be higher than expected. This may include analyzing different scenarios in the case of more growth for cities with regional centers and/or high-capacity transit stations. Jurisdictions can always make adjustments in future plan updates.

We are a Metro or Core City. Doesn't VISION say we can plan for more growth than our target?

VISION 2050 states that land use assumptions in comprehensive plans should be consistent with the growth targets – it does not provide a different standard for Metro or Core Cities. However, cities can provide capacity beyond their growth targets. MPP-RGS-7 and RGS-Action-8 state that Metro and/or Core Cities should provide additional housing capacity in response to rapid employment growth. Providing additional residential capacity in Metro and Core Cities supports the growth pattern outlined in the Regional Growth Strategy.

Can we change our housing need allocations?

Jurisdictions cannot change their housing needs allocation without amending the adopted countywide housing need allocations. Per the minimum standards outlined in Commerce's [guidance on establishing housing targets](#):

"Each jurisdiction's allocation of projected housing needs by income level, PSH [permanent supportive housing] and emergency housing must be documented in their comprehensive plan housing element and consistently used in the comprehensive plan."

If individual jurisdictions change housing need allocations, then planning for growth may not align with the distribution of countywide need. To clearly demonstrate alignment, jurisdictions should be consistent with both the numeric and the percent distribution in the adopted housing need allocations.

We are upzoning to meet HB 1220, HB 1110, and HB 1337. Shouldn't we be expecting more growth?

While upzones will change long-term capacity, the growth targets remain the same for the 20-year planning period. The adopted growth targets are consistent with forecasts—the most recent GMA projections published at the end of 2022 showed only minor changes in forecasted growth to central Puget Sound counties. Jurisdictions throughout the region are planning for growth and updating their zoning. This planning may result in different types of housing, growth in different neighborhoods or changes to the timing of development, but the most current forecasts don't show changes in total expected growth in the region.

What if the housing units aren't built?

Comprehensive planning is about setting up the conditions for growth to occur. The housing market is complex, and the development and cost of housing is influenced by a broad set of economic and policy factors. Some are



in the control of local governments, but many are not. GMA requires local governments to identify appropriate tools and strategies to enable housing development to occur, not to guarantee development or preservation of units at different income levels.

What about county plans?

While plans can provide capacity beyond the growth target, counties should proceed with caution to ensure appropriate sizing of the urban growth area. Jurisdictions without existing or planned high-capacity transit should demonstrate how any additional capacity helps to meet housing need (see MPP-RGS-12). Counties should not plan for additional capacity in rural areas.

There are many new aspects to this periodic comprehensive plan update cycle. The relationship between housing growth targets, capacity and need is complex, especially when planning for different communities in the region. Please contact your PSRC plan review contact or planreview@psrc.org with any additional questions.

