

Regional Housing Strategy

Housing Incentives and Tools Survey 2025



Puget Sound Regional Council



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INTRODUCTION

PSRC surveys planning staff at cities and counties in the region to understand the tools and strategies that local governments are adopting to meet housing needs and address barriers to development. Following several years of state legislation focused on housing and regionwide updates to local comprehensive plans, the 2025 Housing Incentives and Tools Survey (HITS) captures the region’s progress in expanding housing opportunities, supporting housing stability and implementing changes at the local level in line with state requirements and the [Regional Housing Strategy](#).

The Regional Housing Strategy, adopted in February 2022, outlines goals and actions for regional, countywide and local levels necessary to implement VISION 2050. One of these actions is for PSRC to provide data and ongoing monitoring related to the adoption of local housing tools. HITS documents progress by the region’s cities and counties in several areas identified in the Regional Housing Strategy, prioritizing racial equity and addressing housing supply, stability and subsidy. This report is organized according to the framework outlined in the Regional Housing Strategy, with sections for Supply, Stability and Subsidy.





FINDINGS

- **Expanding housing opportunity:**
Through updates to local comprehensive plans and development regulations, responding jurisdictions report expanding housing capacity by over 800,000 units, focused in areas zoned for moderate-density construction (such as duplexes, small apartments and mid-rise multifamily units).
- **Calibrating tools for affordable housing:**
Multifamily tax exemption (MFTE) and mandatory inclusionary zoning programs are more common than in the past. Jurisdictions with these programs in place indicate that they are the most effective tools for creation of new, income-restricted units.
- **Local funding, regional collaboration:**
36 jurisdictions contribute a portion of sales and use taxes to generate funding for affordable housing, and many report working in multijurisdictional coalitions to amplify their impact.

Findings from the 2025 HITS can support local implementation of plans and policies by identifying best practices and opportunities for collaboration and advocacy.

BACKGROUND

PSRC has surveyed the region every three years since 2019 to track local progress on the use of housing strategies to support the Regional Housing Strategy. This iteration of HITS focuses on jurisdictions' updates to their comprehensive plans and development regulations through the periodic update process, which most jurisdictions completed in 2024 or 2025.

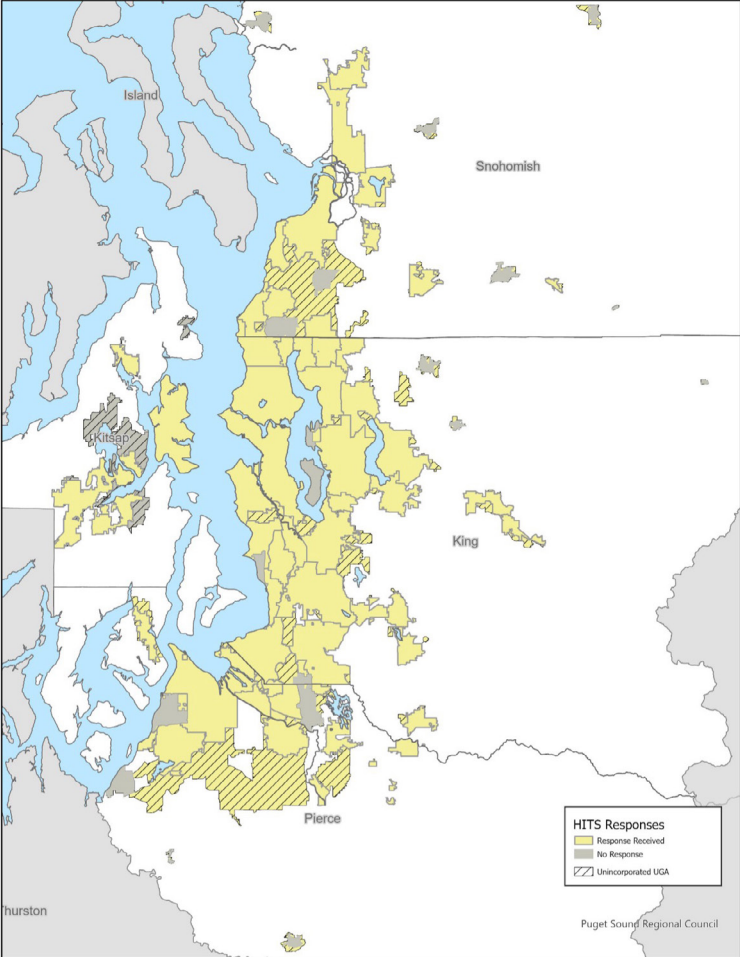
METHODOLOGY

The 2025 survey was developed by PSRC in partnership with county staff from across the region and the Washington State Department of Commerce ("Commerce") to support county-level and statewide reporting goals on the implementation of new housing requirements.

For an overview of common terminology used in this report, see [PSRC Housing Glossary](#)



Figure 1: Map of Responding Jurisdictions



The survey was distributed via email to staff at 86 jurisdictions, and responses were collected via web form. PSRC staff conducted additional outreach and provided technical support at countywide forums. Sixty-four jurisdictions responded to the survey, representing over 90% of the region’s population, including both large and small jurisdictions across the region’s four counties. A full list of responding jurisdictions is included at the end of this report.

Because most of the changes captured in this survey are recent, their impact is not yet reflected in permitting or construction data. PSRC will continue to monitor and report on housing production and other key metrics as part of the housing monitoring program.



KEY FINDINGS

Racially Disparate Impacts

- 95% of responding jurisdictions reported completing an analysis of racially disparate impacts through their comprehensive plan update, and 89% made changes to policies or development regulations because of their findings.
- Local staff acknowledge that additional work will be needed to support equitable outcomes in the region.

Supply

- 84% of responding jurisdictions have implemented new middle housing regulations. Of those required by state law, 39% opted to allow higher densities, and 24% opted to allow more housing types than required by statute.
- Survey respondents reported an increase in housing capacity of nearly 820,000 units through the comprehensive plan update, primarily in areas zoned for moderate density and mid-rise multifamily housing.
- 73% of respondents updated their development regulations to allow unit lot subdivisions.
- 50% of respondents reduced parking requirements.
- Just under half of respondents shortened or eliminated discretionary permit processes to encourage housing development.

Stability

- The Multifamily Tax Exemption (MFTE) and density bonuses are the most common local tools to incentive affordable housing development in the region.
- 39 jurisdictions reported adopting an MFTE program to encourage income-restricted housing development, and local staff indicate that this tool is the most likely to result in new, income-restricted housing units.





- 22 jurisdictions reported permitting the development of new shelters, transitional housing, emergency housing, or permanent supportive housing (STEP) in the last five years. Over half of all responding jurisdictions have updated development regulations to allow STEP in line with state law.
- Rent or utility assistance were reported in nearly 20% of jurisdictions, the most common form of tenant assistance. Twenty-seven percent of jurisdictions regulate short-term rentals. Additional tenant protections are most common in large jurisdictions.

Subsidy

- 75% of jurisdictions reported that a lack of funding and unfavorable market conditions were the most significant barriers to the development and operation of income-restricted housing.
- Over half of responding jurisdictions use a portion of sales and use taxes to support affordable housing, and many work in sub-regional coalitions to amplify their impact.

POLICY CONTEXT

The Washington State Legislature passed many [housing-related bills](#) over the last five years, many of which modified the Growth Management Act (GMA), and required jurisdictions to revise their comprehensive plans and development regulations as part of the periodic update process. Jurisdictions in the Puget Sound region were required to complete their periodic update by December 31, 2024, and adopt several updates to development regulations over the course of 2025.

HB 1220 & Periodic Update

One of the most impactful changes to local planning for housing came from House Bill 1220, passed in 2021. The bill amended GMA and required specific updates to the housing element of comprehensive plans, directing jurisdictions to “plan for and accommodate housing affordable to all economic segments of the population.” The amendment requires several key areas of work for jurisdictions updating their comprehensive plans and development regulations, including ensuring residential land capacity, making adequate provisions for all economic segments of their communities, and identifying and beginning to undo racially disparate impacts, displacement and exclusion.





Jurisdictions undertook significant work to document and address racial disparities in housing through their comprehensive plans

Under the House Bill 1220 amendments to GMA, Washington became the first state to require jurisdictions to identify and address local policies and regulations that create racially disparate impacts, displacement and exclusion in housing. In contrast to the 2022 survey when jurisdictions were looking ahead at the implementation of HB 1220 requirements, this post-adoption reflection on plan processes and outcomes demonstrates a wide range of analyses and actions taken to address racial inequity across the region. This report categorizes the work to meet these requirements under two broad categories: analysis of existing conditions, and actions taken as a result of findings.

Table 1: Analyses and actions taken to address racially disparate impacts, displacement and exclusion (number of jurisdictions reporting)

Factors analyzed to address racially disparate impacts	Actions taken because of findings on racially disparate impacts
Displacement risk analysis (53)	Included new policies in the housing element (52)
Housing data analysis by race (52)	Revised existing policies in the housing element (44)
Evaluation of land use and housing policies for racial bias (51)	Included new or revised policies in other comprehensive plan elements (42)
Assessment of residential displacement (50)	Modified community engagement strategies (31)
Community outreach and engagement strategies (42)	Increased land capacity for multifamily housing to reduce disparities (27)
Residential segregation by race or ethnicity (31)	Revised development regulations to reduce potential racially disparate impacts, displacement, or exclusion (21)
Evaluation of policies in other plan elements (30)	Coordinated with other city departments on programs or policies (20)
Comparison of residential population to workforce population (25)	Established or changed anti-displacement programs or policies (16)
Concentration of affordable housing (25)	



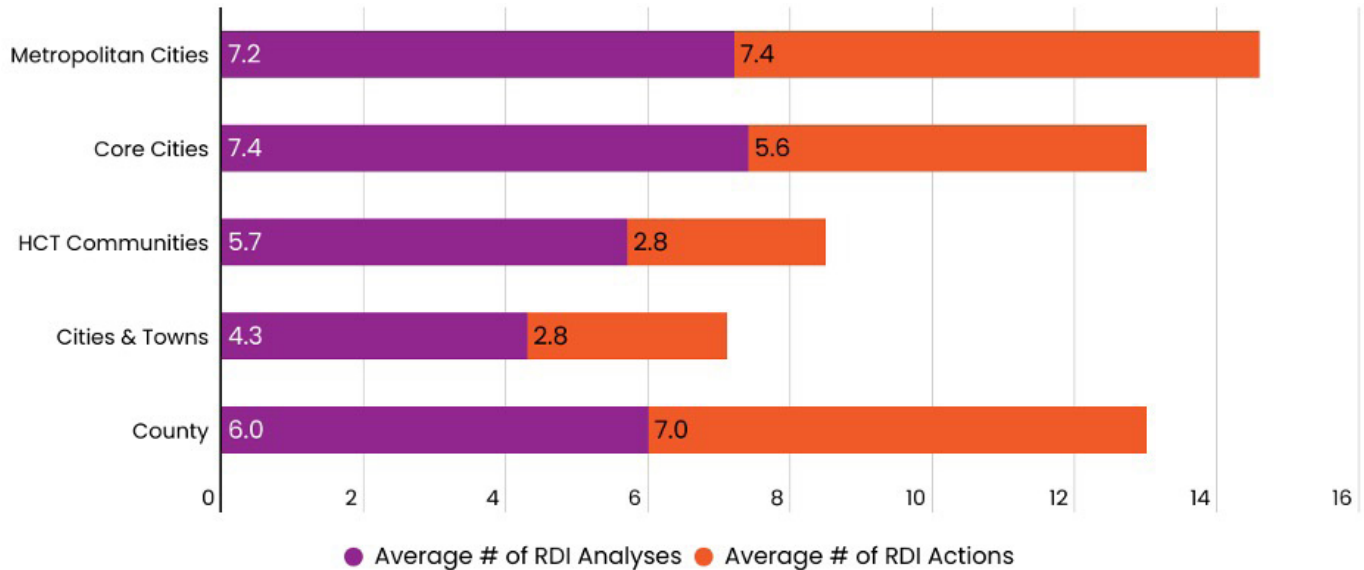
PSRC worked with the UW Evans School Student Consulting Lab to conduct an analysis in early 2025 of several jurisdictions' work on racially disparate impacts, exclusion and displacement. [The report](#) provides highlights of local work and recommendations for plan and policy development from their review of plans and interviews with local planners.

95% of responding jurisdictions reported completing an analysis of racially disparate impacts through their comprehensive plan update, and 89% made changes to policies, programs or development regulations because of their findings.

Since this area of work was entirely new for jurisdictions to address in their comprehensive plans, the progress made to document and work towards plans and policies that reduce racially disparate impacts, displacement and exclusion is significant.

Organizational capacity appears to impact what analyses and actions jurisdictions took to address racially disparate impacts, as Metropolitan Cities, Core Cities, and counties reported completing more analysis and taking more actions on average than smaller jurisdictions.

Figure 2: Analyses and actions to address racially disparate impacts by regional geography



- The most common analyses of racially disparate impacts included displacement risk analysis (83%), housing data analysis by race (81%), and an evaluation of land use and housing policies for racial bias (80%).
- 86% of jurisdictions included new or revised existing housing policies in their comprehensive plans because of their findings.
- 66% of jurisdictions included new or revised existing policies in other plan elements.
- Other activities were less common: 42% increased capacity for multifamily housing, and one in four jurisdictions established or changed anti-displacement programs or policies.

Local perspectives on addressing racially disparate impacts

This was a unique opportunity utilizing the recommendations from the RDI to inform policy changes in the [city's] Comprehensive Plan. The [housing element] represents substantive change which is informing other bodies of work.

We've updated our codes to allow a wide range of housing types, but issues of equity go beyond just housing... We are doing what we can at the city level, but many of the biggest drivers of disparate impacts are regional and economic issues outside of our control.

The relatively small geographies of [the city] and many other surrounding cities create challenges in gathering reliable data... [These issues] may be more easily addressed at a regional level than by city-specific policies. Beyond simply identifying concentrations of affected people, the tools available through the comprehensive planning process to meaningfully address RDI are very limited in impact.

SUPPLY

Production of new housing, especially in variety of types, sizes and communities, is critical to meeting housing needs and managing housing costs. As documented in the [2024 Monitoring Update](#), the region is planning for approximately 620,000 new housing units between 2024 and 2044, in a variety of types and affordability levels. To meet this ambitious goal, jurisdictions have expanded the types, sizes and densities of housing that can be built throughout their communities.

Local governments expand housing diversity to fill in the “missing middle”

Several state legislative actions required jurisdictions to update their development regulations to allow a wider range of housing types, including middle housing, accessory dwelling units and co-living housing.

- HB 1110 (codified as [RCW 36.70A.635](#)) passed in 2023 and addresses middle housing.
- HB 1337 (codified as [RCW 36.70A.680](#) and [681](#)) passed in 2023 and addresses accessory dwelling units.
- ESHB 1998 (codified as [RCW 36.70A.535](#)) passed in 2024 and addresses co-living housing.





Middle Housing

84% of responding jurisdictions have implemented new middle housing regulations. Of those required by state law, 39% opted to allow higher densities, and 24% opted to allow more housing types than required by statute.

Middle housing is a catch-all term for housing types between single-family and large multifamily development including townhomes, duplexes and cottage housing units, among others. Allowing middle housing types can gradually increase the density and affordability of historically single-family only areas. In PSRC's 2022 HITS survey, 12 jurisdictions had adopted development regulations to allow some middle housing types, and another 11 were considering similar changes. The landscape shifted after passage of HB 1110, and 57 jurisdictions in the region were required to adopt middle housing regulations based on their size and location. Smaller cities and towns outside the contiguous urban growth area and unincorporated areas were exempted from the requirements.



The state provided a [model ordinance](#) for implementing middle housing development regulations, but 77% of responding jurisdictions chose to adopt a customized ordinance. Many of these jurisdictions reported that they went beyond the minimum requirements and allowed a wider range of housing types, allowed higher densities or provided incentives to encourage higher density development.

In addition, eight jurisdictions not subject to middle housing requirements reported updating their regulations to allow middle housing types, including Carbonado, Enumclaw, Monroe, Snoqualmie, South Prairie, Wilkeson, and unincorporated King and Pierce counties.

Accessory Dwelling Units

Similar to middle housing, accessory dwelling units (ADUs) have long been a tool for adding gradual density to residential areas, primarily through homeowner renovation or construction of small units in backyards, garages or within existing houses. However, development of ADUs has been slow in many jurisdictions, in part due to land use and regulatory barriers. HB 1337 sought to address some of the most common barriers, by requiring a minimum of two ADUs per lot, eliminating owner occupancy requirements, and addressing size, parking requirements and impact fees.

Nearly all jurisdictions surveyed reported they had adopted an implementing ordinance regulating ADUs. Only six allowed the state requirements to go into effect by default. Twenty-three jurisdictions reported adopting more permissive regulations for ADUs than required under the statute, including reduced setbacks, reduced impact fees, streamlined review processes and allowances for larger ADUs. Renton, Seattle, Tacoma and cities across Kitsap County have created pre-approved ADU plans to further encourage the development of ADUs.

Co-Living Housing

Co-living housing is a relatively new term for a type of housing that has existed for many years in the US, known variously as single room occupancy, congregate housing, rooming houses, as well as micro-units, dormitories or other terms. Co-living housing is characterized by small private living spaces in combination with shared living spaces such as kitchen and laundry facilities. HB 1998 requires jurisdictions to allow co-living in certain areas and establishes limits on how jurisdictions may regulate this type of housing. Commerce has provided [guidance](#) on meeting these requirements and encouraging co-living housing within jurisdictions. While co-living development regulations were not required until December 31, 2025, 21 jurisdictions had already adopted compliant regulations, and another 32 intended to do so by the deadline.





Jurisdictions allow denser housing to prepare for the region's future

Through the periodic update, jurisdictions were expected to demonstrate their ability to accommodate housing needs for all income levels. For many jurisdictions, this required providing additional capacity for more affordable housing types, such as moderate and higher density multifamily housing. The survey instrument organized total housing capacity into categories based on the scale of housing allowed in the zone, consistent with planning guidance from Commerce and described in Table 2.

Survey respondents reported an increase in housing capacity of nearly 820,000 units through the comprehensive plan update, primarily in areas zoned for moderate density and mid-rise multifamily housing.

Figure 3: Reported housing capacity change by zone category



Table 2: Zone Categories by housing type and potential affordability²

Zone Category	Housing types allowed	Potential Affordability Level
Low Density	Detached, single-family homes	Higher Income (>120% AMI)
Moderate Density	Townhomes, duplex, triplex, quadplex	Higher Income (>120% AMI)
Low-rise Multifamily	Walk-up apartments or condominiums (up to 3 floors)	Low Income (0-80% AMI)
Mid-rise Multifamily	Apartments or condominiums in buildings with 4-8 floors (~40-85 feet in height)	Low Income (0-80% AMI)
High-Rise/Tower	Apartments or condominiums in buildings with ~9 or more floors (>85 feet in height) and requiring steel frame construction	Moderate Income (80-120% AMI)

²Adapted from Exhibit 13 of Department of Commerce Guidance for Updating your Housing Element

This estimate is likely an undercount, as only 54 jurisdictions reported their housing capacity in the categories listed in Table 2, adapted from Commerce’s [guidance on updating housing elements](#). In addition, several of the reporting jurisdictions did not include capacity increases from more recent changes to middle housing regulations.

However, the capacity increases reflected in these limited responses reflect some recent development trends and help to predict the future in two ways:

- Shifting from low density, single-family zoning to moderate density infill has created significant capacity regionwide.
- Large increases in mid-rise capacity are consistent with the large, multifamily rental projects that have dominated recent housing production and support more, similar development.

PSRC will continue to work with jurisdictions to develop a regionally consistent framework for monitoring housing capacity to support implementation of local plans.

Largest Increases in Housing Capacity Reported

1. Pierce County
2. Seattle
3. Bellevue
4. Auburn
5. Kirkland

Largest Percentage Increases in Housing Capacity Reported

1. Auburn (515%)
2. Sammamish (207%)
3. Bellevue (207%)
4. Bothell (154%)
5. Fife (137%)

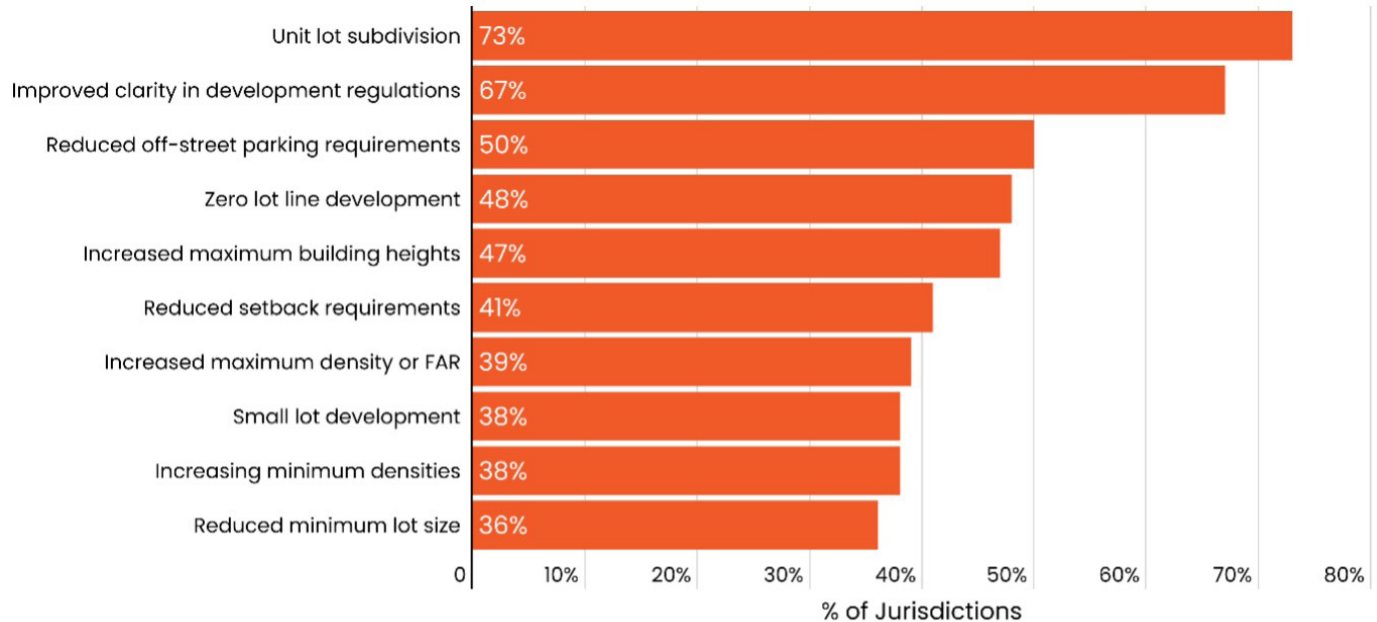


Streamlining regulations and encouraging infill development were implemented in most jurisdictions

One of the meaningful ways that jurisdictions can facilitate housing development is through revising development regulations to improve clarity and remove unnecessary restrictions. These revisions can provide predictability for developers, ensure timely approval processes and help to guide development towards the jurisdiction's desired housing types.

As part of the comprehensive plan update, two-thirds of responding jurisdictions reported working to improve clarity in development regulations. Other recent changes include addressing unit lot subdivision (73% of respondents), reducing parking requirements (50%), increasing maximum building heights (47%), and allowing zero lot line development (48%). All of these strategies improve the feasibility of infill development by lowering costs and expanding opportunity for development on small lots.

Figure 4: Updates to development regulations



Local governments reduce parking minimums ahead of deadline

Half of responding jurisdictions reported reducing off-street parking requirements. SB 5184, codified as [RCW 35.21.994](#), passed in 2025 and established minimum parking requirements for cities with populations larger than 30,000 people. The law requires updates by either the end of 2026 or 2028 depending on city size. However, of the 25 affected cities, 20 have already reduced their parking requirements in recent updates. Another 12 jurisdictions not affected by the SB 5184 legislation have also reduced parking requirements. Several cities have taken a step further: In 2025 alone, the cities of [Bothell](#), [Bremerton](#) and [Shoreline](#) eliminated parking minimums citywide with the goal of spurring housing development.

Eliminating additional regulatory barriers

The permitting process can be a significant barrier to housing development, by lengthening a project timeline, adding cost, or creating uncertainty for applicants. Many jurisdictions have accomplished work to address approval processes to comply with [SB 5290](#), concerning development review timelines. Addressing these issues can include removing discretionary permit processes, providing clear information about approval processes and timelines, and reducing or eliminating fees when not needed. In PSRC's [2023 report on outreach to housing developers](#), permit reform and fee flexibility were identified as key opportunities to improve the development process. In addition, the report identified that clear and efficient communication is key to success.

While process changes were less commonly reported in the survey than development regulation changes during the comprehensive plan update, nearly half of responding jurisdictions indicated that they had removed or reduced conditional use permit processes or design review requirements. Forty-five percent of responding jurisdictions improved clarity and accessibility to information about the permitting process and fees.



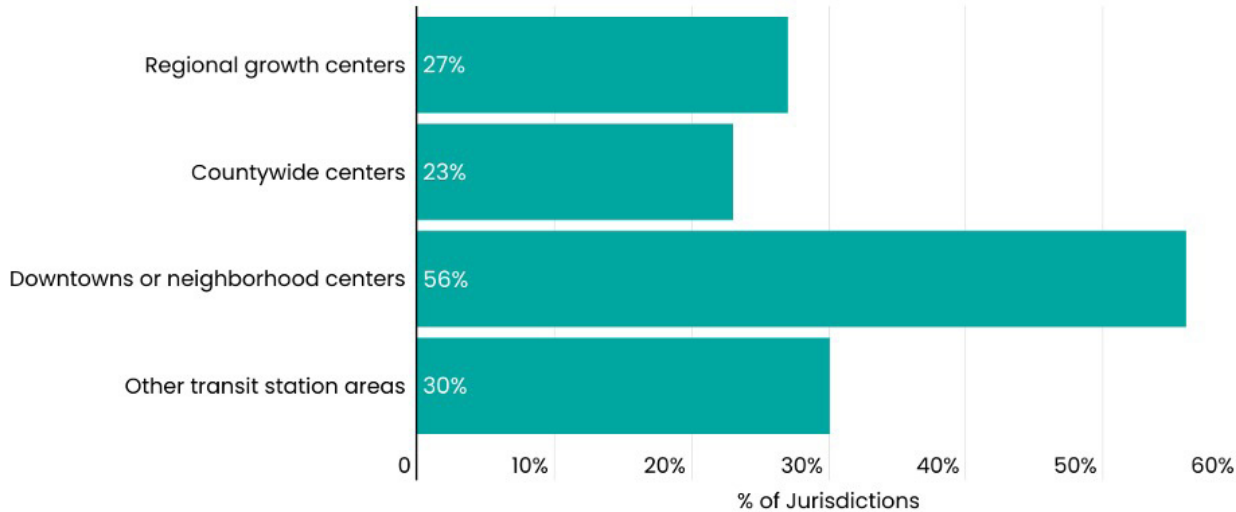


Jurisdictions plan for growth in centers and station areas

[VISION 2050](#) calls for 65% of the region's residential growth to be in regional growth centers and high-capacity transit station areas (MPP-RGS-8). Outside of regional growth centers and high-capacity station areas, the plan encourages growth in countywide centers (MPP-RGS-11). Further benefits of planning for compact growth include healthy, active communities, reduced transportation emissions, and limited development impacts.

Most responding jurisdictions indicated that they are planning for housing growth in some concentrated area, including regional growth centers, countywide growth centers, high-capacity transit areas, or local centers without an official designation, consistent with the Regional Growth Strategy.

Figure 5: Where does your plan create the majority of new housing capacity?



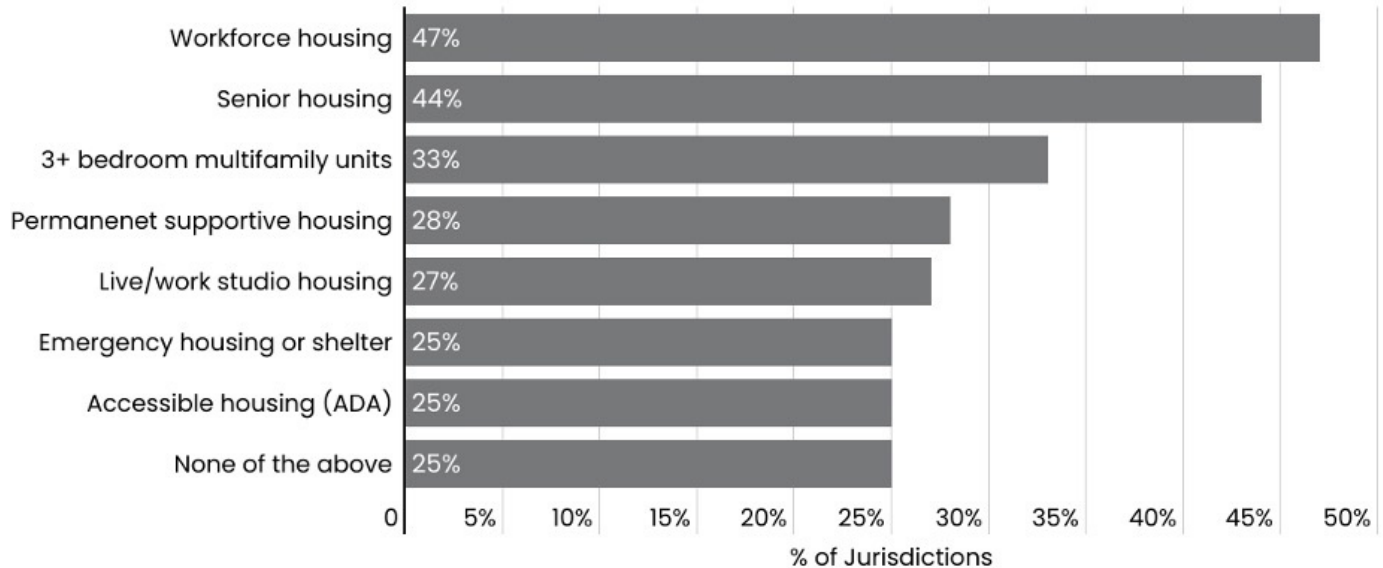
Across all jurisdictions, the most common location for planned growth is in centers without an official designation (e.g., downtowns or neighborhood hubs). Eighty-two percent of Metropolitan and Core Cities, which are home to regional growth centers, are planning for significant growth in their centers. Twenty-six jurisdictions in the region are home to 79 unique countywide centers. While the guidelines for countywide center planning are established at the county level, they encourage growth at slightly lower levels of intensity than regional growth centers. Only 50% of jurisdictions with countywide centers plan for a majority of housing growth in either their regional or countywide growth centers.

With or without official designation, compact growth can be supported by local subarea planning. Sixty-nine percent of respondents indicated that they have developed subarea plans for growth areas or have plans to do so in the next five years.

Large multifamily units, senior and workforce housing are priorities for development

Many jurisdictions establish priorities for certain types of housing through their comprehensive plans and include policies based on their assessment of local housing needs. Targeted incentives such as bonus densities, flexible standards or funding priority were reported as useful tools to address these housing needs.

Figure 6: What types of housing is your jurisdiction prioritizing?



Nearly half of respondents indicated priorities for senior or workforce housing. Workforce housing is not always clearly defined but is often in a range between 50 and 120% of the area median income. Programs to incentivize workforce housing may overlap with live/work studio housing, MFTE programs or other efforts to support the development of units affordable to moderate income households. However, eight jurisdictions reported incentive programs specifically to encourage senior housing development.

Twenty-one jurisdictions indicated that multifamily units with three or more bedrooms are a priority, consistent with interest expressed in the 2022 survey. However, only two jurisdictions reported that they provide incentives or bonuses for large multifamily units. Seattle uses MFTE program guidelines and other incentives, and Tukwila uses density incentives to encourage 3+ bedroom multifamily units. Encouraging actions to directly reduce housing costs (such as surplus property for affordable housing) and dedicated funding streams (like local taxes).





STABILITY

The role of local government in supporting housing stability includes encouraging the development and preservation of income-restricted housing, as well as supporting residents in retaining their housing. The Regional Housing Strategy calls for jurisdictions to support both renters and homeowners in staying in their communities and having fair access to neighborhoods of their choosing. Jurisdictions are called to encourage the development of housing that is affordable to a range of household incomes in areas with access to transit, employment opportunities and other amenities that enhance quality of life. PSRC's [Housing Innovations Program \(HIP\)](#) provides descriptions and examples of many of the available tools.

Jurisdictions focus on most effective tools to generate affordable housing

As previously noted, jurisdictions have created opportunities for more housing diversity and eliminated barriers to development across all types of housing. These changes were spurred on by recent state legislation covering a range of development factors from parking to housing types to permitting and have resulted in a significant shift in the local housing landscape. The changes in development regulations affect all types of development

In doing so, some of the incentive tools offered to affordable housing development, including parking reductions and permitting priority, are less common today than in 2022.



Table 3: Tools adopted to support development of income-restricted housing

Affordable Housing Tool	# of Jurisdictions*	
	2022 HITS	2025 HITS
Multifamily Tax Exemption	38	39
Density Bonus	36	36
Parking Reductions	37	26
Planned Action Environmental Impact Statement	23	24
Mandatory Inclusionary Zoning	16	19
Voluntary Inclusionary Zoning	24	17
Permitting Priority/Fee Reduction	18	13
Donated or low-cost leasing of public land	19	10

**Only jurisdictions that responded in 2022 and 2025 are included in this count.*

The Multifamily Tax Exemption (MFTE) continues to be the most common tool for encouraging income-restricted housing development in the region. Jurisdictions with an adopted program see it as the most likely to produce income-restricted housing units.

Adoption of new MFTE programs is mixed. While the city of Bremerton repealed their income-restricted MFTE program in 2025, the cities of North Bend and Fife have adopted new MFTE programs since the last time PSRC surveyed jurisdictions. Outside of MFTE programs, mandatory inclusionary zoning programs gained momentum in the last three years, with three more programs reported than in 2022. Three-quarters of jurisdictions with these programs see them as likely to produce significant income-restricted housing.

While fewer jurisdictions reported programs to donate or lease public land than in 2022, 70% of those with programs see the tool as likely to result in income-restricted housing development.

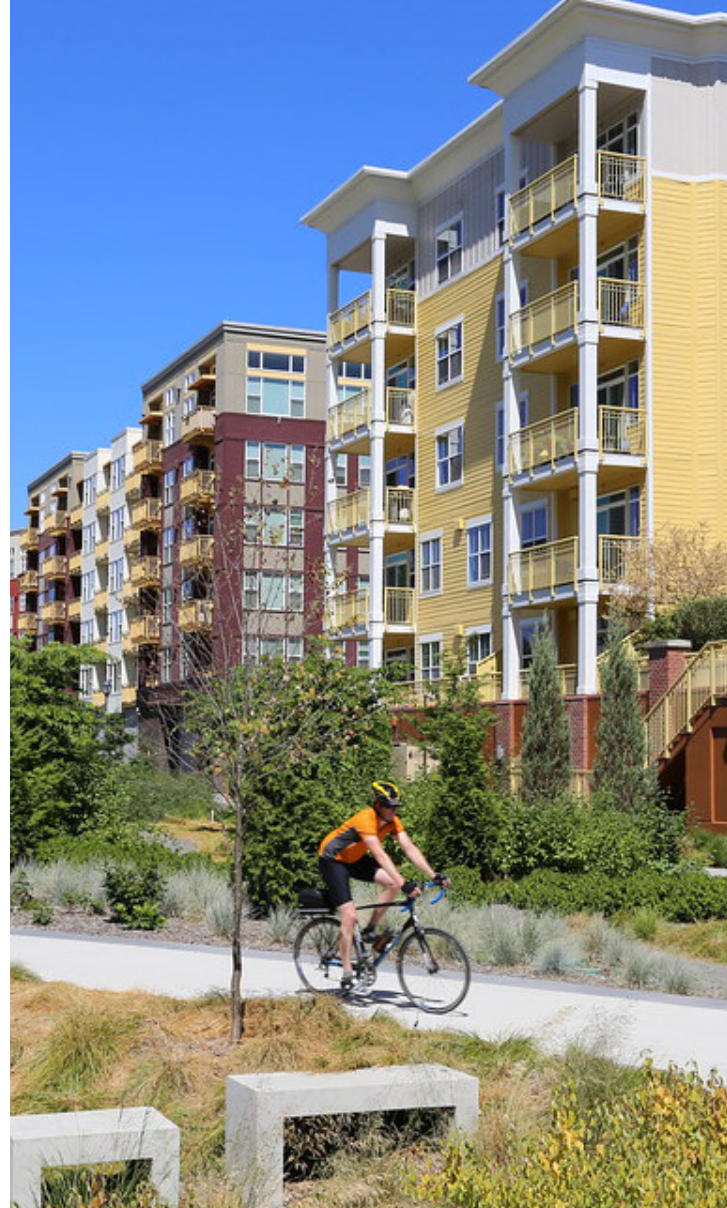
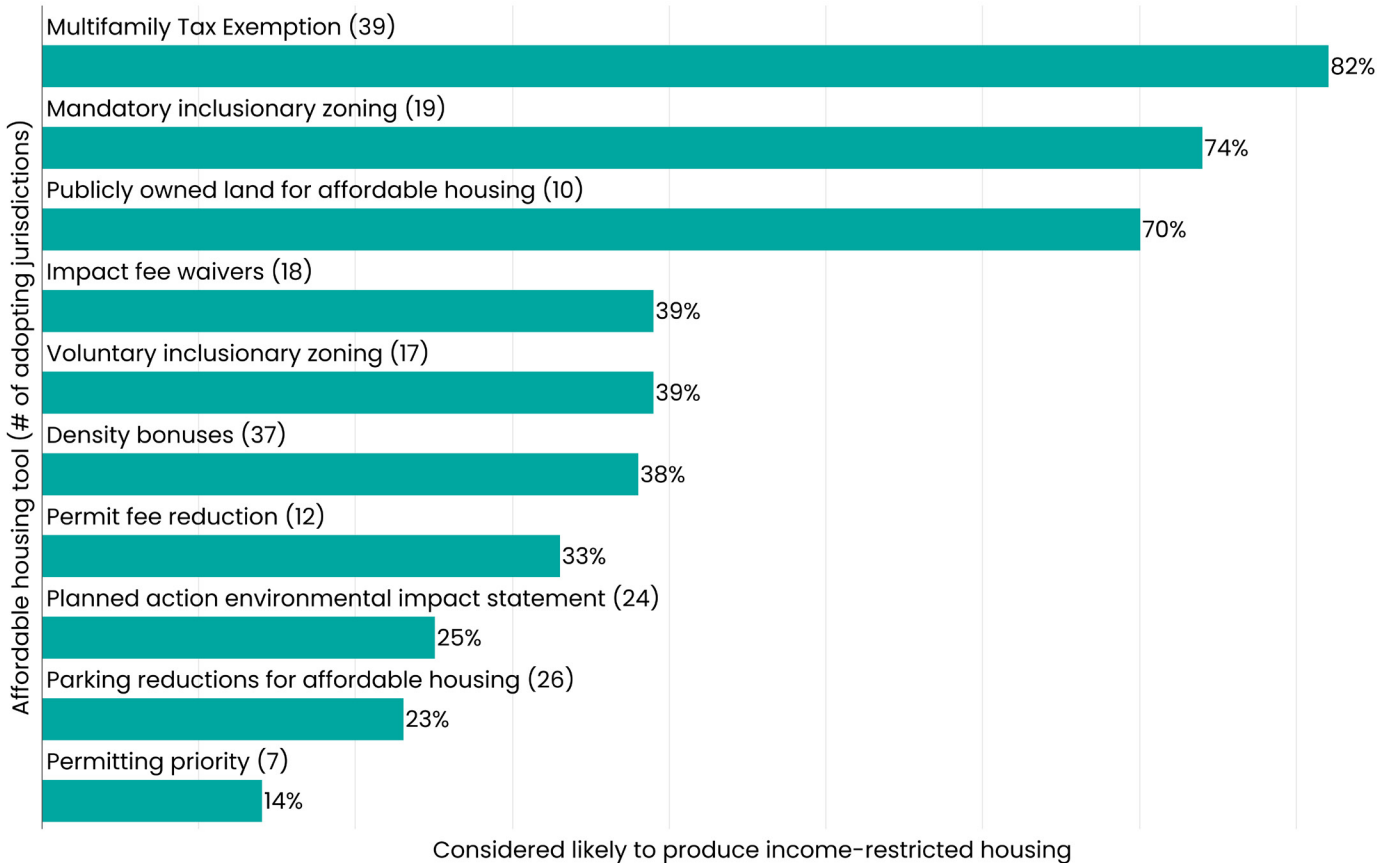
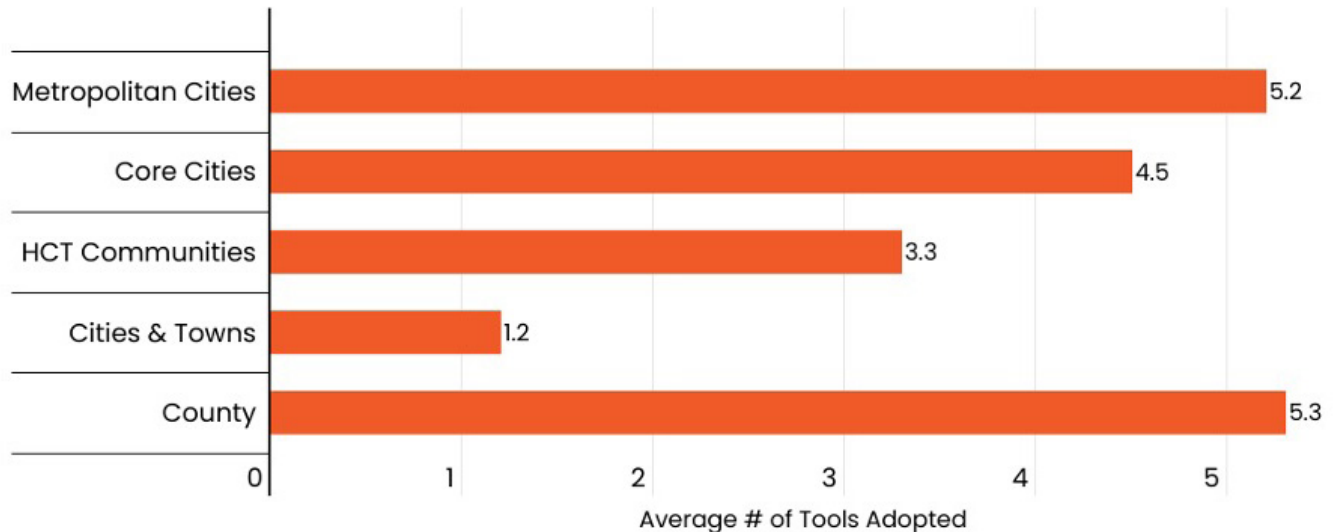


Figure 7: Which of your jurisdiction’s adopted tools is likely to result in production of income-restricted units?



Housing incentives and tools are implemented more often in larger cities and across counties and are less common in small cities and towns. Consistent with the Regional Growth Strategy, more tools are in effect in the three regional geographies planned for significant growth (Metropolitan Cities, Core Cities, and High-Capacity Transit Communities).

Figure 8: Average housing tools adopted by regional geography





Shelters and supportive housing receive new attention in local planning

Most jurisdictions have updated development regulations to allow shelters, transitional housing, emergency housing and permanent supportive housing in more zones than before. More work and funding are needed to meet the targets set in comprehensive plans.

The Regional Housing Strategy calls for centering the needs of the most vulnerable populations, including those experiencing or at risk of homelessness. HB 1220 requires jurisdictions to update their development regulations to allow shelters, transitional housing, emergency housing and permanent supportive housing (collectively called “STEP”) in certain residential zones. Commerce recommends additional steps to support local implementation of these housing types in their [best practices report](#).

Jurisdictions reported their adoption of each best practice in the survey. Over half of jurisdictions added the required housing types to their land use tables and allowed them as permitted uses in required zones. However, additional measures to encourage or incentivize STEP are much less common. Jurisdictions who reported permitting STEP housing in the last five years have, on average, adopted twice as many of the recommended best practices as those who have not. King County and Everett reported adopting nearly all of the recommended best practices, and both reported permitting STEP in the last five years.

Direct assistance is most common form of support for tenants and homeowners

Tenants are more vulnerable to displacement, less likely to have significant savings, and are more likely to be people of color. For all of these reasons, the Regional Housing Strategy supports strategies that allow low-income renters to stay in their homes and communities. Programs to support tenants include renter protections, direct assistance to tenants and programmatic assistance. Jurisdictions reported their use of the tools and programs in Table 4 to support renter stability.

Rent or utility assistance were reported in nearly 20% of jurisdictions, the most common form of tenant assistance. Twenty-seven percent of jurisdictions regulate short-term rentals. Additional tenant protections are most common in large jurisdictions.

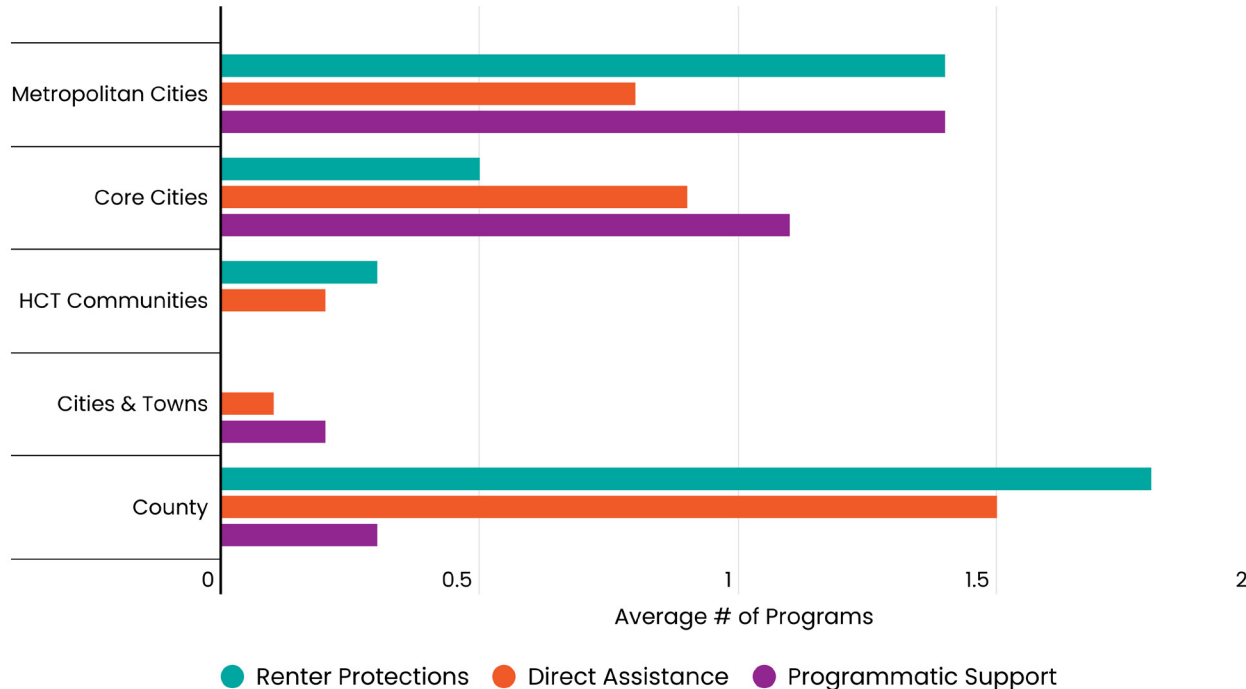


Table 4: Tenant Support Programs in Survey

Renter Protections	Tenant Assistance
Cap on move-in fees (8)	Direct cash assistance (12)
Prohibited criminal background checks (2)	Sewage and solid waste fee assistance (12)
Tenant right to rent payment plan (7)	Tenant education programs (8)
Tenant right for family members to reside in unit (3)	Programmatic Assistance
Landlord-provided housing relocation assistance (4)	Rental inspection programs (8)
Tenant right to return to unit after rehabilitation or repair (2)	Rental registry (6)
Tenant opportunity to purchase upon sale (0)	Regulation of short-term rentals (17)

Renter protections not provided by state law are most common in unincorporated counties and Metropolitan Cities. Caps on move-in fees and right to rent payment plan are the most common types of renter protection across all jurisdictions.

Figure 9: Tenant programs by regional geography



Programs for existing and prospective homeowners support access to homeownership and neighborhood and resident stability. The most common programs used in the region include weatherization and repair grants or loans for low-income residents (19 jurisdictions), and downpayment assistance for low-income or first-time homebuyers (10 jurisdictions).



SUBSIDY

The Regional Housing Strategy calls for long-term funding sources to create and preserve housing for very low-income households and unhoused residents. Approximately 40% of the region’s housing for the next 20 years, over 300,000 units, is needed for households earning below 50% of the area median income, requiring a significant, permanent subsidy. PSRC advocates for federal and state funding to support affordable housing needs, as well as tools that local governments can use to generate their own funding.

Thirty-six jurisdictions use a portion of sales and use taxes to support affordable housing, and many work in sub-regional coalitions to amplify their impact.

One of the most common tools in the region for funding affordable housing is the dedication of sales and use taxes. Recent legislation ([HB 1406 in 2019](#) and [HB 1590 in 2020](#)) enabled jurisdictions to use a portion of existing sales taxes or enact additional sales taxes for the purpose of supporting affordable housing. These funds are often referred to as “1406 funds” or “1590 funds.” Thirty-six jurisdictions in the region use this taxing authority to generate funding for housing, and many have pooled their resources to support sub-regional housing efforts through the Alliance for Housing Affordability (AHA), A Regional Coalition for Housing (ARCH), the South King Housing and Homelessness Partners (SKHHP), and the South Sound Housing Affordability Partners (SSHAP), which collectively represent 54 jurisdictions across the region.

In the 2025 fiscal year, over \$18.3 million of 1406 funds were used to support affordable housing in the region, across construction, operation and rental assistance. In the same year, that funding contributed to over 1,000 units in construction and over 800 units receiving direct assistance or operational support.

The use of 1590 funds have not yet been tracked statewide, but several efforts to make use of this tool have been successful. King County has partnered with cities in the county to acquire, develop and operate supportive housing units through the [Health Through Housing Initiative](#).

The other most common local funding sources for affordable housing in the region include the use of Community Development Block Grant (CDBG) funds (18 jurisdictions), dedicating a portion of the jurisdiction's general fund (18 jurisdictions), and donation or leasing of public lands at a reduced cost (13 jurisdictions). Given the limitations of local budgets and high costs of affordable housing development, regional partnerships are key to developing new income-restricted housing. Respondents noted their contribution of both sales tax revenues as well as other funding sources to ARCH, SKHHP and SSHAP. Illustrating the power of coordinated investment, [SSHAP announced](#) their first investment in housing development with a plan to build 28 homes affordable to households earning below 80% of the area median income.





Construction and operational costs pose challenges

In the survey, 75% of jurisdictions identified housing construction costs as the most significant barrier to creating new, affordable housing units. Local staff recognize that recent work has addressed many barriers to housing development, but market conditions and complex financing for affordable housing make even the most promising projects difficult. While jurisdictions acknowledge the need to prioritize deeply affordable housing to meet their adopted targets, they recognize the gap in tools and funding sources to make those projects feasible.

Local perspectives on barriers to housing development

The high cost of land and labor in our jurisdiction and subregion (Eastside) makes building very expensive...There is also no dedicated funding from the county or state to support housing at 0-50% AMI.

The primary challenges are market-driven: limited lot sizes suitable for affordable housing providers and the lack of participation by large market-rate builders, who rarely construct or manage income-restricted units. Cities are only one part of the equation; broader financing and market factors largely determine outcomes.

[The jurisdiction's] barriers to income-restricted housing development are primarily financial. As market conditions such as high interest rates and rising construction costs drive the cost of development up, limited capital resources cannot stretch as far. Additionally, a lack of new funding for operations and supportive services is constraining our ability to support the development of new deeply affordable and supportive housing.

Additional barriers for the below 50% AMI continue to be the gap between new construction and current financial tools. Existing housing that could be converted to lower income levels are typically tied to 60% AMI through LIHTC and not available to go lower.



NEXT STEPS

The 2024 cycle of comprehensive plan updates in the Puget Sound is a significant step forward for the region's planning and regulation of housing. Jurisdictions are more prepared to accommodate the amounts and types of housing needed to support affordable, equitable and healthy housing in their communities. However, many of the changes only took effect recently and their impacts have not yet been documented in the development pipeline or the housing market. PSRC will continue to track indicators through the housing monitoring program and report on emerging trends. PSRC is committed to working with local jurisdictions to find the right tools to meet their needs and resources.

Additional funding will be necessary to meet the region's housing needs. PSRC will continue to track and report on local progress and provide updates on new tools and funding sources as they become available.

LIST OF RESPONDING JURISDICTIONS

Algona	Federal Way	Newcastle
Arlington	Fife	North Bend
Auburn	Fircrest	Orting
Bainbridge Island	Gig Harbor	Pierce County
Beaux Arts Village	Gold Bar	Port Orchard
Bellevue	Hunts Point	Poulsbo
Black Diamond	Issaquah	Puyallup
Bonney Lake	Kenmore	Redmond
Bothell	Kent	Renton
Bremerton	King County	Ruston
Buckley	Kirkland	Sammamish
Burien	Lake Forest Park	SeaTac
Carbonado	Lake Stevens	Seattle
Clyde Hill	Lakewood	Shoreline
Covington	Lynnwood	Snohomish
Des Moines	Maple Valley	Snohomish County

LIST OF RESPONDING JURISDICTIONS

Edgewood	Marysville	Snoqualmie
Edmonds	Milton	South Prairie
Enumclaw	Monroe	Steilacoom
Everett	Mukilteo	Tacoma
Tukwila		
Wilkeson		
Woodinville		
Woodway		