

Regional Staff Committee | Remote Only Date: Thursday, July 20, 2023 from 9:30-11:00 am

1. Welcome and Introductions (9:30) - Kelly Snyder, Snohomish County

2. Reports (9:35)

- a. Meeting Summary for June 15, 2023*
- b. PSRC Announcements and Updates

3. Discussion Item (9:45)

a. Middle Housing Update* - David Osaki, WA State Department of Commerce

4. Discussion Item (10:15)

a. Middle Housing Pro Forma Tool* – Alex Steinberger, Cascadia Partners

5. Discussion Item (10:45)

a. Findings from Affordable Housing Developer Outreach* – Liz Underwood-Bultmann & Ananda Gordon-Peabody, PSRC

6. Information Item

- a. TOD Save the Date From Pandemic to Prosperity: Downtowns Reimagined Friday, September 29, 2023*
- 7. Next meeting: September 21, 2023
- 8. Adjourn (11:00)

Zoom Remote Connection Details

- To join via a smart device or web browser, go to https://psrc-org.zoom.us/j/84970591934?pwd=cFRrdGkxSkVCdlRxNmNNWjdEVnZxUT09 and enter Meeting ID: 849 7059 1934 and Passcode: 075089.
- To join by phone, call 877 853 5257 US Toll-free or 888 475 4499 US Toll-free and enter Meeting ID: 849 7059 1934 and Passcode: 075089.
- For TTY-based telecommunications relay service dial 711.
- العربية | Arabic, 中文| Chinese, Deutsch | German, Français | French, 한국어 | Korean, Русский | Russian, Español | Spanish, Tagalog, Tiếng việt | Vietnamese, visit https://www.psrc.org/contact/language-assistance.

^{*}Supporting materials attached.



Regional Staff Committee Meeting Summary

Date: June 15, 2023

Location: Hybrid Meeting

Presentations from the meeting are available on the PSRC website: https://www.psrc.org/rsc-meetings. Audio recording of the meeting is available

by request.

Introductions and Announcements

Chip Vincent, Co-Chair, called the meeting to order at 9:30 am. Participants were asked to view the meeting attendance on the "chat" feature on Zoom, and phone-in participants were asked to identify themselves verbally. Those attending in person signed the attendance sheet and identified themselves at the table by their corresponding table tents.

Reports

Co-Chair Chip Vincent welcomed the committee members and explained that PSRC staff would provide short updates on upcoming policy and Executive Board meetings and review the status of ongoing projects in the work program.

Ben Bakkenta, Director of Regional Planning, recapped that PSRC held the annual General Assembly on the morning of May 30, in person for the first time in three years. The PSRC membership approved the new fiscal year 2024-2025 budget and work program and elected new officers: Mayor Becky Erickson of Poulsbo is the new PSRC President, and Snohomish County Executive Dave Sommers is the new Vice President.

Ben then reminded members that registration is now open for the Regional Safety Summit that will be held on June 29 at the Seattle Convention Center in downtown Seattle. He asked members to encourage their elected officials to attend, as well as agency staff and members of the public. More information is available here.

Ben shared the upcoming edition of the PSRC Passport to 2044 Webinar series, which will look at this year's Legislative Session & Implications and new requirements for Comprehensive Planning. The webinar will be held on June 28, with registration available here. As a bonus, one AICP CM law credit is pending for live attendees of the June 28 Passport session.

To conclude, Ben shared that Chip Vincent, RSC Co-Chair representing City of Renton, will be retiring. Ben and other members shared well wishes and gratitude to Chip for his service to our region, and Chip followed this with a parting speech.

Discussion: South Sound Military and Community Partnership Housing Study Bill Adamson, Program Director SSMCP, briefed the Regional Staff Committee on SSMCP's approach to improving access to attainable housing for JBLM Servicemembers.

You can view the presentation here.

For more information, contact Ben Bakkenta, Director of Regional Planning, at bbakkenta@psrc.org.

Discussion: Puget Sound Data Trends

Craig Helmann, Director of Data, provided a background presentation on the latest data trends in the Puget Sound region.

You can view the presentation here.

For more information, contact Craig Helmann, Director of Data, at chelmann@psrc.org.

Discussion: Regional Equity Impact Assessment

As part of the Regional Equity Strategy, PSRC staff have worked with the Equity Advisory Committee to develop a Racial Equity Impact Assessment. Grant Gibson, Associate Planner, and Charles Patton, Program Manager – Equity Policy and Initiatives briefed the Regional Staff Committee on the intended use and structure of the Racial Equity Impact Assessment and how it is designed to coordinate with comprehensive plan development.

You can find the presentation <u>here</u>.

For more information, contact Grant Gibson, Associate Planner, at ggibson@psrc.org.

Adjourn

The meeting adjourned at 11:15 am.

Members and Alternates Represented at the Table

See attached attendance roster.

PSRC Staff and Other Guests Present

Mikayla Svob, PSRC Heather Culver, PSRC Maggie Moore, PSRC Noah Boggess, PSRC Josh Brown, PSRC

Charles Patton, PSRC Grant Gibson, PSRC Kathryn Johnson, PSRC Craig Helmann, PSRC Shaun Kuo, PSRC Laura Benjamin LaPitz, PSRC Paul Inghram, PSRC Liz Underwood-Bultmann, PSRC Katie Enders, PSRC Brian Lee, PSRC Elsa Brown, City of Seattle Hila Keller, PSRC Jason Thibedeau, PSRC Joanne Lin, PSRC Mike Stanger, ARCH Erin Hogan, PSRC Robin Koskey, PSRC Suzanne Childress, PSRC Bill Adamson, SSMCP **Kurtis Johnson**

PSRC Regional Staff Committee - Attendance Roster

| Jurisdiction | | Member Jurisdiction Member | | | | | |
|----------------------------|----|---|----|----------------------|----------|---|--|
| King County | 2 | Ivan Miller, King County Executive Office | R | Federal, Regiona | | State, Tribal & Other Agencies | |
| | | Vacant | | FHWA | 1 | Matthew Pahs, Community Planner | |
| | | Rebecca Maskin, Demographer Alt | | | | Vacant Alt | |
| | | McCaela Daffern, King County Alt | | FTA | 1 | Ned Conroy, Community Planner | |
| At-Large | 2 | Arun Sambataro, Equity & Social Justice | | | | Vacant Alt | |
| | | Kwame Simmons, Policy Advisor Alt | | Health | 1 | Keri Moore, Snohomish Health Dist. | R |
| | | Dan Cardwell, King County | 1 | | | Richard Gelb, King County Alt 1 | R |
| | | Vacant Alt | | | | Jennifer Halverson Kuehn, Tacoma/Pierce | |
| Transit | 1 | Peter Heffernan, King Co Metro Gov. Relations | ь | Ports | 1 | Health Alt 2 Geri Poor, Port of Seattle, Gov. Affairs | 1 |
| Transit | ' | Chris Arkills, King Co Metro Gov. Relations Alt | г | FUILS | | Deirdre Wilson, Northwest Seaport Alliance Alt | R |
| Economic Dev. | 1 | Ashton Allison, King Co Exec Office, Econ Dev | | PSCAA | 1 | Amy Fowler, Policy Manager | |
| | ' | ASHOH Allison, King Co Exec Office, Econ Dev | | FOCAA | - ' | | + |
| | | Hugo Garcia, King County Exec Office, Econ Dev | | | | Kathy Strange, Air Quality Programs Director Alt | |
| Seattle | 2 | Michael Hubner, Long Range Planning | | Puget Sound | 1 | Larry Epstein, Deputy Director | t |
| | | Jonathan Lewis, SDOT | | Partnership | | Dan Stonington, Planning Manager Alt | |
| | | Patrice Carroll, Planning & Comm Dev Alt | | Sound Transit | 1 | Matt Shelden, Planning & Innovation | |
| | | Joanna Valencia, SDOT Alt | | | | Alex Krieg, Planning & Integration Alt | |
| Bellevue | 1 | Thara Johnson, Planning Manager, Comm Dev | 1 | Tribal | 1 | Vacant | Ī |
| | | Katie Kuciemba Halse, Transportation, Alt | 1 | Representatives | | Vacant Alt | |
| Cities/Towns | 3 | Chip Vincent, Renton, Planning, Co-Chair | | US EPA | 1 | Susan Sturges | R |
| | | Bob Sterbank, City of Snoqualmie, Alt | | | | Erik Peterson Alt | |
| | | Brian Davis, City of Federal Way | | US HUD | 1 | Jack Peters | T |
| | | Jeff Churchill, City of Redmond, Alt | 1 | | | Vacant Alt | |
| Kitsap County At-Large | | Diana Hart, City of Kirkland, Alt | R | WA Dept. of | 1 | Chris Green | |
| | | Andrea Snyder, City of Issaquah, Alt | 1 | Commerce | | Marie Davis | |
| | 1 | Eric Baker, Policy | R | WSDOT | 1 | Thomas Noyes, WSDOT | 1 |
| | | Jeff Rimack, Alt | | | | April Delchamps, WSDOT Alt | |
| | 1 | Heather Wright, Planning Director | | PSRC Committe | es | | |
| | | Patty Charnas, Bainbridge Island Alt | R | PSRC Co-Chair | 1 | Ben Bakkenta, Director of Regional Planning | 1 |
| Transit | 1 | Edward Coviello, Kitsap Transit | R | BPAC | 1 | Thomas Noyes, WSDOT | 1 |
| | | Vacant Alt | | | | Eric Goodman, Community Transit, Alt | |
| Economic Dev. Bremerton | 1 | Joe Morrison, KEDA | | FAC | 1 | Geri Poor, Port of Seattle, Gov. Affairs | 1 |
| | | Vacant Alt | | | | Vacant Alt | |
| | 1 | Andrea Spencer, Comm Dev, Co-Chair | | RPEC | 1 | Doug McCormick, RPEC Chair | |
| Cities/Towns Pierce County | | Garrett Jackson, Planning Manager, Alt | | | | Shane Weber, RPEC Vice Chair | |
| | 1 | Nick Bond, Comm Dev., Port Orchard | | SNTC | 1 | Susan Carter, SNTC Chair | |
| | | Patty Charnas, Bainbridge Island Alt | | | | Vacant Alt | |
| | 1 | Vacant | | TDM | 1 | Jennifer Hass, Community Transit | |
| At-Large | | Vacant Alt | _ | | | Sarah Spicer, City of Seattle, Alt | |
| | 2 | Tiffany Speir, Lakewood, Planning | _ | RTOC | 1 | Vacant | |
| | | Jason Sullivan, Bonney Lake, Planning | R | | <u> </u> | Vacant Alt | _ |
| | | Ryan Windish, Sumner, Alt | | R = Remote atte | nda | nce | - |
| - | | Angelie Stahlnecker, Milton, Alt | | | | | - |
| Transit | 1 | Lindsey Sehmel, Pierce Transit | | | | | - |
| Faanamia Day | 4 | Darin Stavish, Pierce Transit, Alt | _ | | | | - |
| Economic Dev | 1 | Rob Allen, Economic Development | R | | | | - |
| Tacoma | 4 | Vacant Alt Peter Huffman, Planning & Dev Srvcs | | | | | - |
| | ' | Vacant | | | | | - |
| Cities/Towns | 1 | Kendall Wals, Puyallup | R | | | | + |
| Cities/Towns | ' | Chris Larson, Fife, Alt | 11 | | | | + |
| Snohomish | | | | | - | | + |
| County | 1 | Mike McCrary, PDS Director | R | | | | |
| County | | David Killingstad, Planning & Development | | | | | - |
| At-Large | 2 | Kelly Snyder, Director, Co-Chair | 1 | | + | | + |
| | _ | Ken Klein, Executive Director | Ľ. | | | | + |
| | | Jay Larson, Public Works Supervisor, Alt | | | + | | |
| Transit | | Joshua Dugan, Exec Operations Officer, Alt | | | | | \dagger |
| | 1 | Roland Behee, Director of Planning | | | | | † |
| | | Melinda Adams, Everett Transit Alt | R | | | | |
| Economic Dev Everett | 1 | Neepaporn Boungjaktha, Economic Dev | | | | | † |
| | - | James Henderson, Economic Dev Alt | | | + | | T |
| | 1 | Yorik Stevens-Wajda, Planning Director | 1 | | + | | T |
| | • | Becky Ableman McCrary, Long Range Planning | Ė | | | | |
| | | Mgr | L | | | | 1 |
| Cities/Towns | 1 | Russ Wright, Lake Stevens, Comm Dev. Director | R | | | | |
| | | Patricia Love, Stanwood, Comm Dev. Director, Alt. | | | | | |
| | | | | | | | |
| Total Members | 51 | Attended | 29 | | | | L |



DISCUSSION ITEMJuly 20, 2023

TO: Regional Staff Committee

FROM: Ben Bakkenta, Director of Regional Planning

SUBJECT: Middle Housing Update

IN BRIEF

The committee will be briefed by Dave Osaki of the Washington State Department of Commerce with an update on Middle Housing work, grant funding, and resources developed by the department.

DISCUSSION

Middle housing refers to a range of housing types—from duplexes to townhomes to lowrise multifamily developments—bridging a gap between single-family housing and more intense multifamily and mixed-use areas. Middle density housing can help promote housing diversity and give people greater housing choices, including less costly ownership options for first-time buyers. It also supports more walkable communities, local retail and commercial services, and efficient public transit. Yet it's rare in many communities, hence the term "missing" middle housing.

Connection to Regional Housing Work

PSRC adopted the Regional Housing Strategy in February 2022. The Regional Housing Strategy is a playbook of regional and local actions to preserve, improve, and expand housing stock in the region. The strategy identifies roles for PSRC, cities, counties, and other stakeholders to implement the strategy, with a focus on providing resources and support for the 2024 local comprehensive plan updates.

Encouraging more middle housing is central to the Regional Housing Strategy, including strategies to encourage more middle housing to provide great housing choices and less costly ownership options for people at all stages of life.

Middle Housing Grant Program

The Washington State Department of Commerce Middle Housing Grant Program provides funding to cities or regional groups to take actions that will evaluate the authorization of middle housing types on at least 30% of lots zoned for a single family at the beginning of the grant.

Each city which receives grant funds must use a racial equity analysis and establish anti-displacement policies, as required for the housing element of the comprehensive plan, to ensure there will be no net displacement of very low, low or moderate-income households, or individuals from racial, ethnic and religious communities which have been subject to discriminatory housing policies in the past.

List of grants awarded to date:

- Bellevue
- Bothell
- Carnation
- Duvall
- Eatonville
- Edgewood
- Everett
- Fife
- Gig Harbor
- Kenmore
- Lakewood
- Milton
- Monroe
- Newcastle
- North Bend
- Redmond
- Renton
- Ruston
- Seattle
- Snohomish
- Snoqualmie
- Tacoma
- Tukwila
- University Place
- South Sound Housing Affordability Partners

Additional planning grant funding will be available this fiscal year. The board will hear from Department of Commerce staff about the Middle Housing Grant Program, along with newly developed resources. With the passage of HB 1110 earlier this year, many cities will be working to allow middle density housing. Lessons learned from this grant-supported work can provide information and perspectives to support other jurisdictions.

Lead Staff

Questions? Contact Ben Bakkenta, Director of Regional Planning, at bbakkenta@psrc.org or 206-971-3286.



DISCUSSION ITEMJuly 20, 2023

TO: Regional Staff Committee

FROM: Ben Bakkenta, Director of Regional Planning

SUBJECT: Middle Housing Pro Forma Tool

IN BRIEF

The committee will hear a presentation from Alex Steinberger of Cascadia Partners about a middle housing pro forma tool developed for the Department of Commerce. This tool helps cities analyze the market potential of middle housing and how policy decisions impact housing costs.

DISCUSSION

Over the last two years, the Department of Commerce has implemented a program to support greater development of "middle housing." Middle housing is a term for housing at a scale between single-family houses and larger multifamily buildings. Middle housing is often seen as more compatible with existing neighborhoods and yet it is also relatively rare to find zoning that allows it. State House Bill 1110 will require many cities in the region to change their development regulations to allow middle housing more widely.

Cascadia Partners is a consulting firm hired by Commerce, along with Opticos urban design consultants, to explore middle housing development standards. Cascadia's work focuses on the financial performance of middle housing development types. The proforma tool Cascadia created allows cities to evaluate how middle housing may perform in the housing market and compare to other forms of housing.

Alex Steinberger is a managing partner at <u>Cascadia Partners</u>, an urban planner, and economist. He has experience working at a range of scales, from site-specific redevelopment projects to regional planning efforts. Examples of past projects that he's worked on include a redevelopment feasibility analysis for a Bus Rapid Transit (BRT) corridor in San Antonio, Texas, and a station area development strategy for a planned high-capacity transit line in Portland, Oregon. At the July meeting, the committee will learn more about the pro forma tool, including a demonstration of the tool.

Lead Staff

Questions? Contact Ben Bakkenta, Director of Regional Planning, at bbakkenta@psrc.org or 206-971-3286.



DISCUSSION ITEMJuly 20, 2023

TO: Regional Staff Committee

FROM: Ananda Gordon-Peabody, Housing/Planning Intern

Liz Underwood-Bultmann, Principal Planner

SUBJECT: Findings from Affordable Housing Developer Outreach

IN BRIEF

In 2021, House Bill 1220 amended the GMA housing requirements to require local governments to more fully document barriers and strategies to addressing housing need at all income levels. PSRC staff conducted outreach to affordable housing developers to assist jurisdictions in understanding and documenting challenges and opportunities identified by developers. At the July 20th meeting, PSRC staff will provide the committee with an overview of the process taken to achieve this, the findings, and next steps to document the work. The committee will be asked for feedback on the work completed and how to share the findings with local governments.

DISCUSSION

House Bill 1220 brought changes to the housing element under the Growth Management Act and created new responsibilities for jurisdictions. Cities and counties are now required to do more to promote affordable housing development by identifying barriers to housing availability, such as gaps in funding sources, development regulations, or incentives. In an effort to streamline developer outreach and identify some overall themes within the region, PSRC conducted outreach to local affordable housing developers via a survey and focus group interviews. PSRC received completed surveys from 27 different organizations to create a high-level analysis of the barriers that currently exist in the housing market.

PSRC developed a questionnaire focused on barriers and opportunities to develop affordable housing in communities. The target audience for the questionnaire was affordable housing developers, attainable/market rate housing developers, and other relevant stakeholders in housing development. PSRC worked with subregional housing organizations to review the questionnaire and distribute it to their networks. The questionnaire was open for two weeks, and PSRC completed additional outreach to ensure geographic distribution of responses.

Respondents were invited to participate in one of two focus groups. The goal of these interviews was to gain a deeper understanding of the barriers to affordable housing development and to hear where developers wanted to provide feedback beyond the survey. Ten housing developers participated in the focus groups.

The outreach from both the questionnaire and the focus groups provided PSRC with valuable insights and highlighted some major factors that impact the availability and success of affordable housing across the region. Key feedback we heard from participants are summarized below:

- Zoning tends to be a significant barrier to developers and was consistently listed as one of the biggest barriers. The survey asked which zoning characteristics developers look for in building new units. Respondents noted the look for moderate density residential zoning, followed closely by high density residential zoning, density bonuses, and parking reductions. Respondents noted that they did not believe land was being used as efficiently as possible and that there was not enough urban land available for residential development. With this, stakeholders said that there is an overabundance of single-family zoning, making it increasingly difficult to create more affordable housing opportunities. Respondents emphasized the value of allowing development by right and avoiding time-consuming rezones and comprehensive plan amendments.
- Mandatory standards such as for ground floor commercial space, open space, and parking minimums can be costly and provide additional barriers. Developers noted that ground floor commercial spaces and can sit empty in some markets, which can drive up project costs. Respondents observed that the number and size of required parking stalls limits the viability of some projects. Developers cited that some local governments provide more flexibility on how to meet community amenities and parking requirements, which can make projects more viable.
- Permitting reform can be transformative in such projects. Local jurisdictions
 have the ability to encourage development by being flexible with fee
 abatement/exemption where possible. Waiving or decreasing fees such as
 permitting or impact fees, in addition to expedited permitting processes, can
 decrease project costs, allowing more projects to pencil in a cost constrained
 environment.
- Communication between cities and developers can be difficult, lengthy, and
 confusing. Developers pointed to instances where providing a project expeditor
 made communication, permitting, and land use requirements easier to
 understand and apply. This also allowed for a single point of contact, allowing
 developers to spend less time bouncing between different departments.

This research was done with the goal of creating a resource to help jurisdictions address new GMA requirement to address barriers to affordable housing and to support

their comprehensive plan updates. PSRC staff welcomes feedback from the committee on how to share findings from this work, as well as any input on what resources would be helpful for local jurisdictions in their plan updates.

Next Steps

A report further detailing the process, results, and implications of the information gained is in the process of being completed. PSRC will circulate the published document to jurisdictional partners, respondents, and representatives.

Lead Staff

For additional information, please contact Liz Underwood-Bultmann, Principal Planner, at lunderwood-bultmann@psrc.org or Paul Inghram, Director of Growth Management, at pinghram@psrc.org.



FROM PANDEMIC TO PROSPERITY:

Downtowns Reimagined











SAVE THE DATE

Friday, September 29, 2023



Part 1

9:00 a.m. – 12:00 p.m. Zoom – Virtual Panels



Part 2

1:30 p.m. – 3:30 p.m. In Person Walking Tour (location coming soon)

The COVID 19 pandemic disrupted downtowns and urban cores in unforeseen ways that now provide opportunities to revitalize these places to better serve all people. Join industry and community leaders to explore cutting edge data analysis, innovative techniques, and best practices to reimagine downtowns for our shared prosperity.

Free to attend. Online registration opens soon.