

# Middle Housing Update (HB 1110)

## PSRC Regional Staff Committee

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MIDDLE HOUSING

07/20/2023



Washington State  
Department of  
**Commerce**

# Agenda

- PSRC/Commerce Washington Housing Survey (2022)
- HB 1220 background (2021)
- 2022-2023 Middle housing grant program
- General Commerce middle housing resources
- HB 1110 Resources (2023) - current and future

**Puget Sound Regional  
Council/Commerce  
Statewide Housing Survey  
(December 2022)**



## Housing costs and homelessness are the top two issues throughout Washington state

**78%** say they want more housing options for seniors, teachers, firefighters, childcare workers, and health care workers

**74%** prefer most new housing to be in walkable neighborhoods

**64%** agree that their community needs more diverse and affordable types of housing



**77%** say rents are too high

**75%** say it costs too much to buy a home

**83%** say more reasonably priced housing is needed in their communities



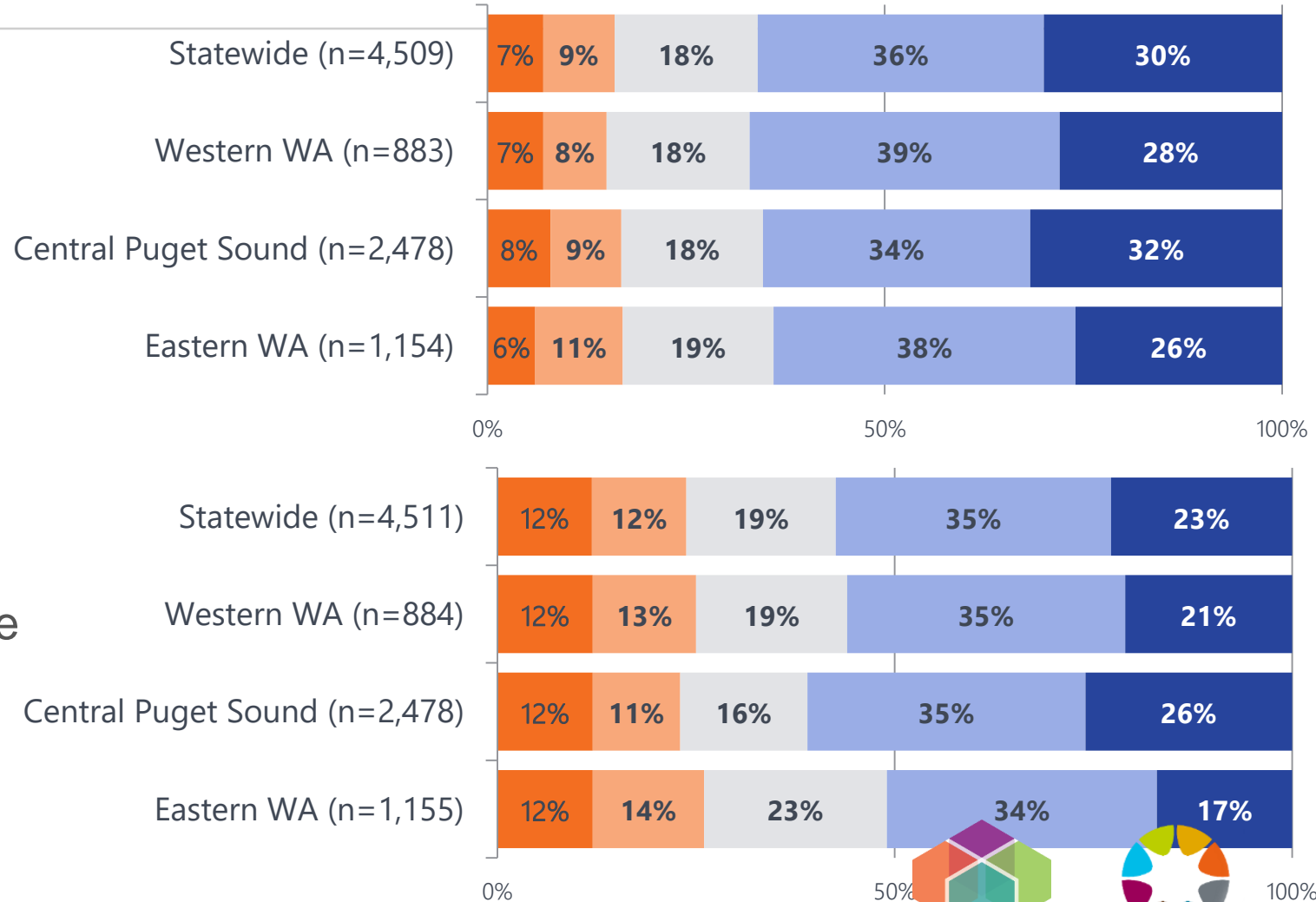
# Strong Statewide Support for More Diverse Housing

Communities need more diverse & affordable housing types, such as duplexes, cottages, courtyard apartments, townhomes and mixed developments.

**66% Agree**

Multi-family housing, like triplexes, should be allowed in single-family zones when all standards of the zone are met, such as heights, setbacks, and parking.

**58% Agree**



# Government Should Address Urgent Need to Tackle Housing Supply

## Residents want government to do more

**83%** say government agencies should work together to address the need for housing

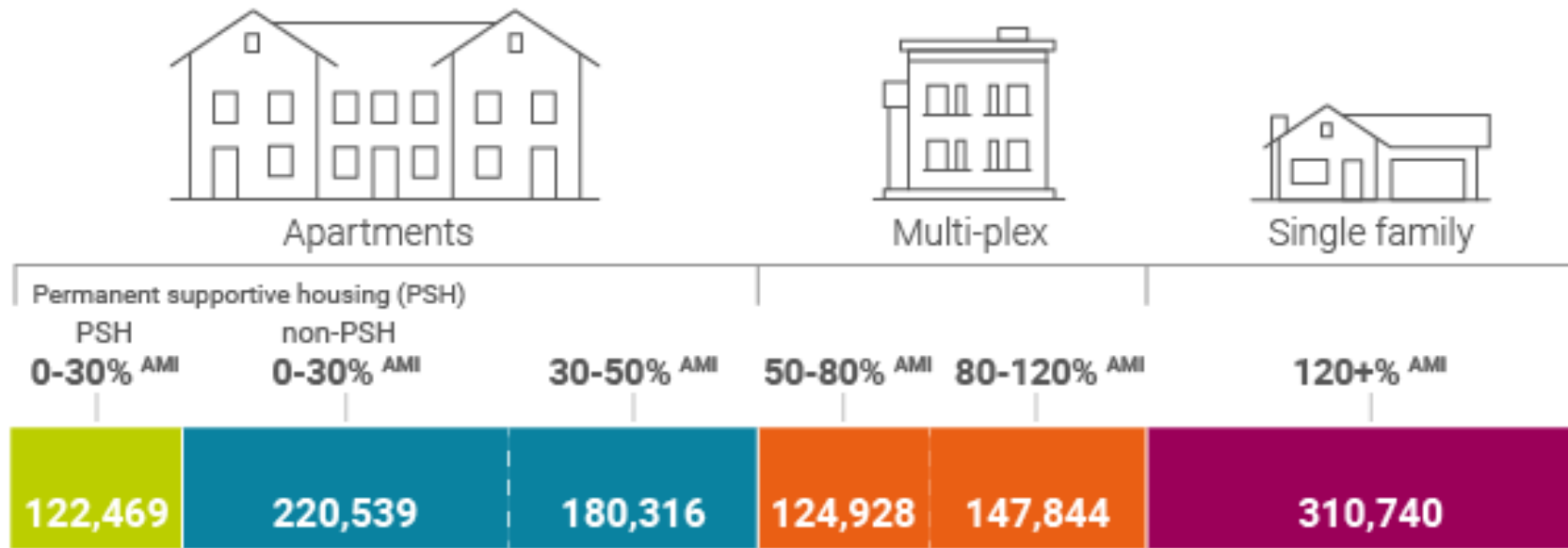
**64%** say government agencies should do more to provide housing not being delivered by the market



# House Bill 1220 (2021)



# Context: Housing element updates



**1.1 Million** new homes will be needed in the next 20 years

In addition, there will also need to be:

**91,357** Emergency housing beds (temporary housing)

## HB 1220 (2021) Housing element update

- Plan for and accommodate housing for all economic segments
- Updates to middle housing policies
- Racial equity analysis



# HB 1220 (2021) strengthened housing planning

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In 2021, HB 1220 was passed to direct communities to strengthen housing elements and how they accommodate housing:

- Projected housing needs and allocation\*
- Land capacity analysis (sufficient land capacity)\*
- Adequate provisions for all economic segments\*
- Racially disparate impacts, exclusion and displacement\*

\* Commerce Guidance documents available

# HB 1220 (2021) amendments

## Moderate density housing

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### (2) A housing element... that:

(b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;

(c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for ~~low income families~~ moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, ~~and~~ group homes, and foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;

# PSRC Multi-County Planning Policies and Regional Housing Strategy

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## PSRC VISION 2050 multi-countywide planning policy housing excerpts:

- **MPP-H-2** *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-9** *Expand housing capacity for moderate density housing to bridge the gap between single-family and more intensive multifamily development* and provide opportunities for more affordable ownership and rental housing that allows more people to live in neighborhoods across the region.

## Regional Housing Strategy (Feb. 2022)

Supply: Build more housing of different types

- Encourage more **middle density housing** to provide greater housing choice for people at all stages of life
- Encourage **more housing choices within single-family zones** to provide greater housing choice and less costly ownership options throughout the region

**2022-2023**

**Commerce Middle Housing  
Grant Program**



# \$7.5 M middle housing grant program (2022)

- Funding available July 1, 2022 only to cities in the central Puget Sound region (w/ plan updates due December 31, 2024)
- Preceded 2023 passage of HB 1110
- To encourage local jurisdictions with the earliest GMA update deadline to consider middle housing
  - Cities under 10,000 population \$ 60,000
  - Cities 10,000-20,000 population \$ 75,000
  - Cities over 20,000 population \$100,000
- Must consider middle housing types on at least 30% of lots currently zoned as single family



Duplex



Cottages

# What is “middle housing”?

## Under the Middle Housing Grant Program (2022)

“Middle housing types” include **duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, courtyard apartments, cottage housing, and stacked flats.**

## Under HB 1110 (2023)

“Middle housing” means buildings that... contain two or more attached, stacked, or clustered homes including **duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing.**



Duplex



Fourplex



Courtyard Apartments



Cottage Housing



Townhouses

# 2022 Middle Housing grant program for the Puget Sound region - grantees

Bellevue	Kenmore	Shoreline
Bothell	Lakewood	Snohomish
Burien	Milton	Snoqualmie
Eatonville	Monroe	SSHA3P*
Edgewood	Newcastle	Tacoma
Enumclaw	Redmond	Tukwila
Everett	Renton	University Place
Fife	Ruston	Mill Creek
Gig Harbor	Seattle	Puyallup

## Results

- 26 of 82 eligible jurisdictions accepted grants
- \$2.7 million in grants (of \$7M offered)
- Grantees represent over half of the eligible city population in the four county central Puget Sound region

Cities (20) also subject to HB 1110

\* South Sound Housing Affordability Partners (SSHA3P) coordinated work on behalf of five jurisdictions

# 2022 Middle housing grant program grantees by county

<b>County</b>	<b>Number of Grantee Cities</b>	<b>Smallest/Largest Grantee Population</b>
King County	13 (includes Bothell and Milton)	Enumclaw/Seattle
Pierce County	10 (includes Milton)	Ruston/Tacoma
Kitsap County	0 (all cities individually contacted about grant availability)	N/A
Snohomish County	5 (includes Bothell)	Snohomish/Everett



# How could Middle Housing grant funds be used?

- Analyze plan policies and development regulations
- Prepare informational materials
  - **Webpages, handouts**
- Conduct public outreach
- **Stakeholder interviews, surveys, tabling events**
- **Engage Community Based Organizations**
  - Draft proposed amendments
  - Holding meetings/hearings

**(No grant requirement for adoption)**



Fourplex



Courtyard Apartments

# Grant deliverables

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- Examples of the grantee middle housing (and racial equity) work will be posted on the Commerce website

**(General)  
Commerce Middle Housing  
Resources**



# Commerce middle housing webpage - resources (General)

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- **Middle Housing videos and slide decks** (slide decks can be edited by jurisdictions for use)
  - Middle housing for Puget Sound
  - What/Why for Middle Housing
  - Where/How for Middle Housing
  - Best Practices for Middle Housing
- **Middle housing posters**
- **Middle housing photo library**
- **Example middle housing development standards** (*not a model ordinance*)
- **Pro Forma Toolkit** (w/ user guide and recorded presentation)

**HB 1110**

**Current and Future Middle  
Housing Resources**



# HB 1110 - Middle Housing Summary

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- 77 cities Statewide subject to HB 1110 (based on 2020 OFM data)
- HB 1110 (Highlights)
  - Establishes three categories of cities based on population and location with different requirements for each category
  - Provisions to consider proximity to transit and providing affordable housing
  - City must allow six of the nine middle housing types included in the GMA definition of “middle housing”
  - Substantially similar provision (alternative city actions substantially similar to HB 1110 requirements may be approved)
  - Alternative Density Option - 75%/25%
  - Compliance deadline – six (6) months after the jurisdictions periodic review deadline

# Middle housing resources- HB 1110

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- **Fact Sheet w/ FAQ's (on Commerce Middle Housing webpage)**
  - Commerce is docketing questions and answering them over time
  - Identifies cities subject to HB 1110 and what requirements apply
- **Model Ordinance(s) - Forthcoming**
  - HB 1110 requires that Commerce develop model ordinance(s) within 6 months of bill's July 23, 2023 effective date
  - Supersedes, preempts and invalidates local government regulations if local jurisdiction does not have regulations in place by their deadline
  - Committee of local government planners to assist
  - Stakeholder involvement - housing development interests, environmental interests
  - Will address relationship to other bills (e.g. HB 1337, ADU's; SB 5258, Proportionate impact fees; etc)
  - Draft model ordinance(s) complete by end of 2023 - 30-day comment period on draft model ordinance(s)

# WAC (Administrative Rules)

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- **June 21, 2023 - Intent for rulemaking filed on Housing** (see Commerce rulemaking website [GMA Housing Rulemaking \(wa.gov\)](https://www.wa.gov/comm/Rulemaking))
- **Laws have changed in how local governments plan for:**
  - Housing needs
  - Middle housing
  - Accessory dwelling units
  - Design review, local project review
  - Racially disparate impacts
  - and more...
- **Nov. - Dec. 2023 - Preliminary draft for public comment w/ public meetings/listening sessions**



# 2023-2025 HB 1110

## Middle housing grant program

- Commerce will open a new Statewide middle housing grant program this month
- Middle Housing grant program is *in addition to* periodic update grants
- Priority to jurisdictions required to comply with HB 1110 (A jurisdiction can still apply if not subject to HB 1110)
- Grant awards will likely range between \$35,000 - \$75,000
  - Based on population size
  - A jurisdiction that did not receive a Commerce 2022 middle housing grant is eligible for a higher grant amount than a comparable sized city that did
- Complete grant work by June 30, 2025 (funds are no longer available after June 30, 2025)
  - For central Puget Sound cities (PSRC jurisdictions), the June 30, 2025 grant deadline coincides with June 30, 2025 HB 1110 compliance deadline

# Resources from Commerce

- **Planning for Housing webpage**  
[www.commerce.wa.gov/planning-for-housing](http://www.commerce.wa.gov/planning-for-housing)
- **Updating your Housing Element webpage**  
[www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/](http://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/updating-gma-housing-elements/)
- **Middle housing webpage**  
[Planning for Middle Housing - Washington State Department of Commerce](#)
- **Periodic Update webpage**  
[www.commerce.wa.gov/serving-communities/growth-management/periodic-update/](http://www.commerce.wa.gov/serving-communities/growth-management/periodic-update/)
- **Middle Housing Staff Support**
  - Dave Osaki, [dave.osaki@commerce.wa.gov](mailto:dave.osaki@commerce.wa.gov)

## Planning for Housing

The Planning for Housing page contains information on grants, guidance, and links to



### Growth Management Housing Links

- [Updating GMA Housing Elements \(HB 1220\)](#) – projected housing needs and racially disparate impacts
- [Multi-Family Housing Property Tax Exemption program](#)
- [Housing EZView website](#)
- [Middle Housing](#)
- [Accessory Dwelling Unit \(ADU\) guidance update EZView website](#)
- [2019 through 2022 Housing Laws for Planners \(PDF\)](#)

# Thank you!



Washington State  
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**Commerce**

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