



## Housing Action Plan – Potential Strategies

August 24, 2021

The Clark County Housing Options Study and Action Plan is to understand local housing challenges and identify opportunities to encourage creation of additional housing types that are affordable to a variety of households within the unincorporated Vancouver Urban Growth Area. This could be done through the removal of regulatory barriers and/or implementation of other strategies.

The Housing Options Study included stakeholder interviews and focus groups, a housing inventory and analysis, an audit of land use policies, zoning, and regulations, and a feasibility pro-forma analysis. Proposed Housing Action Plan (HAP) objectives were developed based on the Housing Options Study and feedback from the Project Advisory Group and the public.

The next step is to analyze and identify priority strategies for the Housing Action Plan. The project team started with a framework developed by the Washington State Department of Commerce, and refined it to meet the needs of Clark County. The list is comprised of categories that include:

- A. Expand Zoning Permissions for Housing Development
- B. Modify Existing Regulatory Tools
- C. Process Improvements
- D. Affordable Housing Incentives
- E. Funding Options
- F. Other Strategies
- G. Displacement Strategies

Each category includes several “strategy types” and then specific strategies developed by the project team. This memo includes a description of each strategy type and preliminary assessment of each strategy relative to the proposed HAP objectives and criteria such as timeline, cost, and administrative effort. Potential effectiveness and impact will be informed by PAG discussions.

### HAP Objectives

1. Encourage housing development that meets the needs of middle-income households who are not being served in the current housing market.
2. Develop strategies to support the development of housing that is affordable to low, very low, and extremely low-income households.
3. Encourage diversity in housing types and tenure (rental/ownership), including expanding middle housing options and increasing multifamily feasibility.
4. Encourage the creation of a broad range of housing sizes to match the needs of all types of households (families, singles, students, older adults, disabled, or other unique population groups), with a focus on 1-2 person households not being served in the current housing market.
5. Guide development of diverse housing options to areas with access to transportation corridors and transit, commercial services, schools and parks, and conversely, support development of those same amenities in areas where more housing is added.

## Preliminary Assessment Criteria

1. **Timeline.** Since the “intended outcome is a list of implementation-ready/actionable strategies and recommendations for public, Planning Commission and Council,” Short-term includes implementation-ready strategies that will be adopted through this process. Medium-term strategies are those that require more work or time to implement. Long-term strategies are those that the County does not control.
2. **Cost.** A relative comparison of costs for each strategy. For example, development code changes have no/low cost. Strategies with ongoing administrative needs are medium cost. Items that require the County to invest or forgo revenues are high cost.
3. **Administrative Effort.** Strategies that primarily involve policy setup or code changes are low effort. Strategies that will require more work following the completion of this project are medium effort. High-effort strategies require substantial staff time and program setup. This includes any new or ongoing programs that need dedicated time to administer.
4. **Potential Impact.** The magnitude of impact the strategy will have on achieving the project objectives. This will be assessed following the PAG’s initial discussions of potential strategies and presented at a future meeting.

## **A. Expand Zoning Permissions for Housing Development**

### **A-1. Reduce Minimum Lot Sizes**

Reducing minimum lot sizes for a variety of residential uses is a key strategy to make efficient use of public infrastructure and increase affordability. It increases a community's capacity by allowing a greater number of dwelling units, particularly in areas close to transit and other amenities. It also provides ways to develop lots with smaller yards that do not require a lot of time or effort to maintain. Changing the minimum lot sizes for single-family detached and townhouses in particular can also increase opportunities for homeownership, by decreasing land costs associated with the dwelling and making it affordable to more households. Such changes also increase opportunities for homeownership.

- A-1.1. Reduce minimum lot sizes for single-family detached in low-density R1 districts. Consider one or more of the following:
- Reduce minimum lot sizes in all zones by 10-20% for all development.
  - Develop a small-lot subdivision track separate from the cottage housing option, potentially by expanding the density bonus available through the PUD process and/or modifying the density transfer provisions for low-density environmentally sensitive lands.
- A-1.2. Reduce minimum lot sizes for townhouses to 2,000 square feet or smaller throughout the medium-density zones, by aligning and revising minimum lot sizes and maximum densities. Minimum lot size should be reduced in R-12; minimum lot sizes in R-18 and R-22 are sufficient but they are constrained by maximum density.
- A-1.3. Reduce minimum lot sizes for duplexes to match those for single-family detached in low and medium density districts.
- A-1.4. Introduce minimum lot sizes for triplexes and quadplexes where proposed in low and/or medium-density zones that are less than current lot area per dwelling unit. E.g., R-12 zone would currently require 14,520-square-foot lot for a quadplex based upon maximum density, compared to a proposed 8,000-square foot minimum specific to quadplexes.
- A-1.5. Create a new R1-2.5 zone with a 2,500-square foot minimum lot size for single-family detached and similarly scaled minimum lot sizes for middle housing.

<b>A-1</b>	<b>Obj 1</b>	<b>Obj 2</b>	<b>Obj 3</b>	<b>Obj 4</b>	<b>Obj 5</b>	<b>Timeline</b>	<b>Cost</b>	<b>Admin Effort</b>	<b>Potential Impact</b>
<b>A-1.1</b>	●		●	●		Short	\$	Low	
<b>A-1.2</b>	●		●	●		Short	\$	Low	
<b>A-1.3</b>	●		●	●		Short	\$	Low	
<b>A-1.4</b>	●		●	●		Short	\$	Low	
<b>A-1.5</b>	●		●	●		Short	\$	Low	

### **A-2. Require a Minimum Density**

Washington's Growth Management Act (GMA) requires that communities within designated urban growth areas allow for urban densities to reduce the per-household cost of providing urban services. The purpose of establishing minimum densities in zoning is to ensure that a sufficient level of development occurs to support transit use, walkability, infrastructure investments, local retail or other goals.

Current residential density ranges in the project area are: 1.4 to 8.7 dwelling units per acre in the urban low-density zones (R1), 8 to 22 dwelling units per acre in the urban medium-density zones (R-12 to R-18), and 18 to 43 units per acre in the urban high-density zones (R-30 and R-43).

- A-2.1. Increase minimum density in high-density zones from 47-60% to 60-80% of the maximum density, to support multifamily residential and smaller housing units.

A-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-2.1	●		●		●	Short	\$	Low	

### A-3. Increase or Remove Density Limits

Regulating the maximum number of units per acre is one of the most commonly used tools to regulate the intensity of residential development in Washington jurisdictions. However, there are two notable drawbacks to the units/acre regulating approach beyond simply limiting density:

- They penalize smaller units by design, as each dwelling unit, whether it is 500 square feet or 5,000 square feet, counts as one dwelling unit. As such the standard can shift development towards larger, more expensive units.
- Most residents have a difficult time understanding what density looks like. When quizzed on the subject, community members often convey that the design of the streetscape, front yards and building frontages matter more to them.

Thus, removing or relaxing such density limits are obvious ways a local government can increase the supply, diversity and affordability of housing. Local governments need to be very strategic in such actions, however, as they can be extremely controversial and can backfire even with a well-crafted plan. Whether density limits are removed or adjusted, local governments will need to clearly communicate *why* they are removing or adjusting the density and illustrate what tools are proposed to mitigate possible impacts.

- A-3.1. Revise maximum density standards to align with revisions to minimum lot sizes, including greater maximum densities for select middle housing types, or remove maximum density for those housing types in favor of allowing minimum lot sizes to control development intensity.

A-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-3.1	●		●	●	●	Short	\$	Low	

### A-4. Upzone

Strategic rezones to a higher intensity zone are another straight-forward strategy to expand the capacity for residential development in urban areas. Such upzones can be undertaken for areas large and small by a local government, or they can be applied for by individuals or groups of property owners. Some may be accomplished within the framework of an existing comprehensive plan, though many will necessitate an update to the comprehensive plan. This strategy should be considered if there is a deficit of development capacity relative to ongoing population growth, minimal activity in areas desired for development or redevelopment, or a lack of residential development near public infrastructure.

- A-4.1. Designate additional land for high-density residential to support multifamily development. Approaches for this could focus on land already within the project area and/or land that is brought into the urban growth area in the future.
- A-4.2. Designate additional land for medium-density residential to support a range of more dense, more varied housing types relative to low-density areas. Approaches for this could focus on land already within the project area and/or land that is brought into the urban growth area in the future.
- A-4.3. Develop and apply an R1-2.5 zone for low-density residential that permits a range of middle housing development at higher average densities relative to existing low-density residential zones and development patterns.
- A-4.4. The county and cities will need to adopt housing affordability metrics as part of the next Comprehensive Plan update per state mandate. These metrics are to be reported on the Buildable Lands Report and jurisdictions will have to take reasonable measures to meet the housing

affordability metrics, if they are not met. Discuss the Countywide Planning Policy regarding the 75/25 split between single-family detached housing and alternatives to single-family detached housing with all local jurisdictions during the Comprehensive Plan update process as part of the housing affordability discussion, to see if the ratio still makes sense or should be adjusted by all jurisdictions. If the ratio is adjusted, upzone land within jurisdictions as needed to meet the new ratio.

A-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-4.1	●		●	●		Short	\$	Low	
A-4.2	●		●	●		Short	\$	Low	
A-4.3	●		●	●		Short	\$	Low	
A-4.4	●		●			Medium	\$	Med	

**A-5. Increase Allowed Housing Types in Existing and/or Proposed Zones (cottages; 2, 3, 4-plexes; townhouses; courtyard apartments, micro-housing)**

In many communities, the only housing choices are single-family homes on large lots or medium to large multifamily buildings. Such limited options do not reflect the wide range of needs of differing family sizes, household incomes and cultural groups. One solution is encouraging a larger variety of housing types, such as duplexes, triplexes, 4-plexes, cottages, and townhomes, often referred to as the “missing middle” as they are middle-sized housing, aimed at people with middle incomes. They are also some of the most affordable forms of housing on a cost-per-square-foot basis. In general, these types are more affordable than detached single-family homes and offer a greater range of design and locational choices than apartment buildings can offer. They also offer more flexible ways for communities to add compatible density into established neighborhoods and provide more opportunities for residents to have stability and build wealth through homeownership.

- A-5.1. Permit duplexes throughout the R1 zones; duplexes currently limited to corner lots in the R1-6 and R1-5 zones. Allow outright through a building permit review without requiring separate land use review.
- A-5.2. Introduce triplex and quadplex uses in low and medium-density zones, and permit on minimum lot sizes/densities analogous to townhouses. Allow outright through a building permit review without requiring separate land use review. Consider allowing attached and detached configurations.
- A-5.3. Allow townhouses in low-density zones on lots 2,000 square feet or smaller.
- A-5.4. Introduce courtyard apartment use to allow small-scale apartment development of 5-12 units by permitting at higher densities in medium-density zones and developing alternative design standards.
- A-5.5. Allow and encourage internal conversion of existing homes into additional units as a “plex” or cottage cluster, including nonconforming development. Consider standards such as limitations on exterior alternations/expansions and/or how to meet parking needs in ways that incentivize retention of existing homes.
- A-5.6. Limit single-family detached uses in medium-density zones, either by prohibiting them or limiting them to a portion of a PUD development, in order to encourage variety of other housing types.
- A-5.7. Limit townhouse uses in high-density zones, either by prohibiting them or limiting them to a portion of a PUD development, in order to encourage variety of other housing types.
- A-5.8. As an alternative to permitting outright across low-density zones, develop a middle housing overlay for low-density residential areas that allows middle housing types on smaller lots/at greater densities. Could apply in areas with better access to transit or amenities like parks, commercial nodes. Consider how it could apply to existing neighborhoods to support infill and/or to vacant lands to support new development

A-5	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-5.1	●		●	●		Short	\$	Low	
A-5.2	●		●	●		Short	\$	Low	
A-5.3	●		●	●		Short	\$	Low	
A-5.4	●		●	●		Short	\$	Low	
A-5.5	●		●	●		Short	\$	Low	
A-5.6	●		●	●		Short	\$	Low	
A-5.7	●		●	●		Short	\$	Low	
A-5.8	●		●	●		Short	\$	Low	

#### A-6. Offer Density and/or Height Incentives for Desired Unit Types

In communities with a deficit of small affordable units and areas where height and/or density bonuses are under consideration, such bonuses to allow for buildings integrating a certain percentage of small units (under a specific size, such as 600 square feet) may be a good option. Alternatively, communities could adjust the way that density is measured to allow for discounts for very small units (i.e., density unit equivalent). On the other hand, many urban communities have a shortage of larger multi-bedroom apartment units to serve families with children. Density bonuses could be used to incentivize developments with such units.

- A-6.1. Offer bonus density and/or height for larger multifamily projects (13+ units) in high-density zones, potentially based on residents served (age, income, abilities) or based on location near transit or other amenities.

A-6	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-6.1	●	●	●	●	●	Med	\$	Low	

#### A-7. Expand Residential Uses in Commercial Zones

Commercially zoned areas have potential to provide additional sites for higher-density residential uses. Current zoning regulations limit residential uses to upper stories above commercial uses, whereas permitting residential without a commercial component has the potential to simplify and facilitate residential development opportunities. Any resulting residential uses could benefit from their location within a commercial corridor with access to transit, services and amenities. Such changes would need to be considered against the economic development goals for the jurisdiction, to ensure that adequate commercial development opportunities remain.

- A-7.1 Expand options for residential uses in commercial zones. Consider: permitting horizontal as well as vertical mixed-use or allowing multifamily residential outright if it met minimum densities, design standards and/or served target groups (such as age-restricted or income-restricted residents).
- See also strategy D-3.2 that would allow eligible (Washington state Housing Finance Commission eligibility) affordable multi-family housing with no commercial component.
- A-7.2 Rezone selected commercial properties for high density residential use, either through a County-led process or in response to individual property owner requests. Develop criteria to guide selection of targeted properties.

A-7	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
A-7.1	●	●	●	●	●	Short	\$	Low	
A-7.2	●	●	●	●	●	Short	\$	Low	

## **B. Additional Regulatory Strategies**

### **B-1. Reduce Off-Street Parking Requirements**

Parking facilities add substantial cost in the development of new housing, whether it's surface or structured parking. A study conducted by the City of Portland said underground garage parking adds costs of up to \$55,000 per space, which can add up to approximately \$500 per month per dwelling unit to apartment rents. Surface parking can cost in the range of \$5,000-10,000 per space, according to a national study,<sup>1</sup> though it varies based on underlying land costs. This is why reducing parking can help with affordability. In suburban and small city settings, such parking facilities will remain important but should be reviewed to ensure requirements balance parking demands with development potential for the site to avoid privileging parking over housing.

- B-1.1. Introduce minimum parking requirements specific to duplexes, triplexes and quadplexes that balance site development feasibility with desire for off-street parking options, considering a range of 1-2 spaces per unit and differentiating from parking requirements for single-family dwellings. Consider opportunities for tandem parking and/or on-street parking to meet some of the parking requirements.
- B-1.2. Revise minimum parking requirements for narrow lots, specifically townhouses. Consider eliminating the separate narrow lot standard for 2.5 spaces per unit and applying the same single-family detached standard of 2 spaces, which can be met through tandem parking (one in garage and one in driveway).
- B-1.3. Adjust driveway spacing and access requirements for townhouses, to balance preservation of on-street parking, a walkable sidewalk realm, and development feasibility.
- B-1.4. Reduce cottage parking requirements, considering allowing on-street parking credits, reducing required parking to one space per unit, and/or reductions for projects near transit. Consider in tandem with Strategy B-3.2 to modify cottage design standards as relate to garage allowances and parking area design.
- B-1.5. Revise ADU parking standards to exempt ADUs located near transit from off-street parking requirements, to implement the intent of recently adopted state SSB 6617, which is mandatory only for cities and not the County. Consider further reducing or eliminating parking requirements for ADUs, if the current option for on-site or on-street parking is not flexible enough.
- B-1.6. Revise minimum parking off-street parking minimums for multifamily residential, currently set at 1.5 spaces for all units regardless of size, location, or resident characteristics. Consider any or all of the following targeted revisions:
  - Reduce parking requirements for all multifamily including regulated affordable housing with access to transit (within one-quarter mile of service two or four times per hour at least 12 hours per day) to a maximum of one per bedroom or 0.75 space for a studio. Required to implement SHB 2343 provisions applicable to the County.
  - Introduce differentiated parking ratios based on unit size, such as 1 space per unit for studios and one-bedrooms, and 1.5 or 2 spaces for two bedroom and larger units, to encourage smaller units to serve forecasted growth in small households.
  - Reduce parking requirements for high-density multifamily over 30 units/acre, where parking requirements can effectively cap the maximum density because of site area limitations and costs. Consider an across-the-board percentage reduction (5-20%, potentially increasing proportionate with density), or capping parking requirements equal to 30 units/acre regardless of additional units constructed.

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<sup>1</sup> Transportation Cost and Benefit Analysis II – Parking Costs, Victoria Transport Policy Institute. <https://www.vtpi.org/tca/tca0504.pdf>

- Introduce reduced parking ratios for regulated affordable housing projects that do not qualify for transit-based reductions under SHB 2343.
- Introduce reduced parking ratios for senior housing developments that do not qualify for transit-based reductions under SHB 2343.

Alternatively, parking requirements could be reduced through across-the-board reductions for all multifamily residential, or through a discretionary, site-specific review process. Targeted, by-right reductions such as the above strategies are the preferred approach because they combine a degree of precision with a greater degree of certainty.

B-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-1.1	●	●	●			Short	\$	Low	
B-1.2	●		●			Short	\$	Low	
B-1.3	●		●			Short	\$	Low	
B-1.4	●		●	●		Short	\$	Low	
B-1.5	●		●	●		Short	\$	Low	
B-1.6	●	●	●	●	●	Short	\$	Low	

## B-2 Revise Ground-Floor Commercial Requirements for Mixed-Use Development

While a mix of uses can be useful for neighborhoods, many local governments require retail uses in the ground floors of all new multifamily residential projects in commercial or mixed-use areas. This may oversupply the local retail and office market, reducing the financial feasibility of projects with space that is less profitable to developers. Strategically applying ground-floor retail requirements to essential streets or blocks can limit the barrier to housing development.

- B-2.1. Add flexibility for ground-floor uses in commercial and/or mixed-use zones by permitting active ground-floor use areas rather than ground-floor retail requirements that increase activity levels along street-facing facades. Examples could include resident community rooms, lobbies, or outdoor plaza space; spaces would be required to meet design parameters such as minimum interior height and minimum window covering to promote transparency and connection. (Could also be limited to regulated affordable housing projects, related to Strategy D-3.2.)
- B-2.2. Add flexibility in commercial zones by permitting horizontal configurations of commercial and residential space, such as developing a percentage of the total site area, to be located along the street frontage or corner, as stand-alone commercial with the remainder of the site available for multistory residential development, rather than only permitting upper-story residential development.
- B-2.3. Explore options to increase access to neighborhood-scale retail and service uses, such as coffee shops, within residential neighborhoods through measures such as:
- Reviewing the extent of current Neighborhood Commercial (NC) zoning, and developing criteria to designate additional NC sites.
  - Permitting limited scale retail and services uses in the high-density residential zones, potentially limited to a percentage of the site and/or to key locations such as corners or along higher-classification roads.
  - Developing economic development efforts to recruit and support small-scale retail and service uses, such as small grant programs or entrepreneur training programs.

B-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-2.1	●	●			●	Short	\$	Low	
B-2.2	●	●			●	Short	\$	Low	
B-2.3		●			●	Medium	\$\$\$	Low-Medium	

### B-3 Simplify Design Standards

Communities adopt design standards on a neighborhood or citywide basis to promote site and building design consistent with their vision. Design standards in themselves do not create additional housing, but are helpful to assist new forms or high-density housing to fit in communities. Well-crafted design standards help to mitigate impacts of density, building massing/scale, parking and vehicle access areas, and service elements. Balanced design standards should promote good design without imposing prohibitively costly standards on new developments. They are critical in facilitating community acceptance of affordable housing projects or increased densities.

- B-3.1. Revise Highway 99 Plan approach to residential areas to reduce complexity while promoting desired form. Consider exempting Mixed Residential areas from additional Highway 99 zoning provisions, and/or relying on County development standards for specific middle housing types proposed in other strategies, much like cottage development is currently treated.
- B-3.2. Revise cottage housing standards, to increase development feasibility while providing a coherent site design with a balance of amenities. Consider increasing allowed density, permitting a greater variety of attached or detached units that maintain the clustered layout around the common courtyard, reducing quantity of common and private open space required per dwelling with provisions with focus on quality and accessibility of such spaces, providing a variety of parking configurations including shared parking areas and individual garages, reducing required parking to one space per unit (see Strategy B-1.4), and/or removing discretionary architectural design standards.
- B-3.3. Revise open space and recreation area requirements for larger multifamily projects (13+ units), to reduce competition for site area on the highest density projects and thereby incentivize higher density development. Consider exempting any units over the minimum density or over 30 units/acre from triggering additional open space area.

B-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-3.1	●		●	●		Short	\$	Low	
B-3.2	●		●	●		Short	\$	Low	
B-3.3		●	●	●		Short	\$	Low	

### B-4. Revise ADU Standards

Accessory dwelling units (ADUs) are small dwelling units that are either attached to the primary dwelling or in a detached structure that is typically placed to the side or rear of the primary dwelling. ADUs have long been an important option for communities to add variety and housing choice in single-family neighborhoods.

ADUs can provide low-cost housing in established neighborhoods. They provide dwelling opportunities for extended family members and small households that prefer a neighborhood setting over apartment living. ADUs can also offer a critical source of monthly income for homeowners when rented out.

B-4.1. Build on strong ADU provisions by:

- Removing parking requirements entirely (currently allowed on-street or off-street) or providing targeted parking reductions for ADUs located near transit (see Strategy B-1.5.
- Increasing allowed ADU size for dwellings under 2,000 square feet,
- Removing the discretionary design requirement for ADUs to be “architecturally compatible” with primary residence, or creating a two-track design review with one set of objective design standards permitted outright and a discretionary review track to meet general design guidelines for more unusual designs.
- Allowing more than one ADU on a property, such as a basement conversion and a detached unit.
- Remove minimum unit size of 150 sq ft.
- Permitting ADUs in the Mixed Use (MX) zone through the general ADU standards in Section 40.260.020 rather than separate MX standards.

B-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-4.1	●		●	●		Short	\$	Low	

**B-5 Manufactured Home and Tiny House Communities**

Manufactured homes must be allowed on all single-family lots, and must not be regulated differently than site-built housing, but jurisdictions may require certain standards. Manufactured homes could also be an option where a location may be far from builders; where fast, moveable housing may be desired; or be an affordable way to site an ADU.

Manufactured homes in manufactured home parks (MHPs) are some of the most affordable, non-subsidized forms of housing in Washington state. However, many MHPs have been closing as property values rise. With very few places to move their homes, many manufactured home owners have had to seek state funding for the cost of disposing of their homes. Court cases have shown that communities can designate MHPs as “manufactured home parks” as a way to retain that affordable housing. Another option is to work with local housing agencies to develop cooperatively- or non-profit-owned MHPs without the risk of closure.

Tiny houses (or tiny homes) refer to detached dwelling units generally between 150-400 square feet. They provide shelter, privacy and limited secure storage space for small households at a relatively low cost compared to most other housing types. Some cities are starting to adapt local codes to allow tiny houses as an affordable housing option that is in line with community desires for sustainability, limited visual impact, and preservation of open space. It should be noted that a growing number of cities in Washington have pursued tiny house villages as a temporary housing solution for homeless individuals.

B-5.1. Protect existing manufactured home parks from displacement. Consider development of a manufactured home park zone where other redevelopment options are limited, restrictions on discontinuing manufactured home parks uses, and/or enhanced notification, relocation assistance, and opportunities to convert to tenant ownership in the event of park closures. Other?

B-5.2. Explore potential for RVs and tiny homes to provide lower-cost residential opportunities. Allow residential use of RVs or tiny homes as accessory to a single-family detached dwelling, potentially as an ADU. Consider expanding zones where RV and tiny home communities are permitted as either an RV park or manufactured home park use, including within CC and NC commercial zones beyond the General Commercial zone where they are already permitted, and potentially within high-density residential zones (Note: RVs are already permitted within manufactured home parks, currently permitted in medium and high-density residential and Office Residential (OR) zones.)

B-5	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-5.1	●	●	●	●		Short	\$	Low	
B-5.2	●	●	●	●		Short	\$	Low	

**B-6 Transportation Improvement Standards**

Transportation improvements including dedication of right-of-way and construction of streets, sidewalks, curbs and gutters are important to serve new development, but can be costly to serve new residential development particularly smaller infill projects. Alternative access and facility design standards, developed in consultation with Public Works and Fire officials, can create flexibility and/or lower costs for new residential development.

- B-6.1. Revisit cross-circulation requirements within Highway 99 subarea particularly along Highway 99 itself, to better understand potential impacts on development feasibility.
- B-6.2. Revisit private road standard requiring sidewalks on only one side of road to determine if these meet pedestrian needs while providing site design flexibility.

B-6	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
B-6.1	●	●				Short	\$	Low	
B-6.2	●	●				Short	\$	Low	

## C. Process Improvements

### C-1 Permitting Process Streamlining

Providing an efficient, predictable and user-friendly permitting process can encourage new housing construction by reducing potential confusion or perception of risk among developers as well as lowering their administrative carrying costs. There are several ways in which jurisdictions can improve the clarity, speed and consistency of the permit review process, consistent with legal requirements

C-1.1. Permit the majority of residential uses through a Type I review rather than a Type II review and approval. Clarify the standards and procedures for “Uses Subject to Review and Approval” under UDC 40.520.020.

C-1.2. Develop pre-approved model plans for new middle housing types, including ADU designs that can be built with Type I approvals. The county would need to figure out how to fund the creation of the building plans. See for example Bryan, TX and Lacey, WA:  
<https://www.cnu.org/publicsquare/2020/05/12/pattern-zone-enables-quality-infill-development> and  
<http://www.ci.lacey.wa.us/city-government/city-departments/community-and-economic-development/building/new!-build-a-backyard-cottage>

C-1.3. Streamline land use, engineering and building permit reviews. Options could include:

- Revising the expedited permitting process for targeted residential projects.
- Supporting the initiative for electronic plan review.
- Review the land use and engineering standards used to review projects and identify if there are opportunities that would promote both efficiency in the review/application process and high quality development, i.e. if a project meets certain requirements, then the landscaping standards could be reduced.

C-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-1.1	●	●	●			Short	\$	Low	
C-1.2	●		●	●		Medium	\$\$	Medium	
C-1.3	●	●	●	●	●	Medium	\$\$	Medium	

### C-2 Environmental Review

Enact measures or utilize tools designed to streamline environmental review. Tools and measures may include:

- **SEPA Infill Exemption.** A city or county planning under the GMA can adopt an infill exemption if the comprehensive plan was already subject to environmental analysis through an environmental impact statement (EIS). Any residential, mixed-use or smaller scale commercial development that is roughly equal to or lower than the density goals of the comprehensive plan is exempt from further review. The local government must consider the specific probable adverse environmental impacts of the proposed action and determine that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan; subarea plan element of the comprehensive plan; planned action ordinance; or other local, state or federal rules or laws. By removing an extra layer of review and potential risk, a SEPA infill exemption can encourage development within the designated area. Note: Per RCW 43.21C.495, if a city takes action to adopt an infill exemption prior to April 1, 2023, state law shields it from SEPA and judicial appeals. This safe harbor does not extend to counties.
- **Subarea Plan with Non-Project EIS.** The intent of a subarea plan is to encourage high-density, compact, infill development and redevelopment within existing urban areas to further the goals of

the GMA, to promote the use of public transit, encourage further investment in transit systems and contribute to the reduction of greenhouse gas emissions. The statute provides that local governments may adopt subarea plan and implementing development regulations if evaluated by an EIS. The community can prepare a subarea plan and non-project environmental impact statement (EIS). Because they are broader proposals than site-specific development projects, evaluation of non-project actions are typically areawide and broad in nature and focus on alternatives and can be integrated with the subarea plan as appropriate. Note: Per RCW 43.21C.495, if a city takes action to adopt a subarea plan to April 1, 2023, statelaw shields it from SEPA and judicial appeals. This safe harbor does not extend to counties. Subarea plans should address one of the following:

- Areas designated as mixed-use or urban centers.
- Areas within one-half mile of a major transit stop.
- **Planned Action.** Planned actions provide more detailed environmental analysis during an area-wide planning phase, rather than during the permit review process. A community planning under GMA can develop a planned action EIS or threshold determination to facilitate development consistent with local plans and mitigation measures. As a result, future projects in the designated planned action area do not require SEPA determinations at the time of permit application if they are consistent with the type of development, growth and traffic assumptions, and mitigation measures studied in the EIS or threshold determination. Such projects are still required to comply with adopted laws and regulations and undergo review pursuant to the community’s adopted land use and building permit procedures; however, the advanced work streamlines the development review approval process and removes a potential layer of appeal.

- C-2.1. Use sub area planning as a tool to ensure new areas of development are built with neighborhood amenities. This strategy could work well in conjunction with a planned action as described above. Would need to identify areas where sub area planning could be useful.
- C-2.2. Use planned actions as a tool to streamline the review and permitting process and reduce the SEPA costs of individual projects. Would need to identify where planned actions could be useful.
- C-2.3. Write code that would provide a SEPA exemption for small scale infill development.

C-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-2.1					●	Medium	\$	Medium	
C-2.2					●	Medium	\$	Medium	
C-2.3					●	Short	\$	Low	

**C-3 Other Administrative Actions**

- C-3.1. Consider a time-limit or limited supply strategy for the development of certain housing types, such as ADUs, by offering financial incentives or impact fee waivers for the first ten projects, or in the first two years.
- C-3.2. Partner with community groups to host ADU workshops to share information about ADUs and for networking with builders and lenders. For example, Kol Peterson, a Portland-based ADU advocate, offers workshops for homeowners to build ADUs (accessorydwellings.org). The Incremental Development Alliance offers workshops for small developers wanting to do middle housing. Another example of a community that has already done this is Lacey, WA: <http://www.ci.lacey.wa.us/city-government/city-departments/community-and-economic-development/building/new!-build-a-backyard-cottage>. Similar ideas could be used for other missing middle housing types as well.

- C-3.3. Create a housing demonstration project or pilot program to test how well a certain new housing type would fit within the community and address community housing needs.
- C-3.4. Develop a marketing/communication plan on any new changes to code or other strategies regarding housing options, including education efforts such as handouts and brochures explaining new regulations and what kind of middle housing is possible.
- C-3.5. Monitor housing development over time, noting the number and type of units produced, sizes of units, density, parking provided, sale or rent levels, use of any fee or tax incentives, or other correlations between regulatory actions and resulting development trends. Consider providing profiles of representative projects as part of annual reports to support further regulatory revisions.

C-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
C-3.1	●	●	●	●		Short	\$\$\$	Medium	
C-3.2	●		●	●		Medium	\$	Medium	
C-3.3	●	●	●	●	●	Medium	\$\$\$	High	
C-3.4	●		●	●		Medium	\$	Medium	
C-3.5	●	●	●	●	●	Short	\$\$	Low	

## **D. Affordable Housing Incentives**

Affordable housing incentives encourage and support multifamily housing development, particularly income-restricted affordable housing. In a typical market, affordable housing is typically built by two different kinds of developers:

Mission-driven affordable housing developers are largely public, not-for-profit organizations that assemble public and private funding to finance affordable housing projects. While these developers usually do not work to maximize profits, they still seek projects that allow them to sustain their operations and deliver affordable housing in an efficient way. For these developers, incentives reduce total costs and can increase the units they can provide.

Affordable housing can also be built by for-profit developers, including market-rate housing developers. These businesses use incentives to improve overall returns through density bonuses, parking reductions, fee waivers or other allowances in exchange for affordable units in the development. Although they can be motivated by corporate social responsibility, for-profit companies typically work to receive returns from projects and have limited options with respect to providing income-restricted affordable units unless they are mandatory or they are offered significant incentives for voluntary participation.

### **D-1 Multifamily Tax Exemption**

A multifamily tax exemption (MFTE) is a waiver of property taxes to encourage affordable housing production and redevelopment in "residential targeted areas" designated by cities. The goal of MFTE programs is to address a financial feasibility gap for desired development types in the target areas, specifically to develop sufficient available, desirable and convenient residential housing to meet the needs of the public. The urban centers that are the typical targets for this tax exemption policy are often near transit, jobs and amenities, and MFTE programs are designed to encourage denser growth in areas with the greatest capacity and significant challenges to development feasibility.

Certain cities planning under the GMA are allowed to grant qualified residential and mixed-use projects a property tax exemption under an MFTE program for the value of new residential improvements, rehabilitation, or conversion of residential buildings in the designated areas. This can currently take two forms:

- An eight-year tax exemption can be offered for multifamily projects which meet base requirements.
- A 12-year exemption is allowed for projects that incorporate a minimum percentage (typically 20%) of income-restricted units.

Cities can also limit MFTEs specifically to projects that incorporate only income-restricted units.

D-1.1. Counties are not currently eligible for the multi-family tax exemption under RCW 84.14. Continue Council advocacy efforts to expand the multi-family tax exemption under RCW 84.14 to counties. Consider implementing income target in the 50% to 80% AMI range.

D-1.2. Consider voluntary inclusionary zoning with a multifamily tax exemption program.

<b>D-1</b>	<b>Obj 1</b>	<b>Obj 2</b>	<b>Obj 3</b>	<b>Obj 4</b>	<b>Obj 5</b>	<b>Timeline</b>	<b>Cost</b>	<b>Admin Effort</b>	<b>Potential Impact</b>
D-1.1		●	●		●	Medium	\$\$\$	Med	
D-1.2		●	●			Medium	\$	Low	

## D-2 Density Bonuses for Affordable Housing

A density bonus allows projects to exceed zoning limitations for dwelling units per acre or height. Jurisdictions can provide density bonuses to projects that designate a portion of total units as income-restricted affordable housing. This regulatory benefit does not require financial investment by the local government and can improve the financial feasibility of mixed-income development. This strategy can be used for either multifamily or single-family developments.

- D-2.1. Provide density bonuses for affordable housing . For example, provide a density bonus of 100% in high density residential zones in exchange for developments that have at least 40% of apartments affordable to people at 60% area median income or below for at least 30 years.
- D-2.2. Provide minimum lot size reductions for affordable housing (see *Guidance for Developing a Housing Action Plan*, page 130).
- D-2.3. Bonus Density for Affordable Housing on Religious Organizations' Land (RCW 36.70A.545): state law requires that properties owned by religious organizations be eligible for increased density bonuses, provided they serve low-income tenants for 50 years. In this case, jurisdictions may develop policies based on the level of need for the proposed housing and the ability of infrastructure to handle increased density.

D-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
D-2.1		●	●	●	●	Medium	\$	Med	
D-2.2		●	●	●	●	Short	\$	Low	
D-2.3		●	●	●	●	Medium	\$	Med	

## D-3 Alternative Development Standards for Affordable Housing

Similar to allowing density bonuses for affordable housing, jurisdictions can relax other development regulations in return for affordable housing development as an incentive. One common strategy is to reduce minimum parking requirements (see B-1 Reduce Off-Street Parking) for projects that include affordable housing. This is often implemented by reducing or eliminating the required number of parking stalls per unit only for the income-restricted affordable units in a new development.

- D-3.1. Explore parking requirement reductions in exchange for affordable housing requirements. Focus on areas with access to transit. Consider identifying a process/project to analyze the specifics of the incentive. This strategy overlaps with the parking reduction strategy B-1.1.
- D-3.2. Allow eligible (Washington state Housing Finance Commission eligibility) multi-family affordable housing to be built in commercial zones with no commercial component. This strategy overlaps with strategy A-7.1
- D-3.3. Allow Highway 99 design guideline departures in exchange for affordable housing requirements. This strategy may overlap with strategies B-4.1 and B-8.1.

D-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
D-3.1		●	●	●		Medium	\$	Low	
D-3.2		●	●	●	●	Short	\$	Low	
D-3.3		●	●	●		Short	\$	Low	

#### D-4 Fee Waivers for Affordable Housing

Fee waivers reduce the up-front cost of construction for residential development. Fees, such as impact fees, utility connection fees and project review fees, can run in the thousands per unit for residential properties in some jurisdictions. Waiving some, or all, of these fees for income-restricted units can be a valuable incentive for encouraging the creation of income-restricted affordable units. This incentive is most effective when paired with a larger incentive package for affordable housing

D-4.1. Throughout unincorporated Clark County implement 80% impact fee reduction for affordable housing authorized by RCW 82.02.060.

D-4.2. Review impact fees to consider additional waivers or reductions for affordable housing.

D-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
D-4.1		●	●	●		Medium	\$\$\$	Med	
D-4.2		●	●	●		Medium	\$\$\$	Med	

#### D-5 Other Ideas

D-5.1. Provide a guide or staff assistance to help developers understand and use the various affordable housing incentives.

D-5.2. Identify and provide incentive for home owners to rent out extra space or participate in shared housing program.

D-5.3. Explore mandatory inclusionary zoning program options.

D-5	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
D-5.1		●	●		●	Medium	\$\$	Med	
D-5.2	●	●	●	●		Medium	\$\$	Med	
D-5.3		●	●			Long	\$	Med	

## **E. Funding Options**

### **E-1 Existing or New Local Option Taxes, and Levies**

Cities and counties may provide direct project funding, through grants or loans, to encourage the production of income-restricted affordable housing. Funds collected through HB1406 are passed through to the Vancouver Housing Authority and are currently being used for housing development in Battle Ground.

When HB2060 was first passed in 2002, the County purchased land for housing and used the funds to pay back a 10-year bond. The County has also used some Mental Health Sales Tax dollars toward behavioral health affordable housing.

Local Housing Property Tax Levy can allow up to \$0.50 per \$1,000 of property tax to be allocated toward an affordable housing fund for projects serving very-low income households (50% median family income or less) if approved by a majority of the voters of the taxing district. Housing levy funds may be used for a variety of purposes detailed in an affordable housing finance plan such as for matching funding for not-for-profit housing developments. This support can improve a project's competitiveness for receiving additional financing from state or national sources. The county, city or town that imposes the levy must declare an emergency with respect to the availability of housing that is affordable to very low-income households in the district. This tax has been expanded to include affordable homeownership, owner-occupied home repair and foreclosure prevention programs for low-income households up to 80% of median family income as of October 1, 2020.

Housing and Related Services Sales Tax: With voter approval, counties can pass a sales and use tax of up to 0.1% to fund affordable housing programs serving households with incomes below 60% of the AMI and within specific categories. These categories include individuals with mental illness, veterans, senior citizens, homeless families with children, unaccompanied homeless youth, persons with disabilities, or domestic violence victims. At least 60 percent of funds must go toward constructing affordable housing, mental/behavioral health-related facilities, or funding the operations and maintenance costs of affordable housing and facilities where housing-related programs are provided. At least 40 percent of funds must go toward mental / behavioral health treatment programs and services or housing-related services. To address the need for affordable and supportive housing, the Washington legislature approved HB 1406, a local revenue sharing program for local governments, during the 2019 legislative session. The program provides up to a 0.0146% local sales and use tax credit against the state sales tax.

Real Estate Excise Tax (REET 2): A city, town, or county planning under GMA can impose an additional 0.25% real estate excise tax. This requires voter approval only for communities voluntarily planning under GMA. Revenues may be used only for financing "capital projects" in the capital facilities plan element of the comprehensive plan, which may include building, rehabilitating/repairing and/or purchasing affordable housing. Clark County has enacted this funding tool.

Lodging Taxes: While lodging taxes are typically reserved for tourism-related expenses, counties may use lodging tax revenues to repay general obligation bonds or revenue bonds issued to finance loans or grants to nonprofit organizations or public housing authorities for affordable workforce housing within a half-mile of a transit station. Clark County is currently dedicating lodging tax revenues to long-term debt obligations.

General fund: The County can use general fund dollars to invest in specific affordable housing projects, which can serve as gap funding to improve development feasibility. Another option is to use general fund dollars to contribute to other programs that are operating, such as non-profit land trusts or even other government agencies that have the administrative capacity to maintain compliance requirements over time, using intergovernmental agreements.

Tax Increment Financing: Next step: Explore ability for County potential for TIF to support housing goals, which geographies would make the most sense for a TIF district.

E-1.1. Revise impact fees so that they are less for smaller units. Consider incentivizing certain middle housing types by waiving fees for a set time period, or a certain number of applications. Discuss how costs to implement could be offset.

E-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-1.1	●		●	●		Medium	\$\$\$	Medium	

## E-2 Local Housing Trust Fund

Housing trust funds are distinct funds established by local governments that receive ongoing source of dedicated funding to support housing affordability. They can be designed to meet the most critical housing needs in each community.

E-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-2	●	●	●	●		Long	\$\$\$	High	

## E-3 "Found Land": Surplus Land and Other Opportunities

In areas with high land costs, acquiring suitable land can add significant expense to an affordable housing project. Cities or counties may own surplus or underutilized lands that may be suitable for housing development. These public lands can be donated or leased to affordable housing developers to reduce the cost of development and help make a project more financially feasible. Other land might hold potential, too:

- Surplus publicly owned land
- Brownfields
- Adaptive reuse
- Service groups and churches
- School district-owned land
- Co-location: building housing with other community facilities
- Vacant, abandoned and tax delinquent property

In the past, the County has prepared an inventory of surplus land and its suitability for affordable housing and found that the available parcels have been few and of limited use.

E-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-3	●	●	●	●	●	Medium	\$\$	Medium	

## E-4 Partner with Local Housing Providers

Local governments may want to coordinate with local housing groups and non-profit developers to look for shared goals and identify ways both groups can work together. This may include identifying property, crafting incentives, developing housing assistance programs, supporting grant applications, code enforcement, property owner assistance or other programs to help increase affordability and reduce homelessness.

The County does have ongoing partnerships with local developers, nonprofit providers, and other County departments. An area to explore is strengthening partnerships with for-profit developers of affordable housing.

E-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-4	●	●	●	●	●	Medium	\$\$	Medium	

## E-5 Enhance Partnerships with Mission-Oriented Acquisition Funds

These funds stand ready to deploy capital aimed at acquiring and rehabilitating low-cost market rentals in exchange for affordability restrictions. The County can and has used federal HOME funds for this purpose.

E-5	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-5		●	●	●		Medium	\$\$\$	Medium	

## E-6 State or Federal Funding Tools

Clark County Community Services Department administers HOME and CDBG funds. Community Development administers the Weatherization Program. Many County affordable housing units are funded through State Housing Trust Funds, State HOME funds, or National Housing Trust Funds.

The County also has used HUD 811 (supportive housing) funding and HUD 202 (senior housing) funding for affordable housing apartments in Clark County. These funds go directly to the developer from HUD.

HOME Funds are a federal block grant program funded through the U.S. Department of Housing and Urban Development (HUD) used to preserve and build rental housing affordable to low-income households. The Washington State Department of Commerce (DOC) runs the HOME Rental Development program for Washington State HOME Investment Partnerships Program (HOME). This program offers funding for the preservation and development of affordable rental housing to non-profit organizations, public housing authorities, and local and tribal governments. HOME Funds typically build units that are affordable to households earning below 50% of AMI. Action plans are developed every spring to describe how the state will allocate funds for the next year. Participating jurisdictions must set aside at least 15% of their HOME funds for housing that is developed, sponsored, or owned by Community Housing Development Organizations.<sup>2</sup>

The Low-Income Weatherization Program (LIWP) provides funds for improving energy and heating efficiency in multifamily housing through various installations and housing improvements.

Washington State Housing Trust Fund (HTF) provides loans and grants to affordable housing projects through annual competitive applications. This program typically funds housing units that are affordable to households earning below 80% of AMI.<sup>3</sup> Recently at the end of 2020, the DOC announced that \$85.3M of funding will be granted/loaned from the state's HTF, with an additional \$11.7M provided through HUD's HOME and National HTF programs (both federal but managed by the DOC). This funding amount sets a new annual record of investment by the state HTF.<sup>4</sup> This funding will be allocated to 30 projects and will help provide an estimated 1,404 multifamily rental units/beds, 121 homes for first-time homebuyers, 86 units of modular housing, and 74 units in cottage-style communities. The DOC will post a call for applications for the 2021-23 biennial funds in 2021 at: <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/applying-to-the-housing-trust-fund/>

Community Development Block Grants: The Community Development Block Grant (CDBG) program provides annual grants to local governments and states for a wide range of community needs, including ensuring decent housing, providing services to the most vulnerable community members, and creating jobs through the expansion and retention of local businesses.

<sup>2</sup> Sources: Washington State Department of Commerce HOME Rental Development Program, <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/home-program/>.

<sup>3</sup> Source: Washington State Department of Commerce Housing Trust Fund, <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/>

<sup>4</sup> Source: <https://www.commerce.wa.gov/news-releases/commerce-invests-record-97-million-in-affordable-housing-projects-serving-thousands-of-people-statewide/>

The Low-Income Housing Tax Credit (LIHTC) program is the largest source of funding established for affordable housing and is an indirect subsidy (in the form of a reduced federal income tax liability) for private companies to invest in affordable housing.

The 80/20 Private Activity Bond program can fund construction and development costs for eligible affordable housing projects (e.g., multifamily rental housing, limited equity cooperative, assisted living, single room occupancy housing). The interest on the funding is tax exempt (also known as private activity bonds), thereby reducing total development costs and increasing project feasibility. This program typically funds housing units that are affordable to households earning below 60% AMI. In return for this incentive, the developer must set aside a certain percentage of units for low-income residents.<sup>5</sup>

Non-Profit Housing Bonds can assist 501(c)(3) nonprofits in financing numerous housing developments. These funds are more flexible than other types of financing programs. Nonprofit bonds cannot be combined with the LIHTC program incentives, but they can be used to finance a broader range of eligible activities and facilities (such as emergency shelters for the homeless).<sup>6</sup>

The Land Acquisition Program assists qualified nonprofits and developers with purchasing land for affordable housing development (rental or homeownership). This loan helps developers buy land and then gives them the necessary time to build financing for building the housing.

E-6	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
E-6		●	●	●		Medium	\$\$	Medium	

<sup>5</sup> Source: Washington State Housing and Finance Commission, <https://www.wshfc.org/mhcf/BondsOnly8020/index.htm>.

<sup>6</sup> Source: Washington State Housing and Finance Commission, <https://www.wshfc.org/mhcf/nph/index.htm>.

## **F. Other Strategies**

### **F-1 Legislative Advocacy**

- F-1.1. Condominium defect liability law – Support legislative changes that would fix issues with the state’s condominium defect liability law that has contributed to a condominium construction drought by encouraging frivolous lawsuits.
- F-1.2. Support legislative changes that would support locally-owned rental housing instead of out-of-state ownership.

F-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-1.1			●			Long	\$	Low	
F-1.2			●			Long	\$	Low	

### **F-2 Accessibility**

- F-2.1. Adopt a “visitability” program, either with voluntary incentives and/or code requirements, for the construction of a percentage of new housing units (where there are three or more units proposed) that include the following visitability standards:
- A no step, barrier-free main entrance.
  - A bathroom and small living area accessible to the main entrance.
  - 32-inch-wide internal doors between the entrance, the bathroom and the living area for wheelchair accessibility.

F-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-2.1				●		Short	\$\$	Medium	

### **F-3 Motel/Hotel Conversions to Housing**

- F-3.1 Write code that allows for the conversion of existing motels and hotels into permanent housing. Could specify only allowed for certain housing types, such as housing that meets certain affordability criteria.

F-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-3.1		●				Short	\$	Low	

### **F-4 Definition of Household**

- F-4.1 Revise the definitions of “household,” “housekeeping unit,” and “family” per SB 5235/RCW 35.21 to remove numbers of unrelated persons that may define a household, a family, or occupy a dwelling unit. Need to complete full review of code to identify specifics of where this is needed. The number of people that can occupy a dwelling unit would be based on building safety code requirements instead of an arbitrary number in the development code.

F-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
F-4.1		●		●		Short	\$	Low	

## **G. Displacement Strategies**

### **G-1 Mission-Oriented Acquisition Funds/Partner with Local Housing Providers**

The following actions overlap with or are similar to Strategy E-5, Mission-Oriented Acquisition Funds. The County's role is to support state programs and local partners. Some of these activities are already happening:

- **Strategic Acquisition and Financing of Existing Multifamily Development.** To better retain affordable housing, cities, counties and housing authorities can catalog naturally occurring affordable housing and housing with income restrictions or covenants that are about to expire. Some of this information could be found in the Housing Needs Assessment (HNA) or with further analysis of HNA data. Cities, counties and housing authorities may then identify funds to acquire existing multifamily buildings that serve low- or moderate-income residents to avoid displacement of residents. Selected properties should be likely targets for redevelopment with residents otherwise unable to afford to stay in the neighborhood or projects with expiring affordability contracts. Alternatively, public funds can support private or non-profit owners of buildings with expiring affordability covenants, as discussed in the next strategy. This practice preserves existing communities and retains long-term affordable housing stock.
- **Support Third-party Purchases of Existing Affordable Housing.** Community-based organizations, non-profits and community land trusts can be important property owners within a neighborhood. Using public resources to empower trusted institutions can preserve or create affordable housing and space for community-serving organizations and businesses. Municipal and other funds can assist these institutions in land and property acquisition efforts that preserve affordable housing and prevent displacement within a neighborhood.
- **Notice of Intent to Sell / Sale Ordinance.** A Notice of Intent to Sell ordinance requires owners of multifamily buildings to provide official notification to tenants and local housing officials. This ordinance can apply specifically to properties with rents at or below certain income levels. The notice gives public authorities the opportunity to plan for a potential purchase in the interest of preserving housing that serves low- or moderate-income residents. It also acts as a mitigation measure for residents, providing additional time to prepare for a potential need to move. A related strategy uses existing databases, such as the National Housing Preservation Database (NHPD) and PolicyMap, to identify properties with expiring income-restricted covenants. These resources empower jurisdictions to proactively identify units for preservation as affordable to low-income households. Puget Sound Regional Council is anticipating an update to its regional subsidized housing database in 2021 that will incorporate information about expiring affordability covenants.
- **Community Land Trusts.** A community land trust (CLT) is a non-profit organization, owned by a collective of community members, which buys and holds land within a neighborhood. It may raise funds through public or private sources to build structures on this land to be used for community purposes or to be sold to low- or moderate-income residents. These building occupants pay a monthly land lease fee to the trust, which maintains ownership of the land itself. CLTs build community wealth by cooperatively owning land and provide affordable housing within a neighborhood. They also prevent displacement by keeping ownership of the land and property out of the private market and ensuring that new development serves community goals such as housing affordability. Public policy can support CLTs by land donation or contributing funds for land acquisition.

G-1.1. Monitor or support VHA monitoring efforts on regulated affordable housing properties that are nearing their affordability expiration dates.

G-1.2. Adopt a Notice of Intent to Sell ordinance.

G-1.3. Explore partnerships and opportunities with community land trusts.

G-1	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-1.1		●				Short	\$	Low	
G-1.2		●				Medium	\$	Medium	
G-1.3		●	●		●	Long	\$\$	Medium	

## G-2 Manufactured Home and Tiny Home Communities

The following actions overlap with or are similar to Strategy B-5, Manufactured Home and Tiny Home Communities. The county's role would be to support state programs and local partners.

- Mobile Home Park Preservation and Relocation Assistance.** Mobile home parks can be prime locations for higher density redevelopment in communities with strong demand for new housing. However, they also provide relatively affordable housing to residents in lower-income brackets. Therefore, some communities use strategies to preserve mobile home parks and avoid displacing residents. In some cases, displacement of mobile home park residents cannot be prevented. The Washington State Department of Commerce offers a manufacture/mobile home relation assistance program that provides financial resources to assist displaced residents, particularly those who meet low-income thresholds. This is a mitigation measure that should be used only in circumstances where preventive actions to preserve mobile home parks are unsuccessful.
- Mobile Home Park Conversion to Cooperative.** A community investment program for mobile home parks offers financial tools enabling mobile home park residents to organize and purchase the land that serves their community. Mobile home parks often house moderate- and low-income residents, and this program, which operates as a co-op, protects residents from unexpected rent increases over time. It also empowers residents to complete much-needed deferred maintenance projects. The Washington State Housing Finance Commission, in partnership with Resident Owned Communities (ROC) Northwest and ROC USA, offers the financial tools and expert guidance for manufactured-housing ("mobile-home") communities to become self-owned cooperatives. The commission works in partnership with ROC USA to provide financing for the purchase, and sometimes improvement, of the property. This financing means a bank loan with favorable terms for the cooperative.

G-2.1 County to provide resources and support with the mobile home park preservation and relocation assistance program and mobile home park conversion to cooperative programs.

G-2	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-2.1		●	●	●		Medium	\$	Medium	

## G-3 Tenant and Homeowner Protections and Assistance

These activities protect tenants and provide relocation assistance:

- Tenant Relocation Assistance.** Upzoned neighborhoods may see an increase in demolition of existing housing units to build newer, higher-density housing types. This process displaces existing tenants who then incur moving costs. Local governments can pass an ordinance that requires developers, public funds or a combination of the two to provide relocation funds for these displaced tenants. Income eligibility would need to be consistent with state law requirements. Resident relocation assistance as a result of public action is required.

- **Renter Assistance.** The county often is the recipient of federal and state rental assistance funds and distributes or works with partner organizations to distribute the funding.
- **Down Payment Assistance.** Some renters desire long-term investment in a neighborhood through home ownership. Saving enough money for a down payment can take years for many households. Economic displacement pressures can push these households to relocate long before their savings accounts are sufficient for a home purchase. Down payment or assistance programs proactively address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with home ownership education courses to encourage financial preparedness for participants. Many programs target first-time home buyers. Home ownership is not the best fit for all households, but many renters pay a mortgage-equivalent in rent and desire the added stability offered by ownership.
- **Foreclosure Assistance and Education.** Foreclosure intervention counselors serve as intermediaries between homeowners and financial institutions to advocate for at-risk homeowners in need of budgeting assistance, refinanced loan terms or repaired credit scores. The state of Washington has a homeowner assistance fund, foreclosure counseling and mediation programs. Local jurisdictions can use affordable housing funds to support foreclosure intervention programs, or community land trusts can step in to purchase foreclosed property, helping to restore ownership for residents.
- **Property Tax Assistance Programs.** Certain neighborhoods experience dramatic increases to property values that result in proportional increases to property tax values. Longtime residents who own their home, wish to stay in their neighborhood but struggle to keep up with these cost increases can be helped through a property tax assistance program. Clark County has two types of property tax relief programs. One is a tax deferral program and the other is a tax reduction program. The tax deferral program is for seniors and persons with disabilities, along with those with limited incomes. The tax reduction program is available for seniors and persons with disabilities. The State of Maryland has a program that extends benefits to renters who often bear the burden of property tax payments through increased rental rates.
- **Need-based Rehabilitation Assistance.** Rehabilitation projects for existing housing that serves low- and moderate-income residents encourages community longevity. Need-based rehabilitation assistance helps low-income, disabled or senior residents make needed home repairs and safety upgrades by offering favorable financing terms or time-limited tax abatements to qualified homeowners. Projects that address weatherization and energy efficiency improvements can improve long-term affordability for the homeowner by reducing monthly energy costs.
  - Affordable housing funds can be used to directly provide loans or to partner with non-profit organizations specializing in this type of work.
  - Property tax deferral for homeowners with limited incomes.
  - Local housing web sites may also provide information about state and local programs for home repair assistance and help with energy bills.

- G-3.1. Continue renter assistance fund programs/support, identify where there are fund distribution equity issues, and implement changes to address those issues moving forward.
- G-3.2. Support state legislation that invests in affordable housing, rental assistance, and tenant protections.
- G-3.3. Expand existing homeownership weatherization, rehabilitation, and energy assistance grants.
- G-3.4. Host homebuyer education program. Classes could educate renters on the homebuying process and provide resources on down payment assistance programs.
- G-3.5. Foreclosure assistance. The county can provide resources on foreclosure assistance resources and programs. The county can also use eligible affordable housing funds to support foreclosure assistance and intervention programs and/or to support community land trusts to purchase foreclosed properties and restore ownership for residents.

G-3.6. Support state legislative efforts that expand property tax assistance programs to people with low-incomes, who are elderly, and/or have a disability.

G-3	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-3.1		●	●			Short	\$\$\$	High	
G-3.2		●	●			Long	\$	Low	
G-3.3		●	●			Short	\$\$\$	High	
G-3.4		●	●			Short	\$\$	Medium	
G-3.5		●	●			Short	\$\$\$	Medium	
G-3.6		●		●		Long	\$	Low	

#### G-4 Regulation of Short-term Rentals

Many communities have adopted short-term rental (STR) regulations to reduce their impact on displacement and housing affordability. A first step is to track STR activity by requiring registration and reporting from owners of these units. Policy regulations should prioritize actions that reduce the likelihood of converting long-term rentals into STRs. Some examples include:

- Restrict short-term rentals to zones allowing tourist accommodations.
- Set caps on the number of allowed short-term rentals per host.
- In a residential zone, limit the number of nights a short-term rental can be rented to guests annually (e.g., Bend, Oregon). This helps minimize the ownership of property purely for use as a full-time short-term rental.
- In a residential zone, permit short-term rentals within an owner-occupied residence.
- Require permanent resident occupancy for a period of time prior to the unit being offered for short-term rental.

In addition, as a mitigation measure, STRs can be charged transient rental or hotel taxes, with revenue contributing to anti-displacement initiatives.

The regulation of short-term rentals can be complex and involve establishing an annual license or permit, standards for the protection of guests and/or standards for the protection of neighbors. There may also be a need for added code enforcement resources

G-4.1 Research short-term rental impacts in Clark County and, if needed, develop a county policy around short-term rentals.

G-4	Obj 1	Obj 2	Obj 3	Obj 4	Obj 5	Timeline	Cost	Admin Effort	Potential Impact
G-4.1		●	●			Medium	\$	Medium	