

Housing Element Updates (HB 1220) and Recent Legislative Changes

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Washington State
Department of
Commerce

We strengthen communities



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INFRASTRUCTURE AND BROADBAND



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ECONOMIC DEVELOPMENT

HB 1220 (2021) strengthened housing planning

In 2021, HB 1220 directed Commerce to project future housing needs by income bracket including:

- For moderate, low, very low, and extremely low-income households
- For permanent supportive housing, emergency housing and emergency shelters

HB 1220 also directed communities to strengthen housing elements and how they accommodate housing, including:

- Identify local housing needs based on Commerce's countywide numbers*
- Identify sufficient land capacity for all housing needs*
- Make adequate provisions for all economic segments (document barriers and actions needed to achieve housing availability)*
- Identify and begin to undo racially disparate impacts, exclusion and displacement*

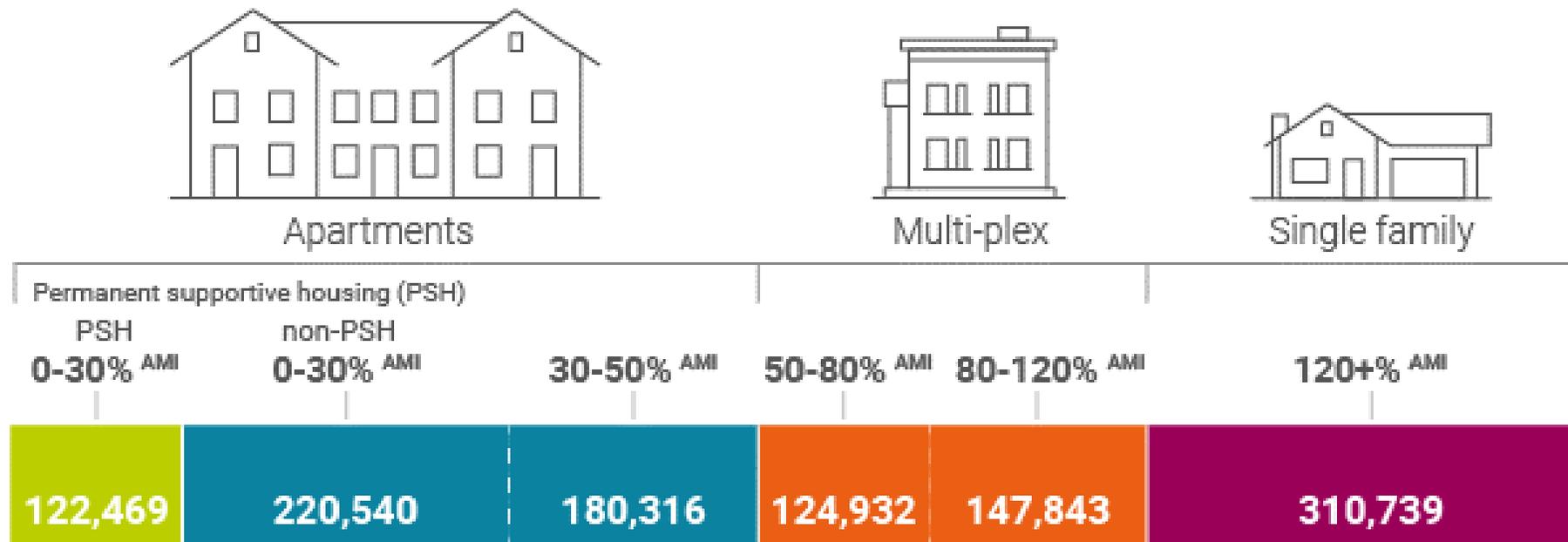
* Commerce Guidance documents available

Process for updating your housing element



We need 1.1 million new homes over the next 20 years

Future housing needs broken down by area medium income (AMI) groups



We also need 91, 357 emergency housing beds over the next 20 years.

Housing needs as provided in HAPT

Table 1: OFM GMA Population Projections, 2045

Thurston County Projected Population, 2045

	Low	Medium	High
Projected Population (2045)	345,246	389,659	431,732

Table 2: Projected Countywide Housing Needs Based on User Inputs

Thurston County

Population Target = 389,659

	Affordability Level (% of Area Median Income)								Emergency Housing/Shelter Beds
	Total	0-30%		30-50%	50-80%	80-100%	100-120%	120%+	
		Non-PSH	PSH						
Total Future Housing Needed (2045)	174,682	11,636	3,774	20,858	46,625	30,824	19,898	41,067	1,562
Estimated Housing Supply (2020)*	120,334	2,879	180	12,428	38,356	26,452	15,518	24,522	626
Net New Housing Needed (2020-2045)	54,347	8,757	3,594	8,430	8,269	4,372	4,380	16,545	936

* Note: Supply of PSH in 2020 is beds. However, projections of Net New Housing Needed (2020-2045) are in housing units. See Overview tab for details.

Allocation Tool

- The HAPT file includes a tool to help support allocation decisions
- The tool is intended as a starting point for discussion
- Allocation tool provides two frameworks for dividing up housing needs
 - **Method A: Focuses on new growth.** “Everyone does the same thing with new growth.”
 - **Method B: Focuses on the planning horizon year.** “Everyone tries to reach the same goal in 2045.”
- Use Method A, Method B or custom allocation method, so long as it meets minimum requirements in the guidance

Flexibility available to county and cities

Counties and their cities may choose:

- Population growth target within OFM range
- How much growth goes to each jurisdiction
- Method for allocating all housing needs to each jurisdiction

Counties and their cities may *not* choose:

- Total projected housing needs
- Projected housing needs by income level
- Projected PSH or emergency housing needs

These must come from the HAPT

Allocation considerations

Capacity

- Where is there land and infrastructure capacity that can accommodate multifamily housing types (today, or through rezones)?

Supporting Stability

- Geographic choice helps:
 - Minimize disruption to existing networks
 - Access to jobs and education

Accessibility

- Which jurisdictions are most accessible to:
 - Jobs
 - Frequent transit
 - Services (grocery, etc.)

Equity

- Which jurisdictions have high access to opportunity and limited affordable housing?
- How can the allocation address these disparities?

Access to Services

- Where are service providers located today?
- Where are services needed?

Pierce County example of allocation.....

Pierce County Housing Allocation by Income 2020-2044

		Total	Permanent Housing Needs by Income Level (% of Area Median Income)							Emergency Housing Needs (Beds)
			0-30% Non-PSH	0-30% PSH *	>30-50%	>50-80%	>80-100%	>100-120%	>120%	
Unincorporated Pierce County	Est. Supply (2020)	152,322	2,134	292	17,603	42,774	32,502	21,957	35,060	0
	Allocation (2020-2044)	32,048	4,140	5,594	5,943	4,697	2,022	1,833	7,817	1,961
Auburn	Est. Supply (2020)	3,963	0	33	134	493	1,141	680	1,482	8
	Allocation (2020-2044)	112	14	20	21	16	7	6	27	7
Bonney Lake	Est. Supply (2020)	7,605	67	0	542	1,134	1,709	1,217	2,936	0
	Allocation (2020-2044)	1,450	187	253	269	213	92	83	354	89
Buckley	Est. Supply (2020)	1,957	41	0	145	537	436	305	493	0
	Allocation (2020-2044)	1,260	163	220	234	185	80	72	307	77
Carbonado	Est. Supply (2020)	244	0	0	32	108	57	17	30	0
	Allocation (2020-2044)	22	3	4	4	3	1	1	5	1
DuPont	Est. Supply (2020)	3,791	20	0	55	287	1,415	895	1,119	0
	Allocation (2020-2044)	2,096	271	366	389	307	132	120	511	128
Eatonville	Est. Supply (2020)	1,127	29	0	162	449	227	97	163	0
	Allocation (2020-2044)	323	42	56	60	47	20	18	79	20
Edgewood	Est. Supply (2020)	5,125	165	0	356	744	644	875	2,341	0
	Allocation (2020-2044)	2,397	310	418	445	351	151	137	585	147

[Pierce County Ordinance No. 2023-22s](#)

Identify sufficient land capacity

RCW 36.70A.070(2)(c): “Identifies sufficient capacity of land for housing including, but not limited to:

- housing for moderate, low, very low, and extremely low-income households, and
- emergency housing, emergency shelters, and permanent supportive housing...

Minimum requirements

- Present a table of allocated housing needs by income level
- Show that there is enough capacity to meet each type of housing need.
- **If there is insufficient capacity for any type of housing need, the jurisdiction must identify and implement zoning changes that provide enough capacity prior to adoption of the comprehensive plan.**

Possible land capacity findings

- Jurisdictions may find they don't have enough capacity for lower-income housing needs
 - Result: Need to add land zoned for mid-rise housing types
- Areas that were not planned to be served by infrastructure may need attention in capital facilities plan to support needed capacities
- Jurisdictions may also need to update regulations allowing emergency housing and shelters, transitional housing and permanent supportive housing

Adequate provisions

(d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including:

...

(ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations;

Recommended minimum standard:

1. Review housing production trends to determine if a barrier exists (If yes, then proceed to next step)

2. Gather information to determine what kind(s) of barriers exist

3. Identify and document appropriate programs and actions to overcome each barrier identified

“Documenting programs and actions”

Gather information to determine what kinds of barriers exist

Exhibit 7: Moderate Density Housing Barrier Review Checklist

Barrier	Is this barrier likely to affect housing production? (yes or no)	Why or why not? Provide evidence.	Actions needed to address barrier.
Development Regulations			
Unclear development regulations			
Prohibiting some moderate density housing types, such as:			
<ul style="list-style-type: none">• Duplexes• Triplexes• Four/five/six-plexes• Townhomes• Cottage housing• Live-work units• Manufactured home parks			
High minimum lot sizes			
Low maximum densities or low maximum FAR			
Low maximum building heights			

Determine actions to address barriers to housing

Address racially disparate impacts



Step 1 and throughout
Engage the Community



Step 2
Gather and
Analyze
Data



Step 3
Evaluate
Policies



Step 4
Revise Policies



Step 5
Review and
Update
Regulations



Step 3. Evaluate existing policies

- **Evaluate all existing housing policies**
 - Is the policy effective in accommodating needed housing?
 - If not, does it cause disparate impacts, displacement or exclusion in housing?
 - Who benefits and who is burdened by the policy?
 - Does the policy contribute to racially disparate impacts? Displacement? Or exclusion in housing?
 - Does the policy increase displacement risk?
 - If so, can this be mitigated through policies or actions?
 - Does the policy provide protection to communities of interest from displacement?
- **Analysis should consider linkages of policies in other elements.**

Your comprehensive plan

- **Should include:**
 - **Allocation of housing needs from countywide numbers**
 - **Zoning to accommodate the housing affordability needs**
 - **Infrastructure needed to serve needed housing**
 - **Identification of barriers to achieving affordable housing needs and actions needed to address barriers**
 - **Policies to authorize housing and address “exclusionary zoning”**
 - **Policies and regulations to address racially disparate impacts, exclusion and displacement**

HB 1337 (2023) Accessory Dwelling Units



Local governments must, by **6 months after the periodic update due date:**

- **Allow two ADUs per lot in all GMA urban growth areas**
- **May not require the owner to occupy the property**
- **May not prohibit sale as independent units**
- **Must allow an ADU of at least 1,000 square feet and adjust zoning to be consistent with HB 1337**
- **Must set consistent parking requirements based on distance from transit and lot size**
- **May not charge more than 50% of impact fees charged for the principal unit**

HB 1110 (2023) Middle Housing

	Affected cities must allow	If within ¼ mile of major transit stop	Affordability bonus
Cities over 75k population	4 units/lot on all lots*	6 units/lot *	6 units/lot if 2 are affordable*
Cities of 25k-75k population	2 units/lot on all lots*	4 units/lot *	4 units/lot if one is affordable*
Cities <25k contiguous UGA with largest city in county > 275,000	2 units/lot on all lots*		

- * Unless zoning permits higher densities
- Based on 2020 populations

Other bills to know about

	Housing Bills
SB 5258	Proportional impact fees for new housing units (all) & unit lot subdivisions is required (cities only)
HB 1042	Allow conversion of existing buildings to residential, including density increase in existing multifamily buildings
HB 1293	Clear and objective design standards
HB 1695	Allows surplus property for affordable housing at a discounted price
HB 1377 (2019)	Affordable housing development on religious owned property – bonus density (cities only)
SB 5058	Exempts small scale multifamily buildings from some regs
	Other Bills
HB 1181	Climate element, encouraging new growth within UGAs
SB 5275 (2022)	Development or redevelopment in LAMIRDS is acceptable subject to existing infrastructure and services
SB 5593 (2022)	UGA swap provisions
SB 5290	Changes to procedures for permit processing

Commerce resources

www.commerce.wa.gov/planning-for-housing

- [Housing element requirement updates](#)
- [Communications tools](#) (scroll down)
 - Videos, PPTs, fact sheets on basic housing topics
- [Middle housing resources](#)
 - PPTs, videos, FAQs, design standards, Pro-Forma
- [ADU guidance](#)
- [2019-2023 housing laws](#)
- [Public opinion survey on housing](#)

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](#)
- [Connecting Housing to Infrastructure Program \(CHIP\)](#)
- [Housing EZView website](#)
- [Housing update: Washington Administrative Code \(WAC\) EZView website](#)
- [Middle Housing](#)

Questions?

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Updating GMA Housing Elements

This webpage contains guidance on planning for housing under the Growth Management Act (GMA), including the new requirements established by House Bill 1220 (2021).

Future housing needs broken down by area median income (AMI) groups



Quick Links

- ⊕ Growth Management
- ⊕ Governor's Smart Communities Awards
- ⊕ Climate Program
- ⊕ Planning for Housing
- ⊕ Laws and Rules - Growth Management Act
- ⊕ Periodic Updates - Growth Management Act
- ⊕ Growth Management Grants
- ⊕ Growth Management Topics
- ⊕ Guidebooks and Resources
- ⊕ Civilian-Military Compatibility
- ⊕ Defense Community Compatibility
- ⊕ Integrated Stormwater and Watershed Planning
- ⊕ Regional Planners' Forums
- ⊕ Short Course on Local Planning
- ⊕ Submitting Materials to the State

Planning for Housing in Washington State

In 2021, the Washington Legislature changed the way communities are required to plan for housing. [House Bill 1220 \(2021\)](#) amended the Growth Management Act (GMA) to instruct local governments to "plan for and accommodate" housing affordable to all income levels. This significantly strengthened the previous goal, which was to encourage affordable housing.

The amended law also directed the Department of Commerce to project future housing needs for jurisdictions by income bracket and made significant updates to how jurisdictions are to plan for housing in the housing element of their comprehensive plans. These new changes to local housing elements include:

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