



Envision SeaTac 2044 Project Briefing

Envision Phase 3:

Proposed Updates to Housing Goals & Policies

Special
Planning & Economic Development (PED)
Committee Meeting
June 26, 2024

PRESENTATION OVERVIEW

PURPOSE

- To brief Committee on proposed changes to City housing goals and policies recently reviewed by Planning Commission, including:
 - Background on proposals
 - Overview of proposed changes

WHY ARE THESE ISSUES IMPORTANT?

- 1. The Envision SeaTac 2044 project is proposing updates to the City's growth strategies that:
 - Integrate City growth and development priorities identified since the last major update in 2015,
 - Address state-mandated changes that allow middle housing uses in single family areas and other regional planning guidance, and
 - Increase access to economic and social opportunities throughout the city.
- 2. Project briefings are essential to keep the PED Committee apprised of project activities.



ENVISION SEATAC 2044 PROJECT: PHASES & TIMELINE

Phase	Community Conversation & Elements Under Review	Timeline	
Phase 1	Community Vision and Priorities for SeaTac's Future (Under review: Introduction & Framework Chapter)	Fall 2023	
Phase 2	Where and How Will SeaTac Grow Over Next 20 Years: Urban Villages and Complete Communities (Under review: Land Use, new Urban Center, new Neighborhoods)	Fall 2023/ Winter & Spring 2024	
Phase 3	Housing, Human Services, and Economic Development to Support SeaTac's Future (Under review: Housing & Human Services, Economic Vitality)	Winter/Spring/ Summer 2024	
Phase 4	SeaTac's Future Transportation and Parks & Recreation Systems (Under review: Transportation & Parks, Recreation & Open Space)	Spring/Summer 2024	
Phase 5	Resilient Built and Natural Environments for SeaTac's Future (Under review: Environment, Utilities & Capital Facilities)	Spring/Summer 2024	
Phase 6	Draft and Final SeaTac 2044 Plan Reviews (Includes state and Puget Sound Regional Council review processes)	Summer/Fall 2024	

POTENTIAL COMMITTEE ACTION

ACTION REQUESTED: None. This is an informational briefing.

REVIEWS TO DATE:

- Envision SeaTac 2044-Major Comprehensive Plan Update Project:
 - **2023:** 2/23/2023, 8/17/2023, 10/19/2023, 11/30/2023
 - **2024**: 2/15/2024, 3/21/2024, 5/16/2024

Housing Proposals

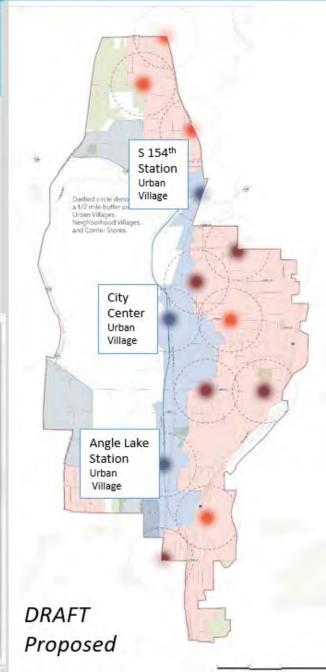
Background

BACKGROUND

PROPOSED UPDATES:

- Build on existing housing policies and strategies
 - Address gaps in current housing supply
- Incorporate City priorities since last major update in 2015, including Envision project themes, especially:
 - Housing for All
- Align with new state and regional requirements
- Support proposed new growth strategy:
 - Increase equitable access to opportunity
 - Focus growth in Centers
 - Provide Complete Neighborhood infrastructure and services citywide



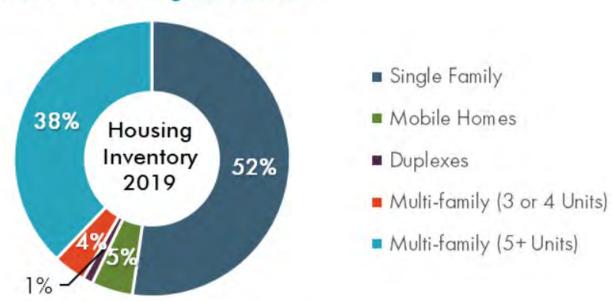


BACKGROUND: GAPS IN SEATAC'S HOUSING SUPPLY

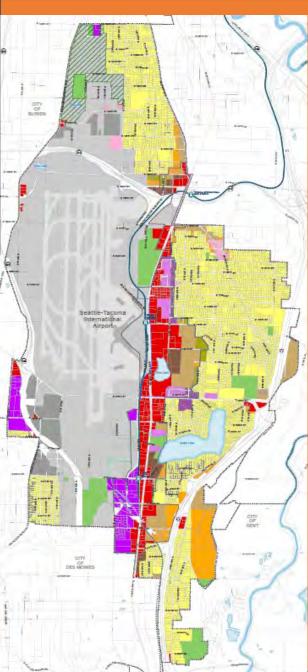
SEATAC HOUSING TYPES

- Like much of the Puget Sound region and the state, SeaTac's policies and development codes have helped to produce a lot of single-family and multi-family development
 - > Gaps: Not much "middle" density housing like townhouses, duplexes, and small apartments.

Exhibit 8. SeaTac Housing Types, 2019







SEATAC COMPREHENSIVE PLAN MAP

Land Use Policies

Establish "land use designations" where only certain zones are allowed.

Gaps in land use policy support for middle density housing & higher density housing outside of Urban Center.

Zoning/ Development

ZONING MAP

SEATAC

<u>Codes:</u> Support

development of
housing that
promotes City
growth vision in

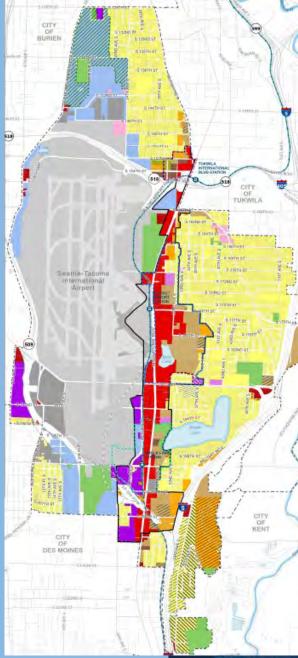
Gaps in implementingComp Plan

Comprehensive

Plan.

- vision.

 > Gaps in zoning support for middle density
 - housing & higher density outside UC.



BACKGROUND: GAPS IN SEATAC'S HOUSING SUPPLY

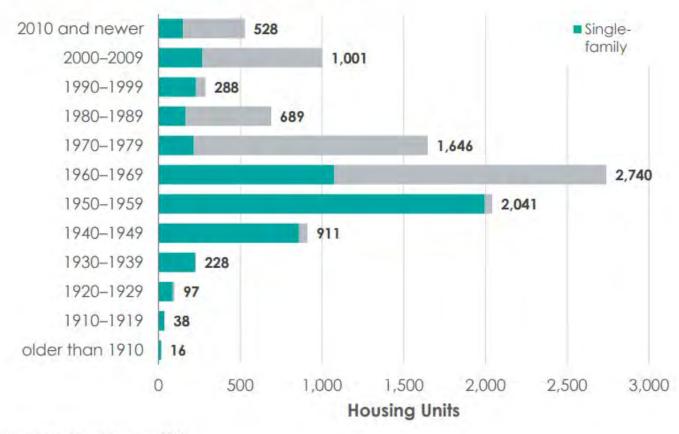
HOUSING AGE

Most housing units in SeaTac (63%) were developed between 1950 and 1980

during the postwar suburban housing boom.

Gaps: Lack of newer housing options.

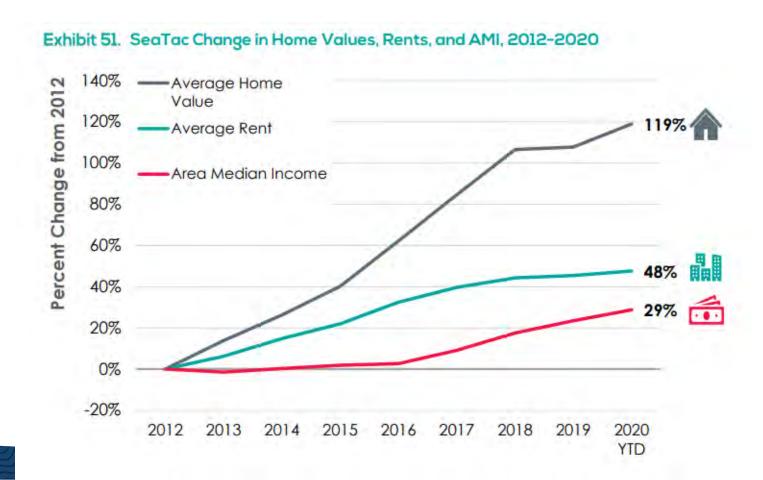
Exhibit 24. SeaTac Housing by Year Built, 2020.



BACKGROUND: GAPS IN SEATAC'S HOUSING SUPPLY & AFFORDABILITY

LOCAL HOUSING MARKET

- Since 2012, the cost of housing in SeaTac increased faster than household income.
 - Gaps: Housing options affordable to SeaTac residents.

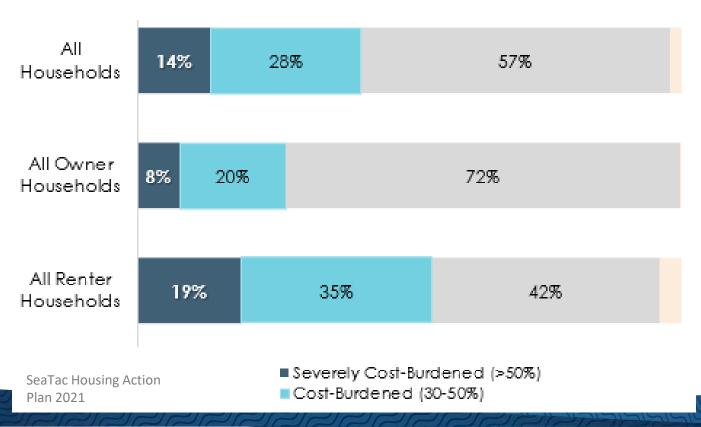


BACKGROUND: GAPS HOUSING AFFORDABILITY

WHO IS "COST BURDENED" IN SEATAC

(Households that are "cost burdened" pay more than 30% income on housing)

- ➤ Gaps: Two out of five (42%) SeaTac households are cost burdened.
 - Cost burden affects 54% of renter households compared to 28% homeowner households.
 - Lower-income households are much more likely to be cost burdened.
 - Black households are much more likely to be cost burdened than white households.

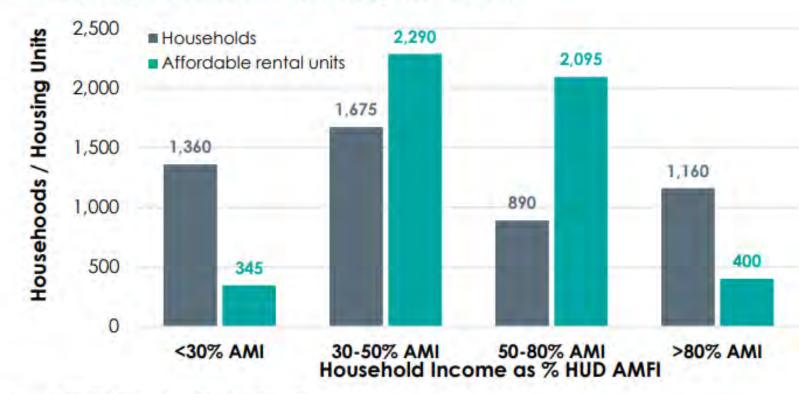


BACKGROUND: GAPS HOUSING AFFORDABILITY

AFFORDABILITY BY INCOME LEVEL

➤ <u>Gaps:</u> There are significant gaps in housing units affordable to <u>extremely low income households</u> (<30% AMI) and units available for <u>households</u> above moderate income levels (<80% AMI).





BACKGROUND: RESIDENTIAL DISPLACEMENT RISK

SEATAC HOUSING ACTION PLAN HOUSING INVENTORY & ASSESSMENT REPORT (2021)

SeaTac Displacement Risk Assessment:

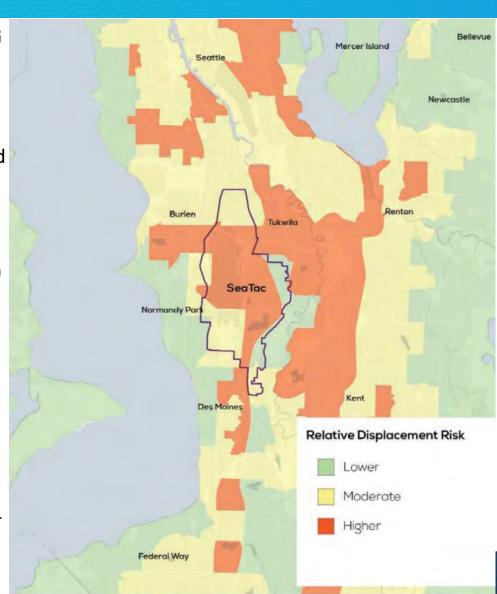
Goal: Understand the potential for residential displacement in the city so appropriate policies and other interventions can be identified that help residents stay in in their homes.

Background: Housing displacement pressures are-

- Economic (when can't afford rent/housing costs)
- Physical (your housing is redeveloped)
- Cultural (your neighbors, shops, institutions relocate)

Key Findings:

- SeaTac has a concentration of populations at risk because of housing cost burdens and economic displacement pressure.
- Housing displacement risks are higher with communities of color in the city.
- Station areas/urban villages may be at particular risk of displacement.



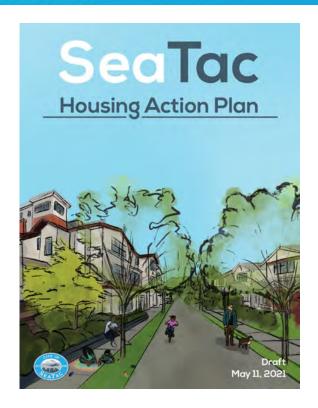
BACKGROUND: CURRENT HOUSING STRATEGIES

SEATAC HOUSING ACTION PLAN (2021)

www.seatacwa.gov/hap

■ HAP Goal: To promote increases in the supply and variety of homes for SeaTac's diverse communities at all income levels.

- HAP Components:
 - <u>SeaTac Housing Action Plan</u> document
 - HAP Appendices
 - Housing Inventory & Assessment Report
 - SeaTac Displacement Risk Assessment
 - SeaTac Population and Housing Quick Facts





BACKGROUND: SEATAC HOUSING ACTION PLAN OVERVIEW

Objectives

- 1. Create complete communities. Strengthen neighborhoods by tying housing production to improved infrastructure, resources, amenities, and people-oriented design.
- Develop Urban Villages near light rail. Make it easier to develop homes in the light rail station areas as part of the City's urban village strategy.
- 3. Increase missing middle opportunities for options like duplexes, triplexes, and townhouses.
- 4. Strive for a balance of housing options through strategies that:
 - a. Increase homeownership opportunities
 - b. Serve young people and families
 - c. Preserve existing owner-occupied and rental housing
 - d. Support safe, healthy, high quality housing
 - e. Promote market rate rental options
 - f. Address homes at lower income categories
- 5. Help residents and businesses stay in SeaTac, and prevent disruption to communities.









Examples of housing options, including duplex, townhouses, small apartment/condo building, and larger apartment/condo building.

BACKGROUND: SEATAC HOUSING ACTION PLAN OVERVIEW

Strategies

These strategies are organized by implementation method and not by priority.

POLICY AMENDMENT

1. Strengthen "complete community" policies.

CITY WORK PLAN

- Proactively plan and coordinate public infrastructure to support urban village development.
- Conduct a multi-family parking study to analyze parking requirements in urban villages and station areas.
- Explore cost-effectiveness of creating preapproved plans for Accessory Dwelling Units.
- Continue conversations with the development community about actions the city can take to attract market rate rental housing.
- Continue coordinating and providing rental assistance.

CODE AMENDMENTS

- Add flexibility to Small Lot Single-family requirements.
- Consider allowing cottage housing in Urban Low zones.
- Partner with residential property owners in rezoning properties to maximize their housing potential.
- Consider decreasing minimum lot size in the Urban Low (UL) 7,200 single-family zone.
- Clarify condominium provisions to make them easier to use.
- Review and clarify code requirements for live/work units to encourage opportunities for small business owners.

HAP strategies are integrated within Envision SeaTac 2044 project work.



BACKGROUND: STATE HOUSING GUIDANCE

KEY STATE GUIDANCE FOR HOUSING ELEMENT UPDATES

Changes needed in local housing elements (since the last major update in 2015) include:

- Planning for sufficient land capacity for housing needs, including all economic segments of the population (moderate, low, very low and extremely low income, as well as emergency housing and permanent supportive housing).
- Providing for moderate density housing options, including but not limited to duplexes, triplexes and townhomes. (This is related to providing policy support for new middle housing legislation.)
- Making adequate provisions for housing for existing and projected needs for all economic segments of the community, including documenting programs and actions needed to achieve housing availability.
- Identifying racially disparate impacts, displacement and exclusion in housing policies and regulations, and beginning to undo those impacts; and identifying areas at higher risk of displacement and establishing anti-displacement policies.
 - > See information on following slides that may be utilized to help document racially disparate impacts in SeaTac as part of the Envision housing update process.





Zoning Laws

From its roots in the early part of the 20th century, zoning laws contributed to segregating households by race and ethnicity. Some American cities adopted explicitly race-based zoning laws. While this practice was ruled unconstitutional in 1917, economically exclusionary zoning laws have persisted and limited options to build, rent, and own the most affordable types of housing.

HOLC and **FHA**

After a wave of foreclosures following the Great Depression, the federal government created the Home Owners' Loan Corporation (HOLC) and Federal Housing Administration (FHA). These agencies developed homebuying terms that increased access to mortgages and made foreclosures less likely (providing, for example, lower interest rates and longer repayment terms). However, these mortgages were not available to everyone.

Redlining

Redlining maps were designed to show where investments were considered 'riskier' and determine who could quality for a home loan. The level of risk was informed by factors such as the age and condition of the homes in the neighborhood, the income of the residents, and the racial composition of the community.

Neighborhoods were ranked from "A" (least risky) to "D" (most risky). Communities of color were ranked "D" and marked in red on these maps because of the racist and flawed perception that the presence of people of color would reduce property values.



Racial Restrictive Covenants

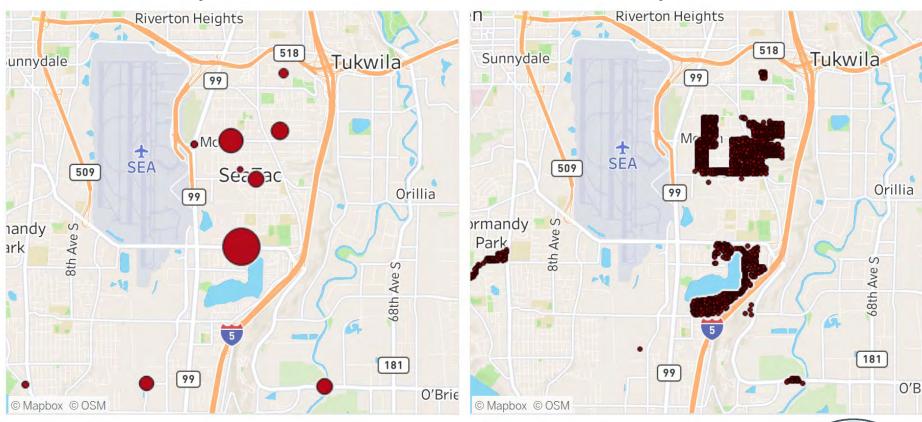
Racial restrictive covenants added an additional layer of discrimination to further ensure neighborhoods remained segregated. These deed restrictions limited where people of color and Jewish residents could purchase homes and rent apartments. Homeowners and landlords who ignored these restrictions risked forfeiting their property.

Racial restrictive covenants became legal in 1926 after the Supreme Court case Corrigan v. Buckley determined they were legally binding documents between private parties. About 20 years later, Shelley v. Kraemer (1948) determined that these covenants were unenforceable because they violated the Fourteenth Amendment's Equal Protection Clause. However, it remained legal for realtors and property owners to discriminate against people of color until 1968 when Congress passed the Housing Rights Act.



SeaTac Historically Restrictive Subdivisions

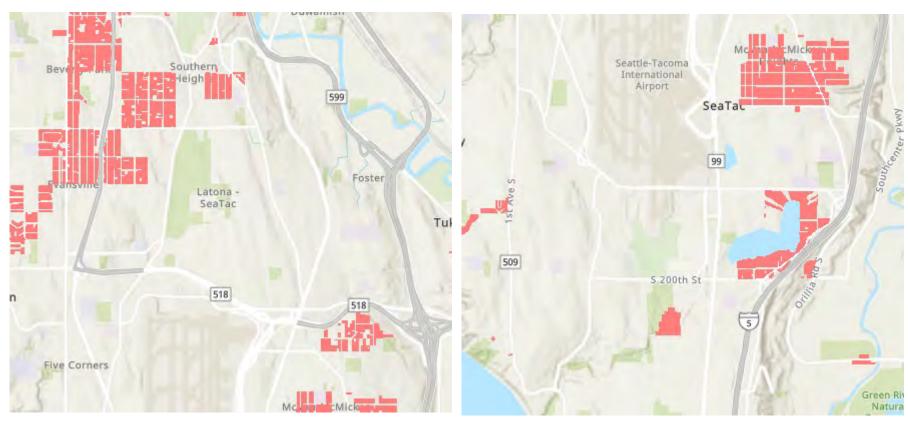
SeaTac Historically Restricted Parcels



Link to more information: PSRC Racial restrictive covenants in King County



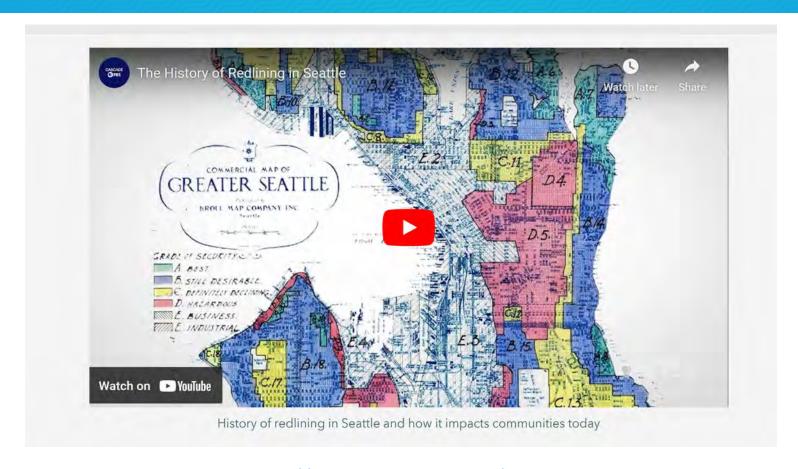
SeaTac Historically Restrictive Covenants (North and South) per UW Research



University of Washington Research:

https://depts.washington.edu/covenants/map_cov_king.shtml





1.5 Minute Video: https://www.youtube.com/watch?v=mBQE5rrWDfA



BACKGROUND: NEW REGIONAL HOUSING GUIDANCE

PSRC VISION 2050 MULTI-COUNTY PLANNING POLICIES (MPPs)

- Emphasis on focusing growth within designated regional growth centers (including SeaTac's Urban Center) in higher density, walkable, transit-oriented communities with supportive infrastructure
- Promote equitable access to opportunity, increase housing options and supply for households of all income levels, mitigate residential displacement

KING COUNTY COUNTYWIDE PLANNING POLICIES (CPPs)

- Cities must adopt housing targets
 - Reminder: SeaTac's 2044 Targets: 5,900 housing units (14,810 jobs)
- Promote social equity and increase affordable housing options for all, mitigate residential displacement
- Implement state housing requirements adopted in 2020 (HB 1220) County and jurisdictions are required to plan for affordable housing and permanent supportive housing "needs" including:
 - Identifying number of housing units cities should plan to accommodate at specific income levels (i.e. low, moderate, high-income households)
 - Emergency housing, emergency shelters, and permanent supportive housing

HB 1220 INCOME BAND ANALYSIS PER KING COUNTY

KING COUNTY: COUNTYWIDE PLANNING POLICIES

- Based on Department of Commerce draft guidance
- Growth target for King County (total): 308,677 households between 2019 & 2044
- Growth target for SeaTac (total): 5,900 households between 2019 & 2044
- Affordable housing need in King County:

• 0-30% AMI: 124,473 households

• >30-50% AMI: 48,213 households

• >50-80% AMI: 22,376 households

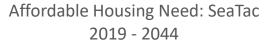
• >80-100% AMI: 14,925 households

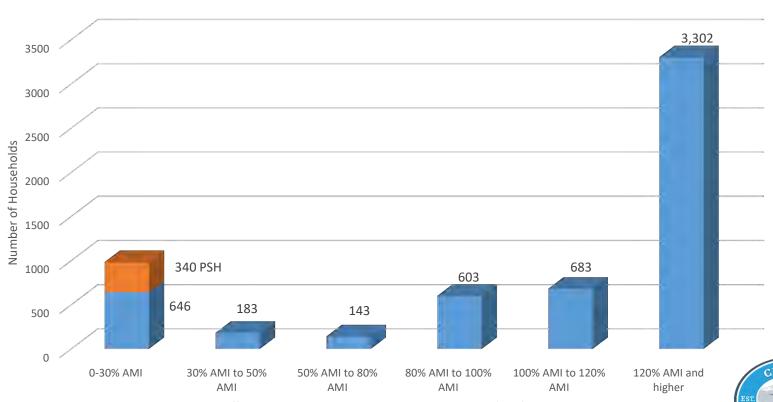
• >100-120% AMI: 16,928 households

• >120% AMI: 81,762 households



HOUSING NEEDS BY INCOME BAND PER KING COUNTY





Affordable Housing Need by Area Median Income (AMI) Group

Proposed Changes to Housing Goals & Policies

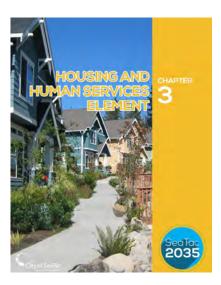
SeaTac Comprehensive Plan

Ch. 3 Housing & Human Services Element

OVERVIEW OF PROPOSED HOUSING GOALS & POLICIES

Six Sections Proposed:

- Housing Capacity and Growth Strategy
- Variety of Housing Types
- Housing Security and Stability Neighborhood Preservation
- <u>Diverse, Affordable</u> Housing <u>Affordability</u>
- Special Needs and Supportive Housing
- Mobile Manufactured Home Parks Maintenance
- Mobile Home Park Relocation



***Note: Orange underlined text identify proposed changes.



HOUSING INFORMATION NOT AVAILABLE FOR TODAY'S BRIEFING

Project team still working on analysis related to following state and regional requirements:

- Housing Units by Income Level: Data confirming zoning available to accommodate the number of housing units affordable by SeaTac households at different income levels.
- Racially Disparate Impact Analysis: Identification of policies and regulations that could result in racially disparate impacts, displacement of residents and exclusion in housing.



MIXED USE
APARTMENTS
Plaza Roberto Maestas
Affordable Housing
Beacon Hill, Seattle



COTTAGE HOUSING DEVELOPMENTVelorum, 10 units, Mountlake
Terrace



CONDOMINIUMS

Mountlake Terrace near Lake
Ballinger, 2001



ACCESSORY DWELLING UNITShoreline, WA

Examples of housing types available at different income levels



HOUSING INFORMATION NOT AVAILABLE FOR TODAY'S BRIEFING

Project team still working on analysis related to following state and regional requirements:

- Housing Units by Income Level: Data confirming zoning available to accommodate the number of housing units affordable by SeaTac households at different income levels.
- Racially Disparate Impact Analysis: Identification of policies and regulations that could result in racially disparate impacts, displacement of residents and exclusion in housing.



Range of home types and scales to accommodate diverse households space, design, and affordability needs (Opticos)

HOUSING POLICY REVIEW MATRIX OVERVIEW

- Planning Commission using matrix format for goal/policy reviews.
- Each proposed change includes information on its compliance with Key City Themes, State/Regional (PSRC)/King County requirements, and Envision project equity goals.

EXAMPLE: HOUSING & HUMAN SERVICES POLICY REVIEW MATRIX – DRAFT 1

EXAMPLE: HOUSING & HUMAN SERVICES POLICY REVIEW MATRIX – DRAFT 1								
Existing Goal / Policy #	Housing and Human Services Element Draft 1 Existing and Proposed Goal/Policy	Key City Themes	Equity Assessment Status	Complies with State, Regional, County (2)	Notes	Proposed Goal / Policy #		
(1) AO = Access to Opportunity; UV = Urban Villages; CN = Complete Neighborhoods; MT = Multi-Modal Transportation; HA = Housing for All; EV = Economic Vitality; RE = Resilient Environment (2) MPP = PSRC's Multi-County Planning Policies CPP = King County's Countywide Planning Policies								
Mauring	Capacity and Growth Strategy	S IVIUILI-CO	ounty Flanning Poli	cies CPP = King Coul	nty's countywide Planning Policies			
New Goal	Provide sufficient capacity and housing densities to equitably meet the city's population and housing needs.		Goal and policies approaching completion	MPP-RSG-7; MPP-H-1; CPP-H- 1;	Added to provide guidance on meeting growth strategy and ensuring enough land capacity for housing needs.	Goal 3.1		
New Policy	Plan for housing supply, form, and densities to meet the City's current and projected needs consistent with the Puget Sound Regional Council and King County regional growth strategies and SeaTac's goals and vision.	AO HA		MPP-RSG-7; MPP-H-1;	Added to align with MPPs.			
New Policy	Provide sufficient land capacity allowing for a variety of housing types, and the equal distribution of those land uses to provide a variety of housing options throughout the city.	AO HA		MPP-H-1; CPP-H- 12; CPP-H-20	Added to align with MPPs/CPPs.			
New Policy	Align housing-related policies, programs, and actions with the City's goal of providing complete neighborhoods, by promoting diverse, affordable housing and equitable access to opportunities across SeaTac.	AO HA CN			Added to provide additional connection to the City's provide Complete Neighborhoods goals.			

Specific language changes in orange text with underlines/strikeouts.

Housing Capacity And Growth Strategy (new section)

NEW GOAL: Provide sufficient capacity and housing densities to equitably meet the city's population and housing needs.

■ Why added? Provides guidance on supporting City growth strategy and ensuring enough land capacity to meet housing needs. Aligns with multiple PSRC and King County growth policies.

POLICY CHANGES RELATED TO THIS GOAL

- "Housing for all" and Complete Neighborhood strategies focused on equitable access to diverse, affordable housing.
- Recognizing and addressing local history of racially exclusive and discriminatory land use and housing practices.
- Identifying and mitigating racially disparate impacts from housing related policies and strategies.
- Implementing anti-displacement strategies for low income and marginalized households, especially from large scale public investments and private development.



Variety of Housing Types

REVISED GOAL: Increase housing options in ways that complement and enhance nearby residential and commercial uses by providing a range of housing types and densities available in all neighborhoods of the city.

Why changed? Language revised to promote intent of new growth strategy to provide a variety of housing options citywide.

POLICY CHANGES RELATED TO THIS GOAL

- Promoting a variety of housing types in all neighborhoods with supportive infrastructure, especially Complete Neighborhood infrastructure and services.
- Providing housing choices for workers at all income levels throughout the city.
- Expanding housing capacity for middle density housing to bridge the gap between single-family and multifamily developments.
- Expanding supply and type of housing in the Urban Center to maximize access to opportunity, especially high-capacity transit (like light rail and RapidRide buses).



COTTAGE HOUSING DEVELOPMENT
Velorum, 10 units, Mountlake Terrace



CONDOMINIUMSMountlake Terrace near Lake Ballinger, 2001



ACCESSORY DWELLING UNITS



MIXED USE APARTMENTS
Plaza Roberto Maestas Affordable Housing
Beacon Hill. Seattle

Housing Security and Stability Neighborhood Preservation

REVISED GOAL: Strengthen the housing security and stability of SeaTac's residents and the continued longevity of the city's existing residential neighborhoods and foster a high degree of pride in residency or ownership.

■ Why changed? Revised language to focus on security and stability of existing residents and neighborhoods, and to better align with state and regional growth requirements.

POLICY CHANGES RELATED TO THIS GOAL

- Promoting homeownership opportunities for low and middle income households and working to address historic inequities in access to ownership for communities of color.
- Supporting existing and new programs that provide housing stability for renter households with additional support for renters with disabilities and low incomes.
- Continuing to participate in local and regional efforts to better identify and understand potentially adverse impacts that may result from living near the airport.



CURRENT HOUSING POLICY UPDATES - PROPOSED

Diverse, Affordable Housing Housing Affordability

REVISED GOAL: Increase affordable housing opportunities for all economic segments of the community, especially in SeaTac's transit communities.

 Why changed? Revised language to broaden goals for affordable options for all households, citywide.

POLICY CHANGES RELATED TO THIS GOAL

Confirm City support for:

- Identifying, maintaining and enhancing the existing affordable housing stock in SeaTac, with a focus on units available for very low-, low-, moderate- and middle income households.
- Encouraging equitable dispersal of affordable housing throughout the City, by exploring methods such as inclusionary zoning and incentives for private development.

What is <u>inclusionary zoning</u>?

Inclusionary zoning rules require that affordable housing units are included within new residential development projects (can be % of total units or specific # of units)



CURRENT HOUSING GOALS & POLICIES

Diverse, Affordable Housing Housing Affordability (continued)

POLICY CHANGES RELATED TO THIS GOAL

- Aligning with countywide effort to prioritize development of housing affordable to households less than or equal to 30% area median income (extremely low income) by identifying opportunities such as increasing available funding, adopting supportive policies and regulations and collaborating with adjacent jurisdictions and organizations
- Development and preservation of long-term affordable housing, including incomerestricted options, particularly those within walking distance to transit.
- Maintaining the Multifamily Tax Exemption (MFTE) program and exploring opportunities to further expand the program beyond the Urban Center.
- Encouraging collaboration and partnerships with local community and public or private entities to support affordable housing development.
- Gathering data and monitoring affordable housing supply.



CURRENT HOUSING GOALS & POLICIES

Special Needs and Supportive Housing

REVISED GOAL: Encourage a variety of housing opportunities for individuals persons with special needs.

Why changed? Made minor grammatical adjustment.

POLICY CHANGES RELATED TO THIS GOAL

Confirm City support for:

- Developing housing for emergency, transitional, and permanent supportive housing that serve people with special needs, such as people fleeing domestic violence or natural disasters, those experiencing homelessness, or households experiencing displacement.
- Continuing involvement with South King County Housing and Homelessness Partners
 (SKHHP) to work toward addressing housing affordability and stability within the region

What is **SKHHP?**

A joint board formed by interlocal agreement between the jurisdictions of Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Maple Valley, Normandy Park, Renton, **SeaTac**, Tukwila, and King County to take a coordinated and comprehensive approach to increasing housing stability and producing and preserving quality affordable housing in South King County.

- Based on similar approaches in Snohomish County (AHA) and East King County (ARCH)

CURRENT HOUSING GOALS & POLICIES

Manufactured Mobile Home Parks Maintenance (Mobile Home Park Relocation)

REVISED GOAL: Support the continued maintenance of SeaTac's existing mobile manufactured home parks as a source of affordable housing and promote the housing security of its residents.

Goal: Minimize the impacts of mobile home relocation on low and moderate income residents.

Why changed? Merged both goals into one to streamline section.

POLICY CHANGES RELATED TO THIS GOAL

• All existing policies maintained with only the replacement of the word "mobile" (as in "mobile home") with the word "manufactured" (as in "manufactured home").



POTENTIAL COMMITTEE ACTION

ACTION REQUESTED: None. This is an informational briefing.

REVIEWS TO DATE:

- Envision SeaTac 2044-Major Comprehensive Plan Update Project:
 - **2023:** 2/23/2023, 8/17/2023, 10/19/2023, 11/30/2023
 - **2024**: 2/15/2024, 3/21/2024, 5/16/2024