



ISLAND COUNTY PLANNING & COMMUNITY DEVELOPMENT

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Comprehensive Plan Amendment (CPA) 210/08 Affordable Housing Staff Report – July 1, 2008

Background Information

1. On January 25, 2008 Island County Planning and Community Development received a series of draft amendments and cover letter submitted by Planning Commissioner William Massey. ICC 16.26.050.A states that amendments to the comprehensive plan and/or development regulations may be submitted by any person, the Board, the Planning Commission, or the Planning Director. The draft amendments submitted by Planning Commissioner Massey do not include amendments to the development regulations; the amendments are limited to changes to the Comprehensive Plan.
2. Pursuant to ICC 16.26.060.C Planning and Community Development forwarded to the Board of County Commissioners the listing of amendments requested for addition to the Planning Commission's annual review docket. The draft amendments submitted by Commissioner Massey were included in the list forwarded to the Board. The Board affirmed that Commissioner Massey's amendments should be added to the Planning Commission's docket.
3. RCW 36.70A.070 establishes the elements of a Comprehensive Plan that are mandatory. All counties that plan under the Growth Management Act are required to adopt a Housing Element. Island County adopted a Housing Element in 1998. The Housing Element has not been updated since that time.
4. ICC 16.26.060.E establishes the standards by which all amendments shall be considered. This staff report constitutes the review that is required by Chapter 16.26 ICC.

Regulatory Analysis

1. Section E of the Housing Element sets forth a series of Implementation Strategies that are intended to help carry out the goals and policies outlined within this chapter of the comprehensive plan. Staff evaluated this section of the Housing Element and the amendments that were proposed by Commissioner Massey. Staff concluded that, in addition to the amendments proposed by Commissioner Massey, additional modifications were also appropriate. The draft strategies do not change any of the implementing development regulations, however, some of the strategies could result in an evaluation of existing regulations that might result in future suggested amendments.

2. The amendments shown in Attachment A include those submitted by Commissioner Massey as well as supplemental amendments prepared by staff. Commissioner Massey's amendments are shown in ~~strikethrough~~/underline format. Staff amendments are shown in **~~strikethrough~~/underline** format.
3. The amendments prepared by staff focus on the need to define affordable housing and low income housing, the need to establish measurable goals, the need to also address infrastructure requirements when considering regulatory barriers, the need to ensure that any future regulatory changes must be consistent with the Growth Management Act, and the need to include low-income housing in policies that encourage affordable housing.
4. Pursuant to Chapter 16.26 ICC all comprehensive plan amendments must be processed and evaluated under a specific set of criteria. The following overview provides a response to the standards outlined in ICC 16.26.060:

E.1. Does the proposed amendment or revision maintain consistency with other Plan elements or Development Regulations. If not, are amendments or revisions to other Plan elements or regulations necessary to maintain consistency also under annual review by the Planning Commission and the Board;

The proposed amendments are consistent with other plan elements and development regulations. The strategies that suggest that land use policies or regulations may need to be changed will need to be evaluated for consistency with adopted plans and regulations. Any proposed regulations will need to work in concert with other development regulations and will need to be consistent with all federal, state, and county rules.

E.2. Do all applicable elements of the Comprehensive Plan support the proposed amendment or revisions;

Not all elements of the Comprehensive Plan address housing goals or development policies. Those elements that do address housing and development are supportive of expanding affordable and low-income housing choices.

E.3. Does the proposed amendment or revision more closely meet the goals, objectives and policies of the Comprehensive Plan;

The implementation strategies are intended to strengthen the goals, objectives and policies of the Comprehensive Plan that address affordability of housing in Island County. Those strategies that propose additional legislative action will need to be reviewed under this provision.

E.4. Is the proposed amendment or revision consistent with the county-wide planning policies;

County-wide planning policies support and encourage expansion of affordable and low-income housing. The amendments are consistent.

E.5. Is the proposed amendment supported by adopted Findings of Fact and Legislative Intent;

When the Board of Island County Commissioners adopted the Comprehensive Plan in 1998 findings of fact were included in their decision. The Board's findings include statements of support for affordable and low-income housing.

E.6. Does the proposed amendment or revision comply with the requirements of the GMA; and

One of the mandatory GMA elements for comprehensive plans is the inclusion of a Housing Element. One of the goals of the GMA is to provide adequate housing which includes affordable and low-income housing. The proposed amendments are intended to further this goal and are therefore consistent with the GMA. Any future policy or regulatory amendments that carry out the implementation strategies will need to be consistent with the GMA.

E.7. Are the assumptions underlying the applicable portions of the Comprehensive Plan or Development Regulations no longer valid because new information is available which was not considered at the time the plan or regulation was adopted.

No. The implementation strategies in the Housing Element continue to be valid. The draft amendments are intended to complement and expand goals for encouraging affordable and low-income housing.

Conclusions

1. Affordable housing and low-income housing need to be defined. Many jurisdictions have already developed methods for defining these terms. Affordable housing characterizes a housing stock that is targeted towards households where the total income is slightly less than the median income within a defined geographic area. Low-income housing characterizes a housing stock that is targeted towards households where the total income is substantially less than the median income. Island County should define these terms as they relate to the unique conditions of our own community.
2. It appears as though there is an extremely limited stock of affordable and low-income housing in Island County. Data from the U.S. Census Bureau and real estate sales figures shows that since 1989 the gap between household income and the cost of housing is steadily increasing. There are many factors that influence this widening gap; many of which are based on market conditions that are out of the control of county government. Nonetheless, the County can take actions to help address the regulatory factors that affect housing cost.
3. The attached amendments set forth a series of proactive strategies that the County can implement that are designed to address regulatory barriers that make affordable housing and low-income housing harder to achieve and to formulate partnerships with other agencies and non-profit organizations that are striving to create and encourage affordable and low-income housing.
4. Some implementation strategies may lead to proposals to amend county policy and/or development regulations. Amendments to local policies and regulations will have to adhere to the requirements that are set forth in the Growth Management Act, the State Environmental Policy Act, the Housing Cooperation Act, and any other federal, state and local laws. Additionally, proposed amendments to policies and regulations will be considered through the Planning Commission public hearing process.

Recommendation

Planning and Community Development recommends that the Planning Commission forward the attached amendments to the Board of Island County Commissioners for adoption.

Attachments

Attachment A – Amendments to the Housing Element of the Island County Comprehensive Plan

Attachment A
(Amendments to the Housing Element of the
Island County Comprehensive Plan)

Island County Comprehensive Plan – Chapter 4 – Housing Element

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II. Features of the Housing Element

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E. Implementation Strategies

A variety of implementation strategies are being considered by Island County, including means to encourage the provision of special needs and low income housing, regulatory changes, accessory structures; construction of multi-family units; density bonuses and variations on development standards. In addition, the County should review alternative means of construction and financing, including:

1. Preserving the existing housing stock through liberal permitting of upgrades/remodels and use of accessory housing, with controls.
2. **Defining affordable and low-income housing and establishing measurable affordable and low-income housing targets.**
3. Lowering labor and materials costs by supporting and encouraging alternative housing designs, financing, materials and construction, such as self-help/sweat-equity housing and owner-built housing, including that using alternative construction methods and materials.
4. Relaxing restrictions on housing types to permit, for example, manufactured homes, and HUD-approved mobile homes in single width and larger.
5. Relaxing restrictions on **infrastructure improvements**, minimum dwelling unit size, minimum number of rooms and house shape.
6. Supporting publicly owned housing. Support the Housing Authority of Island County in on-going efforts to fund and sustain existing low-income housing projects in Island County. Support can come in the form of partnering in grant applications, appealing to the state to increase the Housing Trust Fund, and other measures.
7. Using Federal low-income housing credits.
8. Developing density and other incentives to provide for affordable housing in the rural area.
9. **Enacting an ordinance that grants authority to the Island County Commissioners to transfer title to surplus land holdings to the Island County Housing Authority or non-profit organizations such as the Island Affordable Housing Trust.**

Review existing surplus public land owned by Island County and other public agencies to determine if any such lands are appropriate to be transferred to a non-profit housing agency for affordable or low-income housing. In general, such lands should have access to public services or, by prearrangement, to be used in an exchange for buildable affordable housing unit sites.

10. Create a Planning Department staff position specifically for promotion of affordable **and low-income** housing creation and promotion of zoning and other County ordinances to accommodate affordable **and low-income** housing.
11. Streamline permit review for any type of project with affordable **or low-income** housing, from manufactured homes to multi-family units and clustered development. This would entail reviewing the current system with the staff, officials and builders/developers to determine areas that are working well, and not so well. Examples of permit streamlining include:
 - a. Setting up an expedited review process with a predictable review period, such as a maximum of 60 days.
 - b. Create “permit ready” house plans for use on small lots. House plans can be developed by volunteer architects or through a design competition to create a set of pre-approved plans approved by a Design Review Board and acceptable to the community. Manufactured homes can be included in this process. (To promote a design competition and use of the designs, this effort can be done on a county-wide scale in partnership with the Town of Coupeville, City of Oak Harbor and the City of Langley. Builders could keep costs down with a design that has a predictable permitting period.)
 - c. Provide a single location in the County Zoning Code for regulations relating to the development of affordable housing.
 - d. Provide relief of fees for affordable housing. This would require a code amendment and can be done by adopting a separate fee schedule for projects incorporating affordable housing.

(Also refer to the Regulatory Barriers Clearing House at www.huduser.org/rbc/ for hundreds of examples being implemented throughout the nation).
12. Require Annexation of land in Urban Growth Areas to include or set aside areas for affordable housing.
13. **Pursue State legislation that will allow for the limited expansion of** non-municipal urban area (RAID’s) for medium to high density affordable **and low-income** housing.
14. Include provisions for affordable housing in any Comprehensive Plan land use changes that increase density.
15. Develop a Transferable Development Rights (TDRs) program with interlocal agreements in conjunction with incorporated communities that allows higher densities for affordable housing within city boundaries, urban growth areas and Island County RAID’s.
16. Provide for special zoning considerations and density bonuses on land in the Rural Zone adjacent to RAID’s and urban areas, suitable for an affordable housing project. This would also apply to surplus land discussed in 9. Allowing increased densities is the most basic and potentially effective technique for promoting housing affordability.
17. Support and encourage partnerships with Island Affordable Housing Trust (IAHT) to build permanently affordable housing units throughout Island County.