

Middle Housing

Lessons from Washington's Early Adopters

WA APA Conference October 13, 2023






Introductions

ECONorthwest Background

- OR and WA Middle Housing Work

Introduction to panelists and client partners

- Dave Osaki, Commerce
 - Brennon Staley, Seattle
 - Mary Connelly, South Sound Housing Affordability Partners
 - Spencer Gardner, Spokane
- 



Moving Towards Implementation

Washington State Department of Commerce
Dave Osaki, Middle Housing Specialist

We strengthen communities



HOUSING AND HOMELESSNESS



INFRASTRUCTURE AND BROADBAND



SMALL BUSINESS ASSISTANCE



ENERGY



PLANNING AND TECH ASSISTANCE



COMMUNITY SERVICES AND FACILITIES



CRIME VICTIMS AND PUBLIC SAFETY



ECONOMIC DEVELOPMENT

HB1220 (2021) - Housing Element

RCW 36.70A.020(2)(b) and (c) - Moderate density housing

- (2) A housing element...that:
 - b) **Includes a statement of goals, policies, objectives**, and mandatory provisions for the preservation, improvement, and development of housing, including...within an urban growth area boundary, **moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes**;
 - (c) **Identifies sufficient capacity of land** for housing including, but not limited to, government-assisted housing,....., and within an urban growth area boundary, **consideration of duplexes, triplexes, and townhomes**;

See: Commerce Guidance for
Updating Your Housing Element
(2023)

HB 1110 – The Basics

Use this layout for standard content!

- 77 cities statewide subject to HB 1110*
- Three “tiers” w/ differing minimum unit per lot requirements
 - 75,000 population and greater (16 jurisdictions)
 - 25,000 to < 75,000 (27 jurisdictions)
 - Less than 25,000 and contiguous with the UGA that contains the county’s largest city, in counties exceeding 275,000 (34 jurisdictions)
- Compliance deadline is six months after the jurisdictions upcoming periodic review deadline

See: Commerce Middle Housing
Web Page for list of HB 1110 cities
and applicable tier

What is Middle Housing?

Use this layout for standard content!

- “Middle housing” definition identifies nine middle housing types
- GMA defines:
 - “Cottage housing, courtyard apartments, stacked flats, and townhouses.
 - “Single family zones”
- Not defined:
 - Duplex, triplex, fourplex, fiveplex, sixplex
 - “...lots zone predominantly for residential use”



"Middle Housing"

means buildings that are compatible in scale, form, and character with single-family houses and contain two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing. (RCW 36.70A.020 (26))

	Minimum number of middle housing units that must be allowed per lot in predominately residential zones	NEAR A MAJOR TRANSIT STOP: Minimum number of middle housing units that must be allowed per lot within ¼ mile walking distance of major transit stop in predominately residential zones	WITH AFFORDABLE HOUSING: Minimum number of middle housing units that must be allowed per lot with affordable housing in predominately residential zones where density in applicable zone does not otherwise allow this number (See also HB 1110, Sec. 3(2))
TIER ONE: Cities with population of at least 75,000 E2SHB 1110, Sec. 3(1)(b)	4 du/lot, unless zoning permits higher densities	6 du/ lot, unless zoning permits higher densities	6 du/lot if at least 2 units are affordable, unless zoning permits higher densities
TIER TWO: Cities with population of at least 25,000 but less than 75,000 E2SHB 1110, Sec. 3(1)(a)	2 du/lot unless zoning permits higher densities	4 du/lot, unless zoning permits higher densities	4 du/lot if at least 1 unit is affordable, unless zoning permits higher densities
TIER THREE: Cities with population under 25,000 that are contiguous with a UGA that includes the largest city in a county with a population over 275,000 E2SHB 1110, Sec. 3(1)(c)	2 du/lot, unless zoning permits higher densities	N/A	N/A

Upcoming Middle Housing Resources

Middle Housing model ordinance(s)

- HB 1110 requires Commerce to publish model ordinances by January 23, 2024
- MAKERS (consultant) working on model ordinance(s)
- Two model ordinances proposed
 - **Tier 1 and Tier 2 (as one model ordinance)**
 - **Tier 3**

HB 1110 – Model Ordinance Engagement

- **Technical Committee** - A local government staff to review preliminary model ordinance drafts
- **Stakeholder Outreach** - Various stakeholder groups and organizations will take place
- **Online drop-in public open houses:**
 - Thursday, September 21, 2023 1:00pm - 2:30pm
 - Thursday, October 5, 2023 4:30pm - 6:00pm
 - **Thursday, October 19, 2023 1:00pm - 2:30pm**
- **Early November** - 30-day public comment period (with webinar)

* Open House Zoom link on
Commerce Middle Housing webpage

WAC Rulemaking

Washington Administrative Code (WAC)

- Addressing legislation on housing, urban growth areas, etc.
- Draft tentatively in November 2023
- Process will carry into late 2024

See Commerce EZView web page to sign up for rulemaking mailing list or to provide comment
GMA Housing Rulemaking (wa.gov)

Existing Middle Housing Resources

Commerce Middle Housing web page

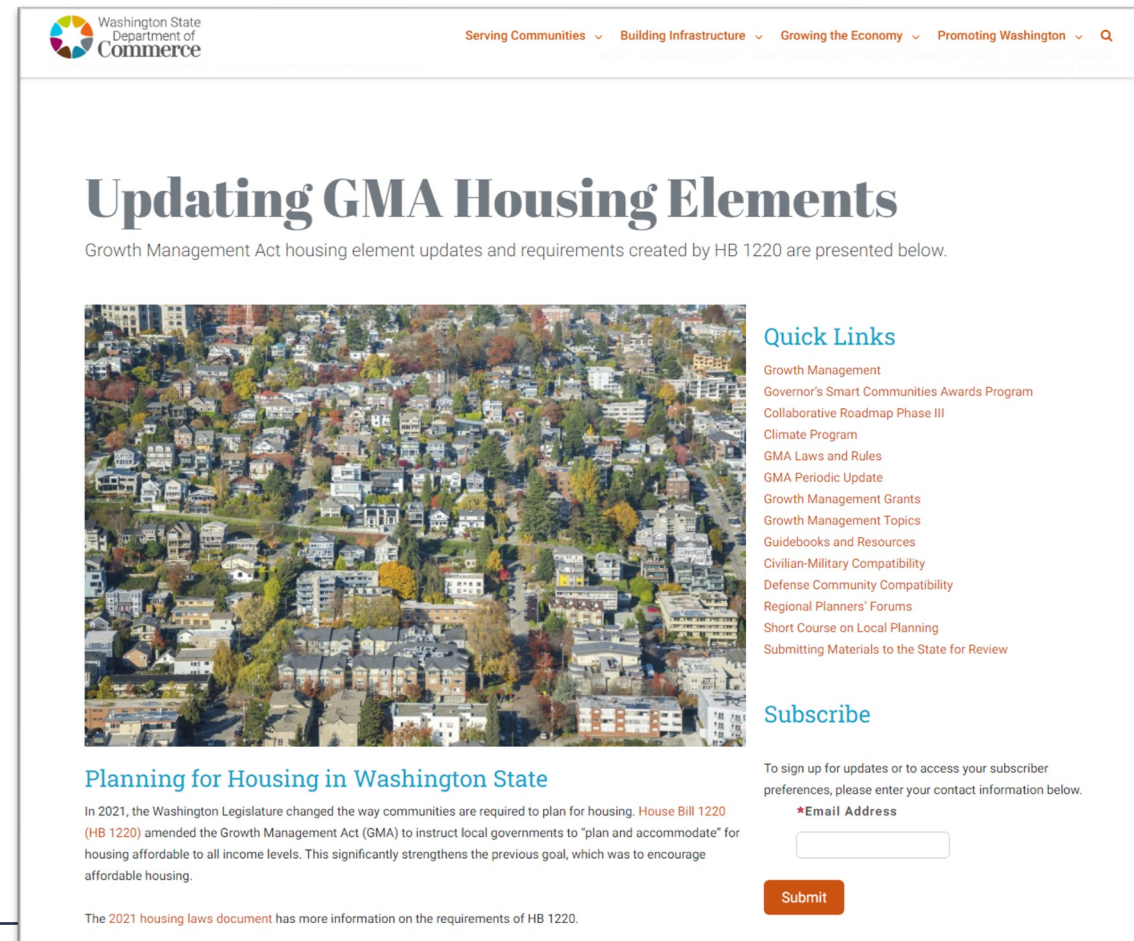
- Photo library
- Videos
- Slide decks
- Pro Forma financial tool
- Planning for Middle Housing - Washington State Department of Commerce

Commerce EZView web page

- General Middle Housing resources (e.g. other agencies/organizations)
- Commerce middle housing presentations (slide decks)
- Affordable Housing Planning Resources (wa.gov)

General Resources from Commerce

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



The screenshot shows the Washington State Department of Commerce website. At the top left is the logo for the Washington State Department of Commerce, with the tagline 'Serving Communities', 'Building Infrastructure', 'Growing the Economy', and 'Promoting Washington'. The main heading is 'Updating GMA Housing Elements', with a sub-heading 'Growth Management Act housing element updates and requirements created by HB 1220 are presented below.' Below the heading is a large photograph of a residential neighborhood with many houses and trees. To the right of the photo is a 'Quick Links' section with a list of links: Growth Management, Governor's Smart Communities Awards Program, Collaborative Roadmap Phase III, Climate Program, GMA Laws and Rules, GMA Periodic Update, Growth Management Grants, Growth Management Topics, Guidebooks and Resources, Civilian-Military Compatibility, Defense Community Compatibility, Regional Planners' Forums, Short Course on Local Planning, and Submitting Materials to the State for Review. Below the photo is a 'Subscribe' section with the text 'To sign up for updates or to access your subscriber preferences, please enter your contact information below.' and a form with an 'Email Address' label and a 'Submit' button. At the bottom of the page, there is a note: 'The 2021 housing laws document has more information on the requirements of HB 1220.'



Thank you

Dave Osaki Middle Housing Specialist
WA Department of Commerce





City of Seattle

Brennon Staley, Strategic Advisor, OPCD

Background

Seattle has taken multiple incremental steps to reintroduce missing middle housing:

- Cottage Housing Pilot (2000s)
- Creation of Residential Small Lot zoning (2019)
- Accessory dwelling unit reform (2019)

Ongoing Comprehensive Plan Update will include major update of “single-family zoning”



Market & Consumer Preferences



Preference for Detached Homes

- Detached homes often result in bad open space outcomes
- Requiring large separations between buildings makes this issue worse
- Need to be proactive in encouraging better open space



Preference for Preserving Homes

- Demolishing an existing home is a large loss of value for the developer
- Preserving homes is often preferred if the home is in a good location on the site
- FAR incentive/exemption for existing homes has been very successful
- Need flexibility in site design to preserve a home



Strong market for smaller 2BR Units

- Few existing ownership opportunities in this price range
- Great opportunity for subsidized affordable housing



Affordable homes by Habitat for Humanity

Stacked flats are very difficult to build

Even in Seattle, they are very difficult to build due to:

- Condo liability insurance
- Requirements of commercial building code
- Need for higher level of soundproofing
- Additional requirements for solid waste and bike parking



New development in Portland



Design Standards



Design Goal

To produce

**human-scale
development**

with a

**good relationship to
the street**



Lane Street homes by Hybrid Development

Design Approach

- Great design doesn't come from a checklist
- Prescriptive standards can discourage good designs as well as bad
- Seattle is considering minimum standards for entrances, parking, open space, and trees plus a "menu of options" for how designers can meet design standards



Credit: Sightline photo library

Entrances

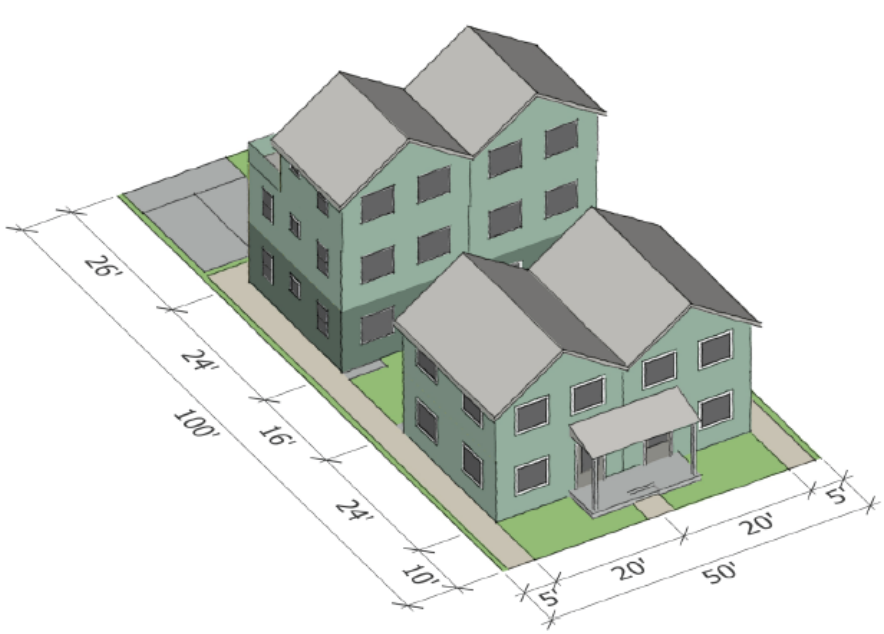
- Front units need to pass the “trick or treat” test: can a child easily understand how to find a human?
- Seek a good transition from public to private space
- Encourage porches, patios, and stoops which support a good transition and encourage interaction with neighbors



Parking

- Parking is often designed first, then the housing
- Seattle is proposing to remove parking requirements for housing, but we expect that most middle housing will have parking
- Parking is especially challenge for middle housing due to confluence of factors: level of density, desire for private yards, small units
- Challenging to fit garages in 2-story buildings which can lead to lots of surface parking





Modeling by MAKERS Architecture

Open Space & Trees

- Use open space & tree requirements to encourage attached homes, shared spaces, and good site design rather than prescriptive locational standards
- Use tree requirements to encourage larger species trees and retention of existing trees

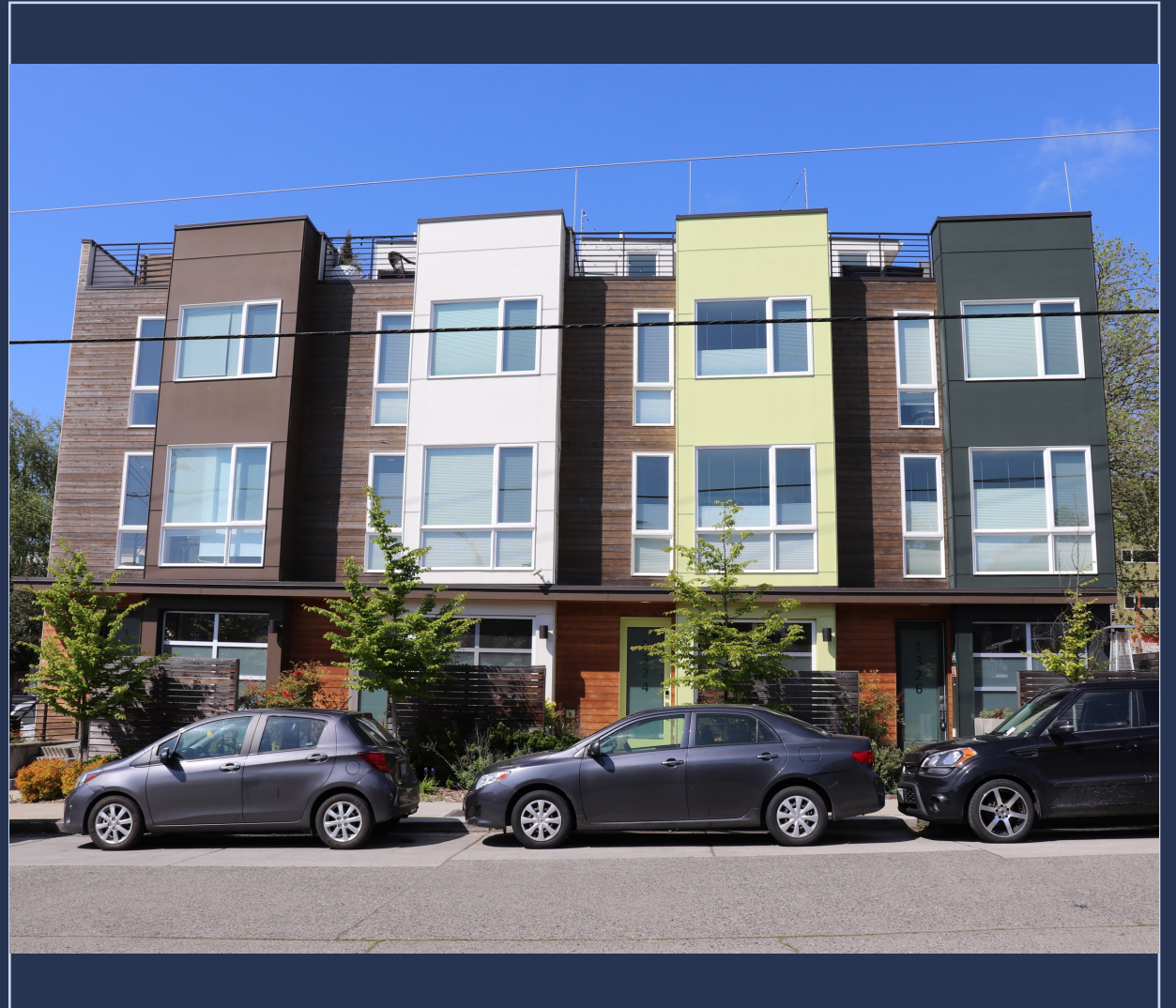


Recent development in Portland

Other Design Strategies

Other design strategies we want to encourage include:

- Good materials: type, scale, durability, and variety
- Significant transparency: windows & doors
- Clear articulation of individual units
- Façade articulation





Infrastructure

Infrastructure

- Utility main extensions and undergrounding requirements can easily make projects infeasible
- Need to consider these requirements to get right balance but also to understand the implications





Thank you

More info on Comp Plan Update at One
Seattle Plan website:

www.seattle.gov/opcd/one-seattle-plan

Neighborhood Residential Design Study
to be released in October 2023.





South Sound Housing Affordability Partners (SSHA³P)

Mary Connolly

About the Project

Collaboration on Commerce's Middle Housing grant (2022-2023)

- Grantee: South Sound Housing Affordability Partners (SSHA³P)
- Participating Cities: Edgewood, Fife, Gig Harbor, Milton, University Place
- Consultant: BERK Consulting



“Work with other nearby jurisdictions. Housing is a regional issue that crosses political boundaries. Collaboration and coordination makes efforts go further.”
– Participating City Staff Member

About the Project (Cont.)

Deliverables

- Public Engagement Plan and Report
- Racial Equity Analysis Report
- Policy Recommendations on Middle Housing and Anti-Displacement

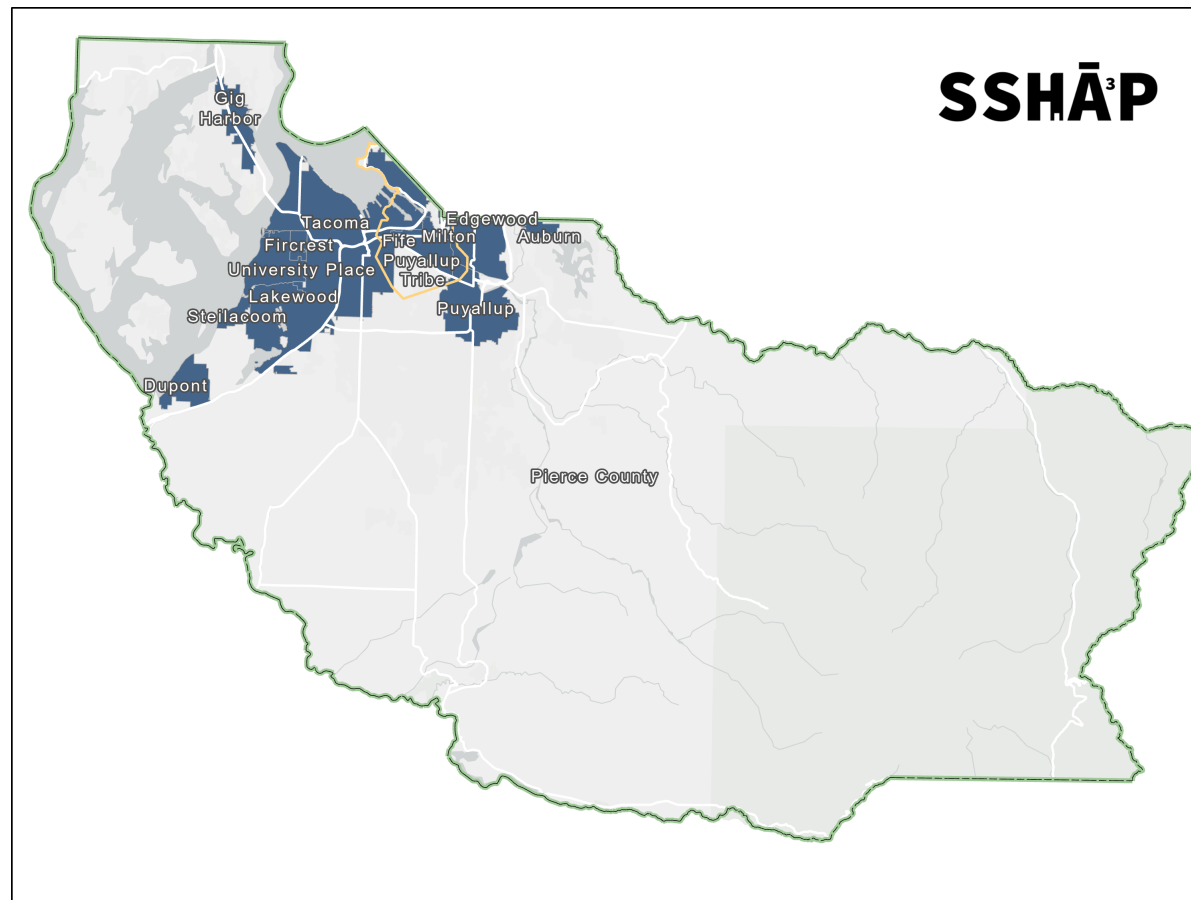
Find the deliverables online here:

<https://southsoundaffordablehousing.org/middle-housing/>

About SSHA³P

- Intergovernmental collaboration
- Established in 2021
- Serving 15 member governments

SSHA³P's mission is to create and preserve affordable, attainable, and accessible housing.



About the Participating Cities

- Populations ranging from 8,500 to 35,000
- Newer housing stock
- Variety of community types: urban, rural, small town, bedroom community, tourist destination
- Median household income ranging from \$75,500 to \$108,500*



*US Census, 2017-2021

Community Engagement

The Challenge:

- Resistance to change
- Strong attachment to “single-family,” “small-town feel,” rural character
- Available resources are written for policy-makers, not general audiences
- Common middle housing graphics do not reflect local conditions
- Middle housing is seen as only benefitting certain populations

Common Middle Housing Graphics:



Images from Opticos, Masterton Homes

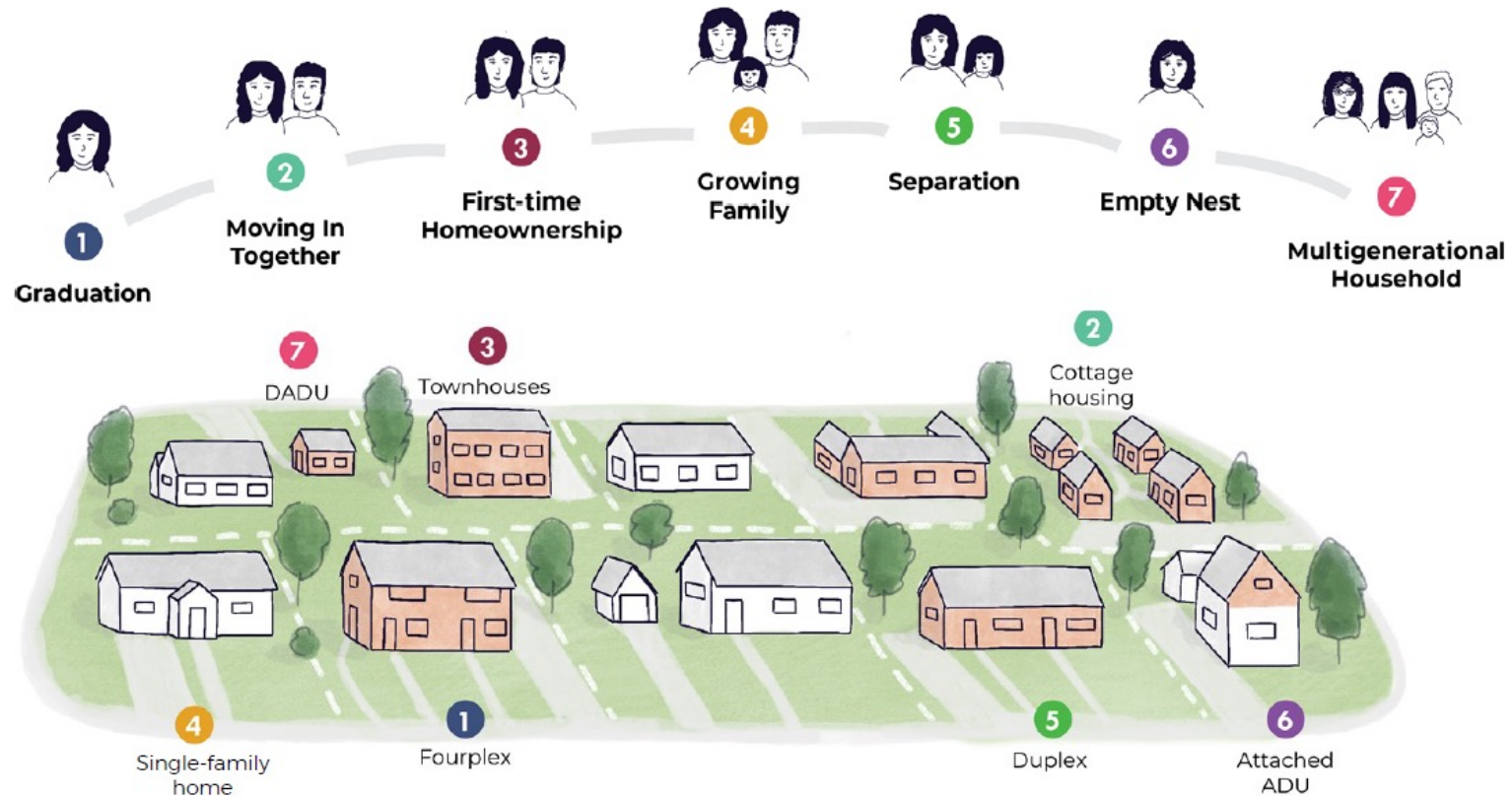
Community Engagement (Cont.)

Objective:

- Show examples of middle housing
- Use graphics to give a sense of scale and impact
- Keep graphics abstract to prevent reactions to architecture or building design
- Emphasize the role that middle housing can play over the course of anyone's life
- Explain that change happens gradually

Examples of Community Engagement Materials

Housing needs change over the course of our lives.



Examples of Community Engagement Materials

Middle housing is housing that falls between single-family houses and larger apartment buildings.



Single-family housing

- Larger units
- Low density
- More expensive to build on a per-unit basis



MIDDLE HOUSING



Multifamily housing

- Smaller units
- High density
- Less expensive to build on a per-unit basis

All types of housing will be needed to make housing **more affordable**.

- Local government does not build housing, it establishes rules on what can be built and where.
- Current regulations prevent homebuilders from innovating in response to market demand.
- Housing growth has not kept up with job growth: the solution is **more housing**.



Single family home

\$872,500 (\$286/s.f.)
3,054 s.f.
3 bedrooms
13,503 s.f. lot

Built in 2022



Duplex

\$369,000 (\$279/s.f.)
1,319 s.f. each
2 units with 3 bedrooms
12,632 s.f. lot

Built in 2020



Townhouse

\$398,000 (\$372/s.f.)
1,068 s.f.
2 bedrooms
3,367 s.f. lot

Built in 2020

Source: Zillow

Policy Analysis


Used the following evaluative framework to review:

- Comprehensive Plan goals and policies
- Development regulations

Finding	Rating
The policy addresses racially disparate impacts, displacement, or exclusion in housing or supports the development of middle housing.	Supportive
The policy addresses racially disparate impacts, displacement, or exclusion in housing or supports the development of middle housing, but it could be strengthened.	Approaching
The policy furthers racially disparate impacts, displacement, or exclusion in housing or contributes to barriers to middle housing development.	Challenging
The policy does not have a clear impact, positive or negative, on racially disparate impacts, displacement, or exclusion in housing, or development of middle housing.	Not Applicable



Common Themes

- Emphasis on the preservation of existing single-family neighborhoods
 - Emphasis on higher-density housing in areas with existing infrastructure
 - Language that could be exclusionary; outdated terminology
 - Language that is not clearly defined
 - Varying mentions of middle housing types
 - Emphasis on design criteria, buffers, and compatibility with single-family units
- 

Policy Recommendations

Improve existing policy language to clarify the policy intent, align policy language to current planning standards, and ensure the benefits and burdens of the policy are equitably distributed.

- Define subjective terms, such as “character” or “quality”
- Revise policy language that is exclusionary of housing types other than of single family units
- Avoid the use of “single-family” to describe anything other than a single-family housing unit
- Balance policies encouraging preservation of existing affordable units with language encouraging infill and new development
- Include language about planning for people with all levels of income

such as “preserve existing residential character” or “blend in with surrounding developments”

consider “low density housing” or “house-scale development” instead of “single-family neighborhood”

Policy Recommendations (Cont.)

Add policies to encourage the production of middle housing.

- Conduct community engagement with communities experiencing housing disparities
- Connect property owners with lenders and stock designs
- Add flexibility to design review for middle housing
- Revise minimum lot sizes so that there are not larger minimums for multiple units
- Review impact fees and consider waiving or reducing for some housing types

These policies can also help address racial disparities in homeownership and/or housing cost burden.

Policy Recommendations (Cont.)

- Consider removing guest parking requirements for middle housing
- Consider removing conditional use requirements for middle housing
- Consider removing requirements for ADUs (one entrance on front façade, parking, owner-occupancy)
- Review tree retention requirements for potential flexibility
- Review frontage improvement requirements and consider a fee-in-lieu option
- Review height limits for potential flexibility
- Review permitting processes for potential improvements

These policies can also help address racial disparities in homeownership and/or housing cost burden.



Find the deliverables online here:

<https://southsoundaffordablehousing.org/middle-housing/>

Thank you!

Mary Connolly

Mary.Connolly@piercecountywa.gov





City of Spokane

Spencer Gardner, Planning Director

THIS IS AN EMERGENCY

CITY OF SPOKANE

 PROCLAMATION

WHEREAS, the City of Spokane offers an exceptional quality of life for families seeking a work-life balance, and historically, Spokane's housing market has plugged along at a slow, affordable growth rate that has kept demand relatively manageable and housing attainable; and

WHEREAS, the National Association of REALTORS® has determined that Spokane will be among the top 10 housing markets in the United States as a Top-10 Post-COVID Real Estate Market, yet, Spokane County has had a housing inventory reduction of 94% since January of 2010 and is currently suffering from the lowest level of housing supply in history while home sales prices escalated by 47% in that same period of time; and

WHEREAS, as home prices continue to escalate at record levels, more and more buyers are being squeezed out of the marketplace, especially for those seeking to buy their first home transition down to a smaller home; and

WHEREAS, Spokane City's housing stock mostly consists of single-family detached homes and lacks housing diversity, specifically, Spokane has a low supply of middle housing (town homes, triplexes, and duplexes) which is a critical need among various homeowners in various stages of homeownership; and

WHEREAS, Spokane County's apartment vacancy rates have been declining gradually since 2018, and as of March 2021, are at an all-time low of just 0.6%, which has prompted an unprecedented rise in rental rates during a time when many tenants are seeing a decrease in wages due to the COVID-19 pandemic; and

WHEREAS, Washington State Governor Jay Inslee declared an eviction moratorium on March 18, 2020 in response to the state of emergency due to the onset of the COVID-19 pandemic, and following extensions, the state-wide moratorium expired on June 30, 2021, placing significant stress on a large number of tenants who have fallen behind on rent payments; and

WHEREAS, a key initiative of my administration is ensuring there are a variety of housing types in sufficient quantity that are safe and affordable for all income levels to meet the diverse housing needs of current and future residents; and

WHEREAS, the City of Spokane has developed a Housing Action Plan to consider actions that will promote greater housing diversity, affordability, and access and providing guidance for City staff, elected officials, and decision-makers; and



HOUSING ACTION PLAN

Adopted by City Council • July 26, 2021

HOUSING OPTIONS FOR ALL

Prepared by the City of Spokane

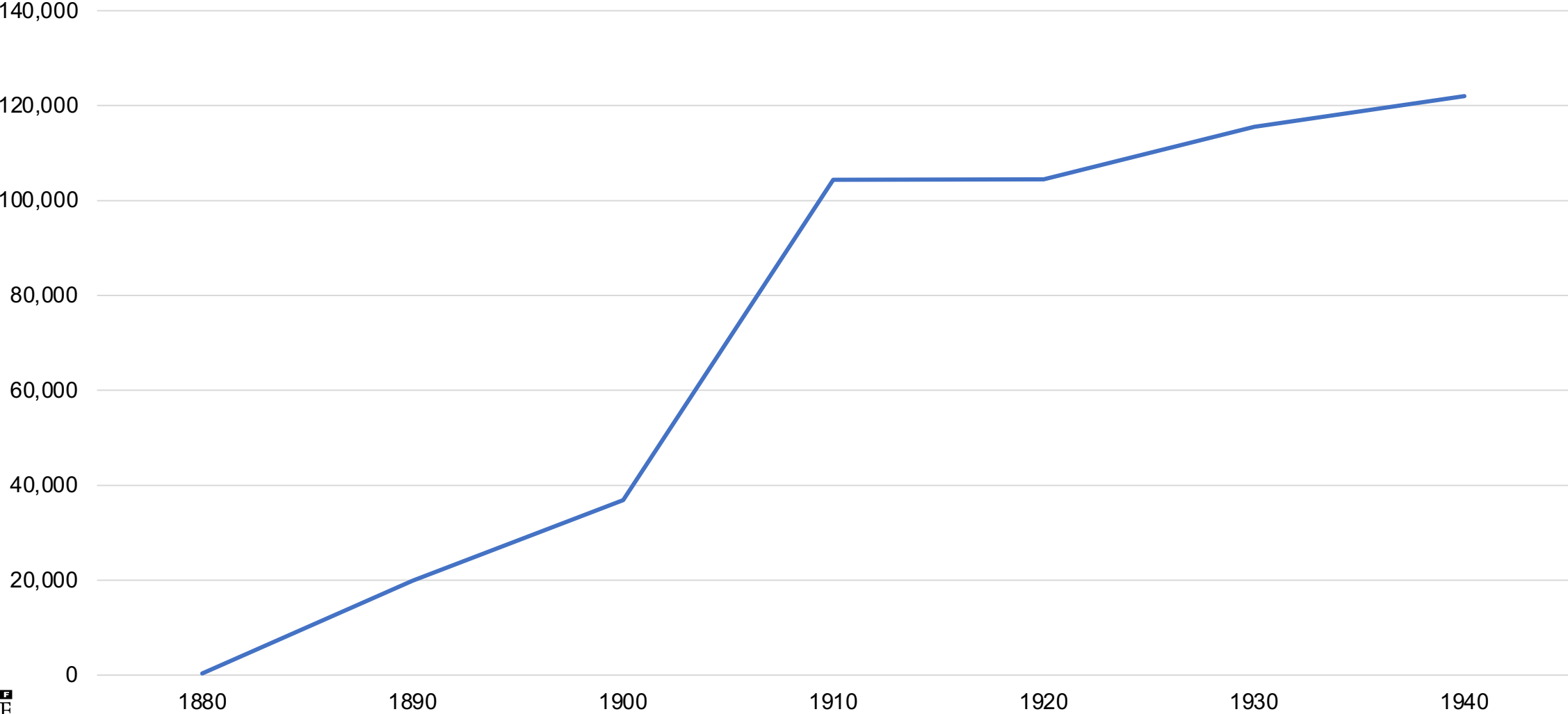


Appendix A

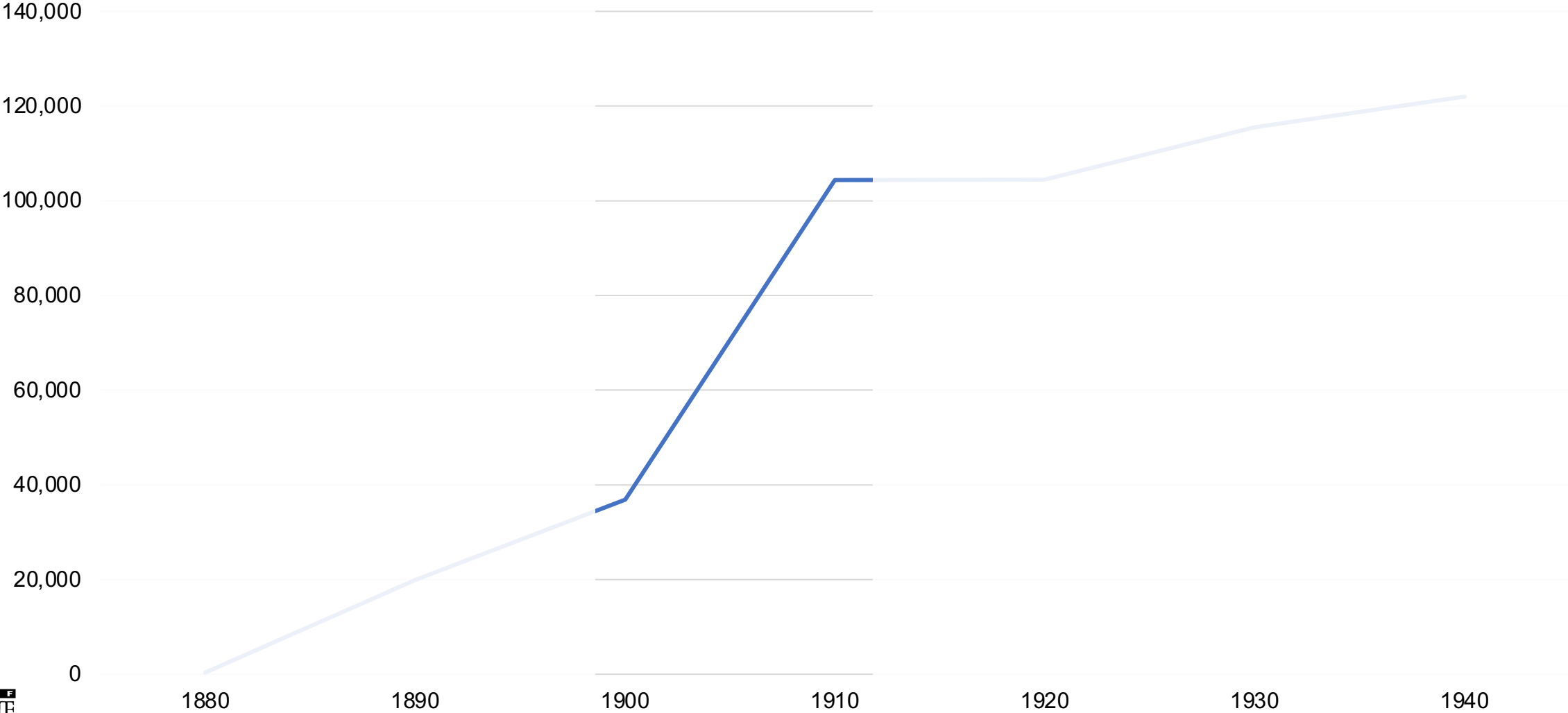
City Council Implementation Plan

This appendix is part of the City of Spokane Housing Action Plan. To view the full plan, appendices, and project materials, visit the project webpage: <https://my.spokanecity.org/housing/spokane-housing-action-plan/>.

US CENSUS POPULATION, CITY OF SPOKANE



US CENSUS POPULATION, CITY OF SPOKANE



INTERIM ZONING ORDINANCE

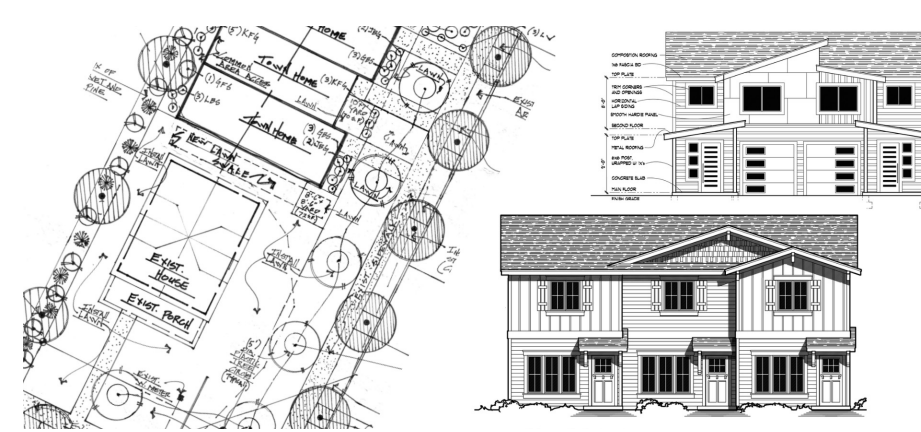
- July 2022 to July 2023*
- Changes to:
 - Residential building types
 - Density
 - Site standards
 - Design standards
 - Centers and Corridors standards for residential development



SUMMARY OF CHANGES

- Duplexes, triplexes, fourplexes allowed on all residential lots
- Townhomes allowed in all residential areas
- Setbacks, land coverage, height requirements relaxed
- Design standards to ensure compatibility with existing neighborhoods





Building Opportunity and Choices for All Project Tracker

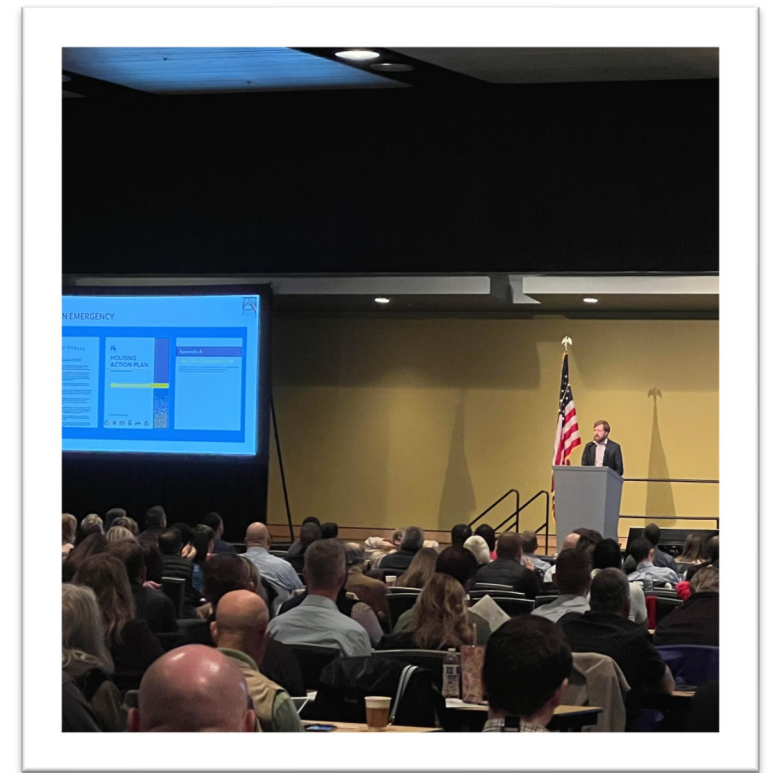
Pre-Development Units	439
Units in Review	21
Unit Permits Issued	39

* Last updated August 2023



Building Opportunity for Housing

Permanent changes to incorporate housing permitted by interim ordinance



Permanent changes

Comprehensive Plan

- Adopted in July 2023
- Major updates to Land Use section
- Reframe discussion of “density” to “intensity”
- Rename residential land use plan map categories
- Clarify that unit density ranges are assumptions across a broad area, not limitations on an individual site

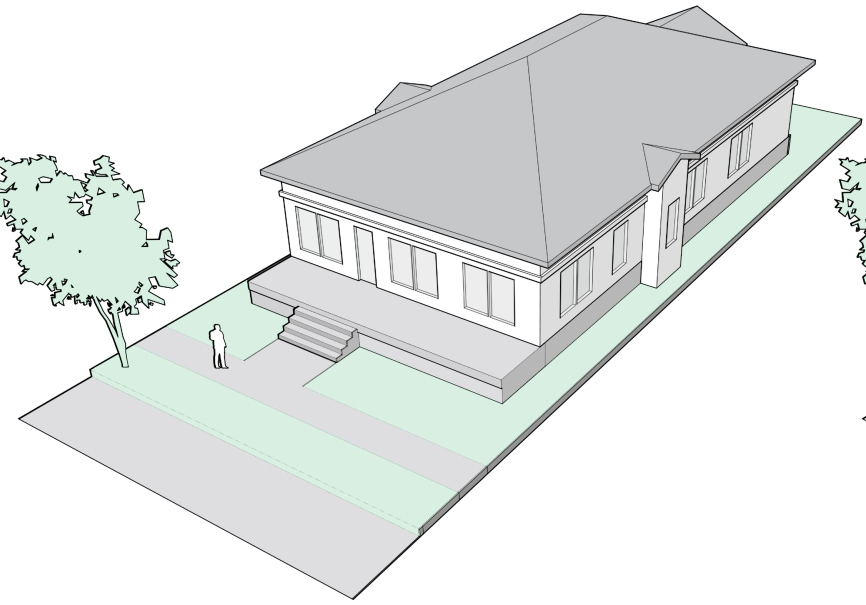
Development Code

- Council consideration expected Nov 2023
- Remove density limits on sites 2 acres or less
- Apply objective design standards to detached and middle housing
- Adjust standards to improve viability of middle housing
- Create pathway for flexible lot creation
- Require mixed housing types in major new developments

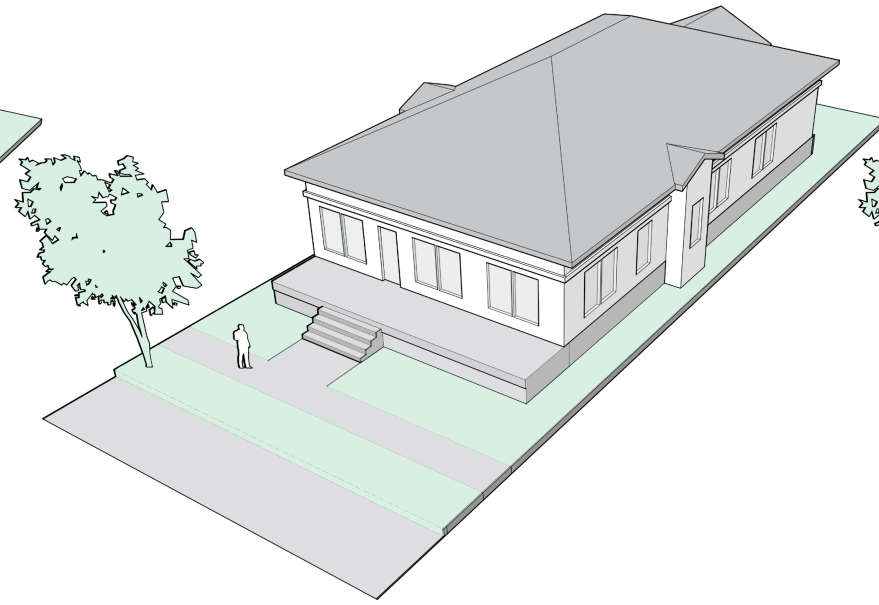
WHAT WE HEARD FROM THE COMMUNITY

- The **size and scale** of the building next door is the most important consideration.
- **Design matters.** Entries, windows, and garage placement can make or break walkability and neighborliness.
- **Everyone has their own housing journey,** and a diversity of housing options is needed to meet people where they are at in their journey.

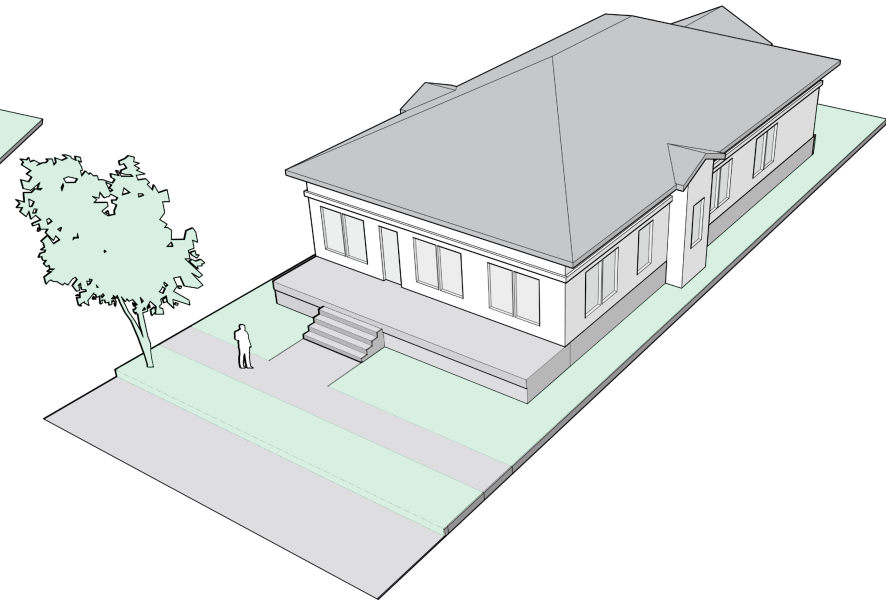




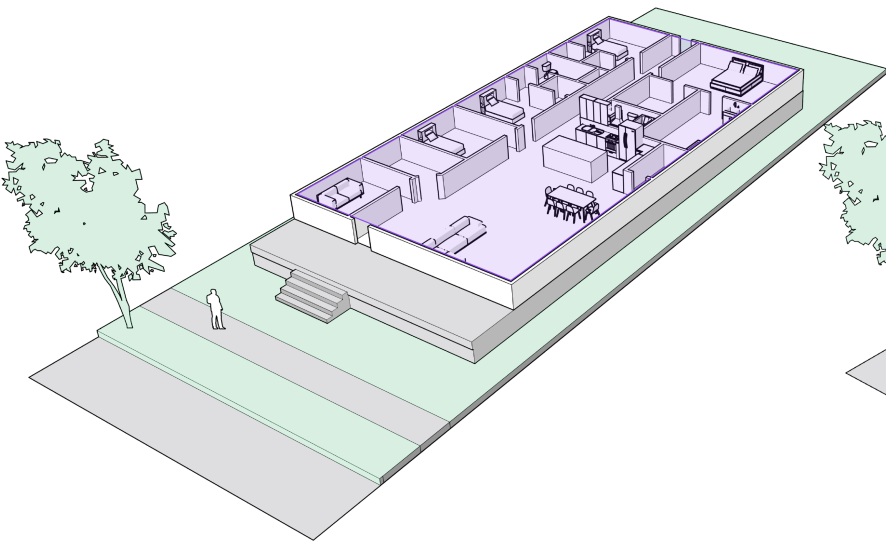
Single-Unit Detached Unit



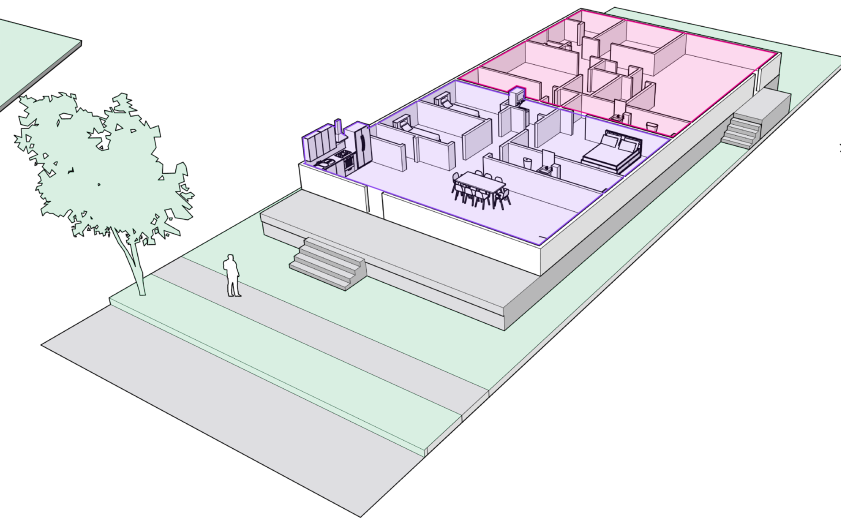
Duplex



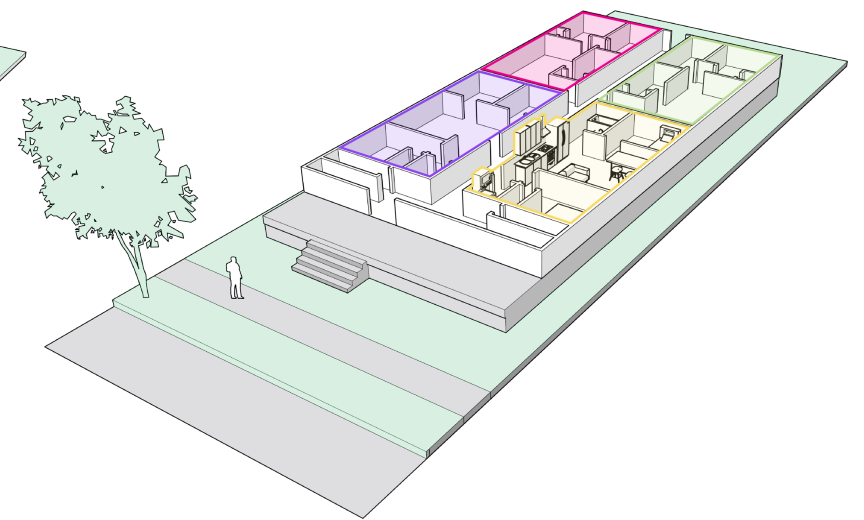
Fourplex



Single-Unit Detached Unit



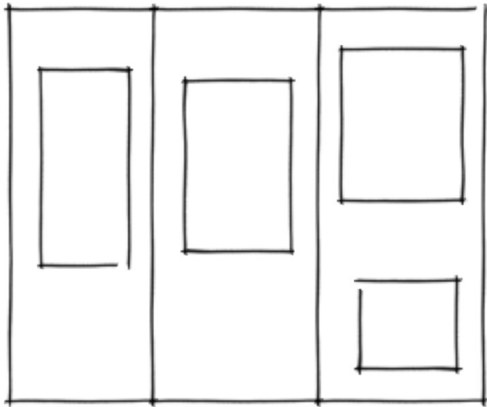
Duplex



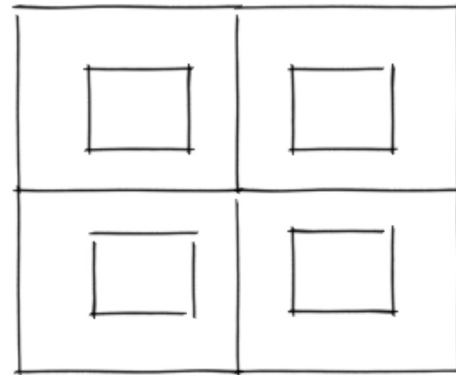
Fourplex

Building opportunity... for homeownership

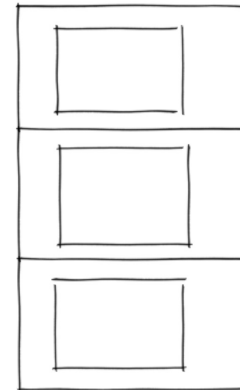
Process and development standards changes make homeownership-type developments more feasible



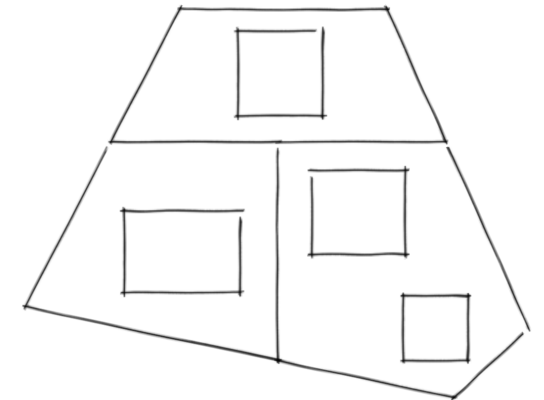
Smaller lot sizes can lead to more lots



Turn cottage housing into ownership opportunities



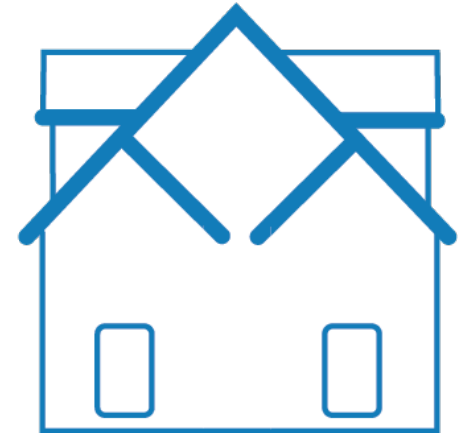
Leverage longer lots by allowing Unit Lot Subdivisions



Allow uniquely shaped lots to be subdivided

BUILDING OPPORTUNITY... FOR GREATER HOUSING DIVERSITY

- Middle Housing requirement applies to plats more than 2 acres in size
 - At least three housing types required
 - No more than 70% of units in a single housing type
 - Individual phases require at least two housing types and no more than 80% of a single housing type





Panel Discussion

Moderated by Dave Osaki & Lee Ann Ryan



Q & A from Audience