



**South Sound Housing Affordability Partners
Executive Board**

Regular Meeting Agenda

3602 Pacific Ave Tacoma, WA 98418 | Muckleshoot Conference Room

Dial: 253-215-8782 Meeting ID: 983 7464 3754

Webinar Link: <https://piercecountywa.zoom.us/j/98374643754>

August 4, 2023, 8:30 a.m.

Chair Councilmember Hunter George, Vice Chair Mayor Tracie Markley, Mayor Nancy Backus, Councilmember Kevin Ballard, Mayor Daryl Eiding, Mayor Kim Roscoe, Councilmember Paul Bocchi, Mayor Shanna Styron Sherrell, Executive Bruce Dammeier, Councilmember Ryan Mello, Councilmember Annette Bryan, Deputy Mayor Ned Witting, Councilmember Charla Neuman, Mayor Dick Muri, Mayor Victoria Woodards, Councilmember Stan Fleming, Deputy Mayor Mike Winkler (Alternate), Councilmember Christi Keith (Alternate), Councilmember Doug Fagundes (Alternate), Mayor Pro Tempore Joe Barrentine (Alternate), Councilmember Mike Brandstetter (Alternate), Councilmember Nancy Henderson (Alternate), Deputy Mayor Kristina Walker (Alternate), Councilmember Edward Wood (Alternate)

I. CALL TO ORDER

8:30

ROLL CALL

INTRODUCTORY QUESTION

Question: What is your favorite place to enjoy a day on or by the water?

II. REVIEW AGENDA/AGENDA MODIFICATIONS

III. CONSENT AGENDA

ATTACHMENTS: Minutes July 7, 2023, Executive Board meeting

[Document Link](#)

IV. PUBLIC COMMENT

This is the time set aside for the public to comment on Resolutions, Ordinances, and Final Action. To request to speak virtually, please press the Raise Hand button near the bottom of your Zoom window or *9 on your phone; if speaking in person, please sign in on the on the public comment form in the conference room. Your name or the last four digits of your phone number will be called out when it is your turn to speak.

The Executive Board meeting can be heard by dialing 253-215-8782 or through Zoom at <https://piercecountywa.zoom.us/j/98374643754> and entering the Meeting ID 983 7464 3754. Written comments may be submitted to jason.gauthier@piercecountywa.gov Friday before 8:00 a.m. prior to the monthly Executive Board meeting for the Public Comment period. Comments will be compiled and sent to the Executive Board and posted on the SSHA³P website at: southsoundaffordablehousing.org

V. RESOLUTIONS & PRESENTATIONS

A. Maureen Howard Affordable Housing Act: Expenditure Plan Presentation 8:45

Purpose: Presentation by Bryan Schmid, Pierce County's Affordable Housing Supervisor, on the draft Maureen Howard Affordable Housing Act Expenditure Plan.

ATTACHMENTS: Expenditure Plan Presentation
Ordinance No. 2022-81s

[Document Link](#)
[Document Link](#)

B. SSHA³P Middle Housing Grant Presentation 9:15

Purpose: Presentation by Dawn Couch, Senior Project Manager, of BERK Consulting on the SSHA³P Middle Housing grant deliverables.

ATTACHMENTS: SSHA³P Middle Housing Presentation
Deliverable 1 – Public Engagement Plan
Deliverable 2 – Public Engagement Report
Deliverable 3 – Racial Equity Analysis Report
Deliverable 4 and 5 – Land Use and Policy Recommendations
SSHA³P Middle Housing Suitability Assessment Mapping: [LINK](#)

[Document Link](#)
[Document Link](#)
[Document Link](#)
[Document Link](#)

C. Resolution No. 2023-06 9:40

Purpose: Presentation by the SSHA³P Manager on Resolution No. 2023-06, amending the Rules & Procedure of the SSHA³P Executive Board.

ATTACHMENTS: Resolution No. 2023-06

[Document Link](#)

VI. REPORT BY THE SSHA³P MANAGER

A. 2024 State and Federal Legislative Agenda Development

ATTACHMENTS: August 2023 SSHA³P Manager Report
Budget Performance Report 2023Q2

[Document Link](#)
[Document Link](#)

VII. UPDATES/COMMENTS OF THE EXECUTIVE BOARD

VIII. ADJOURN

SSHA³P

South Sound Housing Affordability Partners Executive Board Meeting Minutes

July 7, 2023

8:30 – 9:46 a.m.

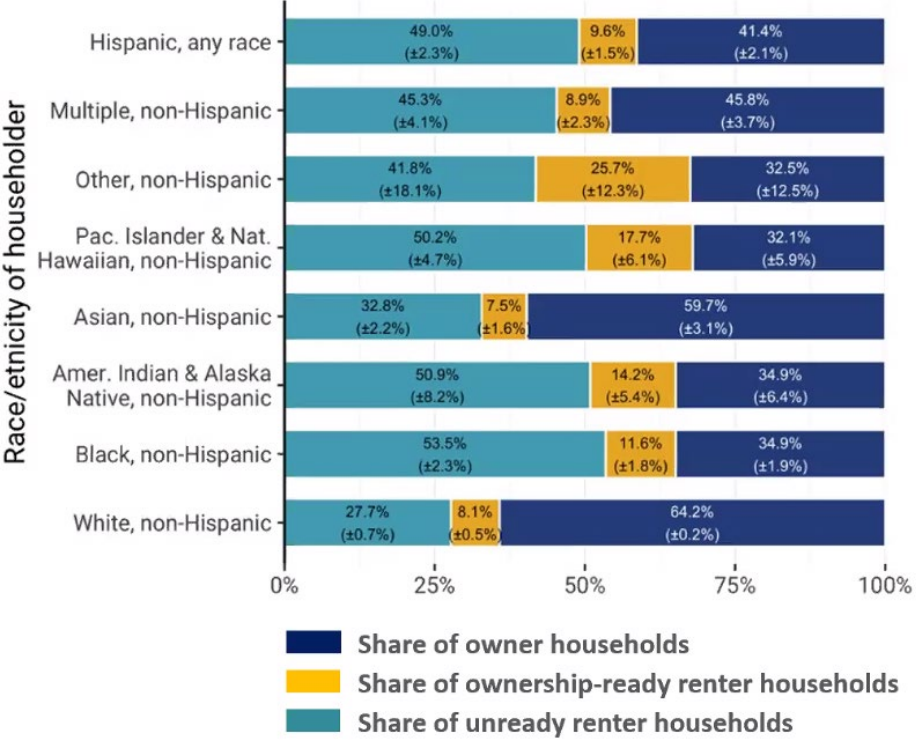
Executive Board: Mayor Nancy Backus, City of Auburn – present
 Councilmember Kevin Ballard, City of DuPont – present
 Deputy Mayor Mike Winkler, City of DuPont - present
 Mayor Daryl Eiding, City of Edgewood – present
 Councilmember Christi Keith, City of Edgewood (alternate) - excused
 Mayor Kim Roscoe, City of Fife – present
 Councilmember Doug Fagundes, City of Fife – present (partial)
 Councilmember Hunter George, City of Fircrest – present
 Mayor Pro Tempore Joe Barrentine, City of Fircrest - present
 Mayor Tracie Markley, City of Gig Harbor – present
 Councilmember Mike Brandstetter, (alternate) City of Lakewood – excused
 Councilmember Paul Bocchi, City of Lakewood - present
 Mayor Shanna Styron Sherrell, City of Milton – present
 Executive Bruce Dammeier, Pierce County - present
 Councilmember Ryan Mello, Pierce County – present
 Deputy Mayor Ned Witting, City of Puyallup – present
 Councilmember Annette Bryan, Puyallup Tribe – absent
 Mayor Dick Muri, Town of Steilacoom – present
 Councilmember Nancy Henderson, Town of Steilacoom, (alternate) - present
 Councilmember Charla Neuman, City of Sumner – absent
 Chair, Mayor Victoria Woodards, City of Tacoma – excused
 Deputy Mayor Kristina Walker, City of Tacoma (alternate) - present
 Councilmember Stan Flemming, City of University Place – excused

Staff: Jason Gauthier, SSHA³P Manager
 Mary Connolly, Program Specialist
 Becki Foutz, Administrative Assistant

Guests: Marty Kooistra, Ted Richardson, Ryan Windish-Sumner, Riley Guerrero, LeighBeth Merrick, Tiffany Speir, Cynthia Stewart, John Howell, Alex Harrington, Adam Reichenberger, Taylor Jones

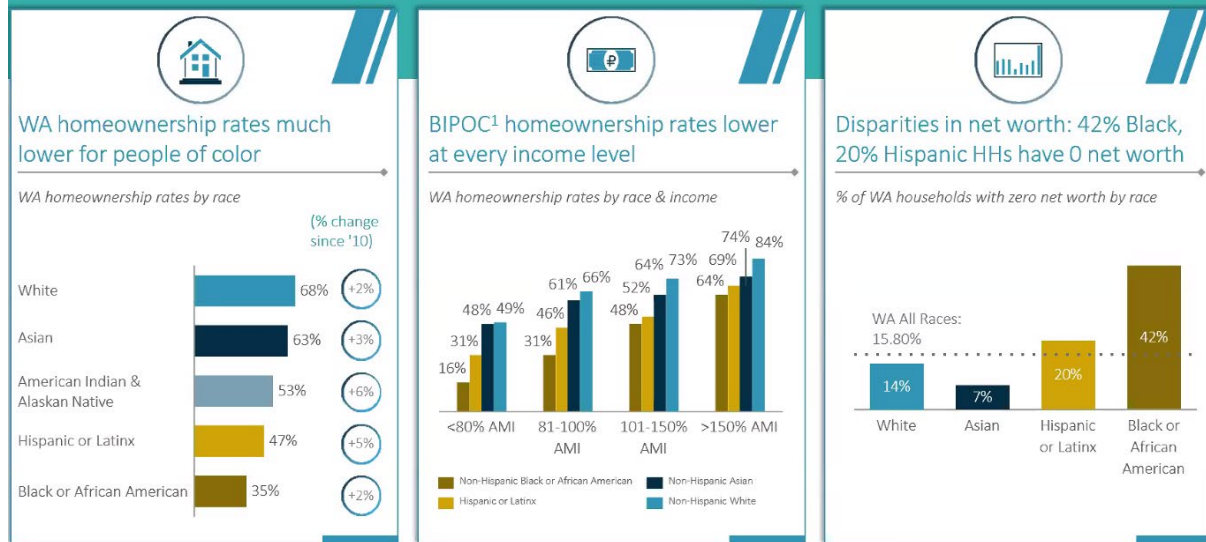
MINUTES

TOPIC/ WHO	DISCUSSION	ACTION
Call to Order	Chair George called the meeting to order at 8:33 a.m. SSHA ³ P Manager Gauthier called roll, per above; a quorum was present.	Wel- come!
Consent Agenda	Any modifications to the agenda? None. Councilmember Mello moved to approve the agenda. Mayor Markley seconded. Vote was taken, none opposed.	Agenda was ap- proved.

TOPIC/WHO	DISCUSSION	ACTION																																				
Public Comment	Chair George invited the public to comment. None.																																					
Resolution 2023-05 Jason Gauthier	Resolution 2023-05 adopts the 2024 SSHA ³ P Work Plan; Jason provided an overview. The plan's four focus areas are: Facilitate the Development of Affordable Housing; Support Policy & Planning Efforts; Information & Engagement; and Governance & Administration. Deputy Mayor Walker moved, and Mayor Roscoe seconded to approve the Resolution. Mayor Roscoe moved, and Mayor Markley seconded to amend the date in the heading of the Resolution from 2022 to 2023. Votes were taken; none opposed.	Resolution 2023-05, was adopted.																																				
Black Home Initiative (BHI) Presentation Marty Kooistra	Jason introduced Marty Kooistra and noted that one of the questions he'll have for the Executive Board is for them to consider signing on as a partner to support BHI's work, as the Pierce County Council recently did. Marty congratulated the group for designing SSHA ³ P and making it a reality. In March of 2021, he gathered about 52 bankers together virtually to discuss addressing the intergenerational wealth gap. They held a summit of 140 people and afterward created a Seven Point Plan. The Center for Community Investment selected Civic Commons to convene a three-year greater Seattle effort. (Seattle is one of five cities around the country to do this, with initial seed money from JP Morgan Chase. BHI is implementing the Plan in South Seattle, South King County, and North Pierce County.	Informational																																				
	 <p>The chart displays the distribution of household types across various racial and ethnic groups. The categories are: Share of owner households (dark blue), Share of ownership-ready renter households (yellow), and Share of unready renter households (teal). Error bars represent standard deviation.</p> <table border="1"> <thead> <tr> <th>Race/ethnicity of householder</th> <th>Share of unready renter households</th> <th>Share of ownership-ready renter households</th> <th>Share of owner households</th> </tr> </thead> <tbody> <tr> <td>Hispanic, any race</td> <td>49.0% (±2.3%)</td> <td>9.6% (±1.5%)</td> <td>41.4% (±2.1%)</td> </tr> <tr> <td>Multiple, non-Hispanic</td> <td>45.3% (±4.1%)</td> <td>8.9% (±2.3%)</td> <td>45.8% (±3.7%)</td> </tr> <tr> <td>Other, non-Hispanic</td> <td>41.8% (±18.1%)</td> <td>25.7% (±12.3%)</td> <td>32.5% (±12.5%)</td> </tr> <tr> <td>Pac. Islander & Nat. Hawaiian, non-Hispanic</td> <td>50.2% (±4.7%)</td> <td>17.7% (±6.1%)</td> <td>32.1% (±5.9%)</td> </tr> <tr> <td>Asian, non-Hispanic</td> <td>32.8% (±2.2%)</td> <td>7.5% (±1.6%)</td> <td>59.7% (±3.1%)</td> </tr> <tr> <td>Amer. Indian & Alaska Native, non-Hispanic</td> <td>50.9% (±8.2%)</td> <td>14.2% (±5.4%)</td> <td>34.9% (±6.4%)</td> </tr> <tr> <td>Black, non-Hispanic</td> <td>53.5% (±2.3%)</td> <td>11.6% (±1.8%)</td> <td>34.9% (±1.9%)</td> </tr> <tr> <td>White, non-Hispanic</td> <td>27.7% (±0.7%)</td> <td>8.1% (±0.5%)</td> <td>64.2% (±0.2%)</td> </tr> </tbody> </table>	Race/ethnicity of householder	Share of unready renter households	Share of ownership-ready renter households	Share of owner households	Hispanic, any race	49.0% (±2.3%)	9.6% (±1.5%)	41.4% (±2.1%)	Multiple, non-Hispanic	45.3% (±4.1%)	8.9% (±2.3%)	45.8% (±3.7%)	Other, non-Hispanic	41.8% (±18.1%)	25.7% (±12.3%)	32.5% (±12.5%)	Pac. Islander & Nat. Hawaiian, non-Hispanic	50.2% (±4.7%)	17.7% (±6.1%)	32.1% (±5.9%)	Asian, non-Hispanic	32.8% (±2.2%)	7.5% (±1.6%)	59.7% (±3.1%)	Amer. Indian & Alaska Native, non-Hispanic	50.9% (±8.2%)	14.2% (±5.4%)	34.9% (±6.4%)	Black, non-Hispanic	53.5% (±2.3%)	11.6% (±1.8%)	34.9% (±1.9%)	White, non-Hispanic	27.7% (±0.7%)	8.1% (±0.5%)	64.2% (±0.2%)	
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TOPIC/WHO	DISCUSSION	ACTION
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<p>Black Home Initiative (BHI) Presentation continued</p>	<p>There's a nasty downward trend in Black homeownership in Tacoma. Black households are declined for credit at a far higher rate than white households.</p>	<p>Informational</p>
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These disparities create a negative, reinforcing cycle²

	<p>Shared Priority is their North Star that guides community collaborative work. Pipeline: a set of deals and projects that help achieve the shared priority. Enabling Environment: setting in which community investment occurs.</p> <p>Ultimate desired impact: <i>The reduction of racial inequity and an increase in intergenerational Black household wealth.</i></p>	
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BHI Shared Priority and Line of Sight (cont.)







<p>December 2032: <i>What we hope to celebrate (outcomes)</i></p>	<ul style="list-style-type: none"> 3,000 new Black LMI homeowners (with homes, mortgages, and locations as noted above). Sustained and meaningful progress along a trajectory that leads to the elimination of: <ul style="list-style-type: none"> disproportionality in homeownership rate between Black and white households systemic barriers, including lending underwriting and real estate practices, that have impeded Black household access to homeownership.
<p>December 2027: <i>What we hope to celebrate (outcomes)</i></p>	<ul style="list-style-type: none"> 1,500 new first time Black LMI homeowners (note, independent of sustaining existing buyers) All systems that have impeded access to Black homeownership have been clearly defined and some have been transformed.
<p>July 2024: <i>Progress made towards those outcomes</i></p>	<ul style="list-style-type: none"> We are a strongly aligned impact network delivering on the shared priority and outcomes. New products—including loans, housing, programs, and resources—are underway. At least one policy win. Strategies to sustain existing buyers are implemented.
<p>In place : <i>Progress is being made towards those outcomes</i></p>	<ul style="list-style-type: none"> Strong Core Team and group of advisors (Full Team) are in place, and they: <ul style="list-style-type: none"> demonstrate trusting relationships with each other, are connected to the community, and have honed the project focus, mapped and aligned existing actions, and affirmed the community's shared priorities and developed a workplan. A policy framework is mapped and enables the shared vision.

TOPIC/WHO	DISCUSSION	ACTION
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<p>Black Home Initiative (BHI) Presentation continued</p>	<p>The Comprehensive Focus: BHI's Issue Tree</p> <p>How can we significantly scale the number of Black homeowners in order to achieve our shared priority?</p> <p>Pipeline: Supply and Demand</p> <p>Enabling Environment</p> <p>Aligned capacity and actions</p>	<p>Informational</p>
	<p>How is BHI's Plan different than past efforts? They're changing the entire outreach strategy by approaching people who may not even think that homeownership is a possibility for them. They're creating down payment assistance programs, and working with five Black developers in Tacoma, getting them capacity-building resources and a fund they can access. They're also working with philanthropy. They'd like to bump up the DRF to create \$100M annually that those who've been negatively impacted by restrictive covenants in the past can access. They're investing in network mindset, and bringing together all players and sectors to learn and co-create together.</p> <p>Homeownership is not an event; it's a journey. 71 entities have signed on to partner with BHI thus far. Success will rely on changing systems that are long overdue for change.</p> <p>Back in 1976, one household was able to buy a home in Seattle; another was not – there's now a \$507,000 difference in wealth between those two households.</p> <p>Chair George expressed how impressed he was with Marty's work. Marty worked with John Howell to establish SSHA³P. Executive Dammeier reported that the percentage of Black home ownership in Pierce County is now half of what it was back when redlining was legal. In the past, qualifying people who weren't ready didn't. How will we know whether the Initiative is accomplishing its goal?</p>	

TOPIC/WHO	DISCUSSION	ACTION
<p>Black Home Initiative (BHI) Presentation continued</p>	<p>1500 (the goal for new first-time Black homeowners by December, 2027) was broken out by quarters in terms of buyers and supply. Marty believes that 1000 new units will need to be produced for the 1500. Data on buyers and product performance will be the key metrics. Marty also wants to track how much of the resources gets into the hands of Black developers and BIPOC-led organizations. The hardest part is the hole that's been created, following generations of no wealth.</p> <p>Down payment assistance is key. The Federal government has awakened and begun a special assistance credit program. A number of others are also working on programs targeting funds towards populations who historically have had restricted access to homeownership.</p> <p>What's SSHA³P's role? Does the group want to formally sign on to the BHI pledge as a body? Do we create tools within our individual governments?</p> <p>Paul thanked Marty for the presentation. He noted that people, often minorities, find themselves with "toxic mortgages," with bad terms. How is BHI helping to ensure that targeted groups will get standard mortgage products? Marty said they're building a portal at the WA Homeownership Resource Center, embedding loaners who've done DEI work. They're also working closely with Umpqua and Chase who've hired Black community lending officers. People will not be forced or encouraged into properties or terms they can't afford. They're working carefully to not do any harm. Current property taxes work against sustained homeownership.</p> <p>Councilmember Mello explained why the Council enthusiastically signed on; there's no financial commitment, yet there's fantastic potential with all working together, especially with the recent passing of the Maureen Howard dedicated revenue stream to address the wealth gap. Working with for-profit, private coalitions to leverage our limited tax dollars is of keen interest to Pierce County. Getting ready for homeownership is different for every family. It'll be valuable to access the toolkit. Mello wholeheartedly supports SSHA³P committing to partnership with BHI. Chair George agreed.</p> <p>Jason shared that SSHA³P doesn't have a policy for making proclamations at this time; he noted that the PSRC considered passing a proclamation but ultimately decided that was not their function. There's no timeframe in which to sign on as a partner. Jason suggested that staff could work with sister organizations on a potential policy for partnering on other efforts, and report back at a future meeting.</p> <p>Executive Dammeier said that we've been using affordability as a proxy for disadvantage; it would be good to collect demographics to better understand the outcomes of the housing units we initiate/support/create. Mayor Markley agreed, and thanked Marty for his presentation, bringing this to SSHA³P's attention.</p>	<p>Discus- sion</p>

TOPIC/WHO	DISCUSSION	ACTION
<p>Black Home Initiative (BHI) Presentation continued</p>	<p>Deputy Mayor Walker expressed her support for SSHA³P partnering with BHI. She shared that the City of Tacoma conducted a disparity study about a year and a half ago that really helped them to invest in Black home ownership.</p> <p>Marty told the group that Tacoma and Pierce County are ripe for the opportunity to do something significant in this area. Money from Chase has been used to establish the Black Ownership Legacy fund, a capacity building fund, at the Greater Tacoma Community Foundation. It will be an incumbent upon Seattle-based organizations to apply through the Tacoma foundation in order to get resources for this effort. A second fund, the Field Order 15 Fund is being set up at the Statewide Home Ownership Center for pre-development funding, grants, and loans for developers to provide home ownership opportunities. A third fund, for debt alleviation, will be announced in a few months. BHI's completely enthusiastic at what they're seeing right now in Pierce County.</p> <p>Chair George thanked Marty.</p>	<p>Discussion</p>
<p>2023 Executive Board Scheduling Update Jason Gauthier</p>	<p>Jason told the Board what's planned for future 2023 meetings.</p> <p>August: Presentations on the 1590 Expenditure Plan and Middle Housing Grant Deliverables. One of the new requirements is a racial equity analysis. Changes will be discussed on moving the timing of elections of Chair and Vice Chair, and revising the process for presenting Resolutions.</p> <p>In September there will be presentations on Affordable Housing on Religious Owned Property, Draft 2024 State and Federal legislative priorities, and the draft Advisory Board Work Plan.</p> <p>October – SSHA³P will meet in person at Fircrest City Hall. The plan is for SSHA³P to meet in person annually, in the current Chair's city. Members of the legislative delegation will be invited for a Meet & Greet.</p> <p>November – Presentation on Resident Owned Manufactured Home Communities. A Resolution to adopt the 2023-2024 Advisory Board work plan will be presented.</p> <p>December Election of Chair and Vice Chair (assuming the above-mentioned change is adopted), 2024 legislative preview. Resolutions to adopt policies related to the SSHA³P operating fund, to adopt 2024 operating budget, to establish a SSHA³P Housing Capital Fund and rules and procedures around that fund.</p> <p>Any specific presentations the group's interested in hearing? None expressed.</p>	<p>Informational</p>

TOPIC/WHO	DISCUSSION	ACTION												
<p>SSHA³P Manager Report Jason Gauthier & Mary Connolly</p>	<p>At the June meeting the Advisory Board adopted Bylaws, a regular meeting date, and began working on their Work Plan. They elected their executive team with Adria Buchanan as Chair and Rian Booker and Judson Willis as Vice Chairs.</p> <p>Mary shared and explained the financially attainable graphics; an example is below.</p>	<p>Informational</p>												
	<div style="text-align: center;"> <h3>How financially attainable is the housing in Auburn?</h3> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">If your household earns...</th> <th style="width: 15%;">\$33,780 / year <small>(30% Area Median Income)</small></th> <th style="width: 15%;">\$56,300 / year <small>(50% Area Median Income)</small></th> <th style="width: 15%;">\$90,080 / year <small>(80% Area Median Income)</small></th> <th style="width: 15%;">\$112,600 / year <small>(100% Area Median Income)</small></th> <th style="width: 15%;">\$135,120 / year <small>(120% Area Median Income)</small></th> </tr> </thead> <tbody> <tr> <td>Then you can afford...</td> <td>\$840 monthly rent or \$140,000 home sale price</td> <td>\$1410 monthly rent or \$235,000 home sale price</td> <td>\$2250 monthly rent or \$370,000 home sale price</td> <td>\$2820 monthly rent or \$465,000 home sale price</td> <td>\$3380 monthly rent or \$555,000 home sale price</td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  Retail Salesperson <small>\$38,792 yearly income</small> </div> <div style="text-align: center;">  Elementary School Teacher <small>\$86,470 yearly income</small> </div> <div style="text-align: center;">  Registered Nurse <small>\$99,310 yearly income</small> </div> <div style="text-align: center;">  Construction Manager <small>\$116,800 yearly income</small> </div> </div> <div style="margin-top: 10px; display: flex; justify-content: space-around;"> <div style="text-align: center;">  Auburn Average Rent: \$1,660 </div> <div style="text-align: center;">  Auburn Median Home Sale Price: \$582,475 </div> </div> <div style="border: 2px solid blue; padding: 5px; margin-top: 10px; text-align: center;"> <p>To afford the median home sale price of \$582,475, a household needs to earn \$139,320 per year.</p> </div> </div>	If your household earns...	\$33,780 / year <small>(30% Area Median Income)</small>	\$56,300 / year <small>(50% Area Median Income)</small>	\$90,080 / year <small>(80% Area Median Income)</small>	\$112,600 / year <small>(100% Area Median Income)</small>	\$135,120 / year <small>(120% Area Median Income)</small>	Then you can afford...	\$840 monthly rent or \$140,000 home sale price	\$1410 monthly rent or \$235,000 home sale price	\$2250 monthly rent or \$370,000 home sale price	\$2820 monthly rent or \$465,000 home sale price	\$3380 monthly rent or \$555,000 home sale price	
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<p>Executive Board Updates/Comments</p>	<p>Chair George invited Executive Board members to provide updates and/or comments. Councilmember Mello brought to everyone's attention an email invite that he shared last night, to the July 19 groundbreaking of a new 256-unit project in Spanaway. This development is the first County investment using the Maureen Howard Affordable Housing Tax. Councilmember Mello encouraged SSHA³P Board members to attend if their calendars permit.</p>													
<p>Adjournment</p>	<p>Mayor Markley moved to adjourn; Deputy Mayor Walker seconded. The meeting adjourned at 9:46 a.m.</p>	<p>Meeting adjourned!</p>												

The next SSHA³P Executive Board meeting is scheduled for Friday, August 4, at 8:30 a.m. via Zoom.

Respectfully submitted,

Becki Foutz, Administrative Assistant



Pierce County
Human Services

August 4, 2023



Housing and Related Services Sales Tax

Bryan Schmid | Affordable Housing Supervisor

Bryan.Schmid@piercecountywa.gov

Housing and Related Services Sales Tax - State Legislative Background

- In 2015 the State Legislature **passed House Bill 2263** which created a local option sales and use tax for Housing and Related Services. This option required passage by both the legislative authority of a City or County and a public vote.
- In 2020 the State Legislature **passed House Bill 1590** which amended the Revised Code of Washington (RCW) and allowed the legislative authority of a City or County to impose a sales tax up to one tenth of one percent for Housing and Related Services. This removed the requirement for a public vote.

Housing and Related Services Sales Tax - Eligible Uses RCW 82.14.530

- A minimum of 60 percent of the moneys collected must be used for the following purposes:
 - Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or
 - Constructing mental and behavioral health-related facilities; or
 - Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

Housing and Related Services Sales Tax - Eligible Uses RCW 82.14.530

- The affordable housing and facilities providing housing related programs must be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income:
 - Persons with (mental illness) behavioral health disabilities;
 - Veterans;
 - Senior citizens;
 - Homeless, or at-risk of being homeless, families with children;
 - Unaccompanied homeless youth or young adults;
 - Persons with disabilities; or
 - Domestic violence survivors.
- The remainder of the moneys collected must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing related services.

Local Legislative Actions

- **The City of Tacoma** Council passed Ordinance No. 28747 in 2021 implementing the Housing and Related Services sales tax within the City of Tacoma.
- The **City of Orting** and **City of Ruston** passed ordinances adopting the tax.
- The **Pierce County Council** passed ordinance **2022-81s** (“The Maureen Howard Affordable Housing Act”) in March 2023 implementing the tax for the rest of Pierce County outside the cities of Tacoma, Orting, and Ruston.
- The **one tenth of one percent sales tax** represents 10 cents on a \$100 purchase.
- This will generate nearly **\$20 million in revenue annually** in the County outside the City of Tacoma. Tacoma generates roughly \$7 million from the tax within the City.
- This is a **four-fold increase in affordable housing** resources for Pierce County.

Pierce County Ordinance 2022-81s (The Maureen Howard Affordable Housing Act)

- The ordinance implementing the tax directs the Human Services Department to **create a six-year advisory expenditure and implementation plan** based on the allowed uses of the fund, the Council's identified priorities, the goals and strategies contained in the 2022 Pierce County Housing Action Strategy, the Comprehensive Plan to End Homelessness, and the most recent Behavioral Health Improvement Plan.

Pierce County Council Priorities

A. Attract affordable housing development and preservation and permanent supportive housing throughout the County;

B. Address the racial and rural wealth gap through increasing homeownership; and

C. Dedicate up to:

- **30 percent** of the funds to projects serving individuals whose income is at or below 30 percent of the area median income;
- **50 percent** of the funds to projects serving individuals whose income is between 30 and 60 percent of the area median income; and
- **20 percent** of the funds to housing-related services and behavioral health.

Key Goals

- Increase affordable housing production for lower income households.
- Create diversity of housing options.
- Expand permanent housing options for homeless households.
- Prevent homelessness.
- Geographic and racial equity.

Draft Plan Summary

- Fund Allocations

- **Use of 80 percent** of the program funds on the capital development and preservation of affordable housing and the operations and maintenance of newly created affordable housing.
 - 50% would be allocated to affordable housing targeted at households with income between 30% and 60% of Area Median Income.
 - 30% would be targeted at households with income below 30% of Area Median Income including permanent supportive housing and housing targeted at homeless or at risk of homelessness households.
- **Use of 20 percent** of the program funds for the delivery of housing services to support the homeless crisis response system. Funding target to maintain and expand supportive housing.

Draft Plan Summary - Program Administration

- Administer funds thru competitive Notice of Fund Availability (NOFA) and through contracts with the Pierce County Community Development Corporation.
- Affordable Housing project types:
 - Rental Housing
 - Homeownership Housing
 - Permanent Supportive Housing
- Homeless Housing project types include:
 - Permanent Supportive Housing

Draft Plan Summary

- Fund Management

Project Expenditures

- Must be approved by Council.

Oversight

- Biennial performance reports due to Council.

Performance Audit

- Every six years program will be audited.

Monitoring

- Project monitored consistent with existing affordable housing programs.

Council Review

- Every 10 years review need for fund.

Draft Plan Summary

- Target Goals

Affordable Housing Target Goals:

Biennium Budget	Units Below 30% of AMI	Units 30% to 60%	Total
2024-2025	195	325	520
2026-2027	210	350	560
2028-2029	230	370	600

Timeline

March 2023

- Council Passed Ordinance 2022-81s.

June 2023

- Human Services drafts expenditure and implementation plan.

July to September 2023

- Public engagement and community outreach.

October 2023

- Final Review.

November 2023

- Submission of the plan to Council for approval.

2024

- Deployment of funding to the community.

Questions and Feedback?



August 4, 2023



THANK YOU!

Bryan Schmid, Affordable Housing Supervisor
Bryan.Schmid@piercecountywa.gov

1 Sponsored by: Councilmembers Derek Young, Ryan Mello, Marty Campbell, Jani Hitchen, and
2 Robyn Denson
3 Requested by: County Council
4
5
6

7 **ORDINANCE NO. 2022-81s**
8
9

10
11 **An Ordinance of the Pierce County Council Levying an Additional Sales**
12 **and Use Tax of One-Tenth of One Percent for Housing and**
13 **Related Services as Authorized by RCW 82.14.530;**
14 **Amending Pierce County Code Chapter 4.28, "Sales and Use**
15 **Tax," and Section 4.48.020, "Special Revenue Funds"; and**
16 **Reaffirming Projects for Funding During 2023. (The Maureen**
17 **Howard Affordable Housing Act)**
18

19 **Whereas**, the cost of housing is a significant and ongoing hardship for many
20 residents and households in Pierce County; and
21

22 **Whereas**, approximately one-third of all households in Pierce County are
23 burdened by housing costs, with more than 40,000 households spending over half their
24 income on housing alone; and
25

26 **Whereas**, the supply of new housing is not keeping pace with demand as our
27 population grows, placing ever increasing upward pressure on housing prices and
28 amplifying housing costs for everyone; and
29

30 **Whereas**, safe, affordable housing is a key component to providing people with
31 stability and ensuring their access to essential needs such as education, employment
32 healthcare, and recreation; and
33

34 **Whereas**, the current housing shortfall places even more members of our
35 community perilously close to the point of displacement, inadequate shelter,
36 homelessness or worse, jeopardizing individuals' and families' mental and physical
37 wellbeing; and
38

39 **Whereas**, the 2022 Point in Time Count identified 1,851 people as homeless but
40 official estimates find 4,300 people are experiencing homelessness in Pierce County
41 with nearly a quarter of these individuals experiencing chronic homelessness; and
42

43 **Whereas**, as of March 2023, there are 4,318 students who are identified as
44 homeless under the federal law known as the McKinney-Vento Act (Education of
45 Homeless Children and Youth) in Pierce County schools making it significantly difficult
46 for these young people to focus on their learning and future, and
47
48



1 **Whereas**, without prompt action, worsening housing affordability will lead to
2 more individuals entering the homeless system leading to even greater challenges and
3 pressures placed on our already limited homeless resources; and
4

5 **Whereas**, Pierce County must work to address these problems throughout the
6 entirety of the housing spectrum, taking steps to increase the supply of affordable
7 housing while also finding safe, rehabilitative homes for those already displaced; and
8

9 **Whereas**, with continued investments in shelter and housing, we can
10 accommodate all Pierce County residents in appropriate housing options and eliminate
11 the public health, safety, and welfare concerns that have impacted our communities for
12 far too long; and
13

14 **Whereas**, in 2020, the Washington State Legislature passed House Bill 1590
15 (1590 Sales Tax), which amended Revised Code of Washington (RCW) 82.14.530,
16 Sales and Use Tax for Housing and Related Services; and
17

18 **Whereas**, as amended, RCW 82.14.530 authorizes the governing body of a city
19 or county to impose a local sales and use tax for housing and related services; and
20

21 **Whereas**, pursuant to RCW 82.14.530(2)(a), a minimum of 60 percent of the
22 revenue collected from this tax must be used for constructing or acquiring affordable
23 housing, behavioral health facilities, or facilities providing housing-related services, or to
24 fund the operation and maintenance costs of new units of affordable housing, facilities
25 where housing-related programs are provided, or newly constructed evaluation and
26 treatment centers; and
27

28 **Whereas**, the revenue from the tax that is used to construct, acquire or purchase
29 land for affordable housing must only be provided to housing that serves individuals
30 whose income is at or below 60 percent of the median income of Pierce County and are
31 persons with behavioral health conditions; veterans; senior citizens; persons who are
32 homeless or at-risk of being homeless, unaccompanied homeless youth or young
33 adults; persons with disabilities; or domestic violence survivors; and
34

35 **Whereas**, the remainder of the moneys collected from this tax must be used for
36 the operation, delivery, or evaluation of behavioral health treatment programs and
37 services or housing-related services; and
38

39 **Whereas**, in March 2022, the Pierce County Council approved Resolution No.
40 R2022-22s to adopt the Comprehensive Plan to End Homelessness which estimates
41 Pierce County currently spends \$40 million a year to operate the homeless crisis
42 response system and needs to spend an additional \$117 million a year to fully fund the
43 system and end homelessness in the next five years; and
44
45



1 **Whereas**, in November 2022, the Pierce County Council approved Resolution
2 No. R2022-162s adopting the Housing Action Strategy (Strategy) which identified
3 housing needs and recommended several policies for increasing the availability of
4 affordable housing to residents across the income spectrum; and

5
6 **Whereas**, the adopted Strategy found Pierce County must build at least 50,600
7 housing units at 50 percent of Area Median Income (AMI) or less by 2044 and over half
8 of these units must be affordable to households earning 30 percent AMI or less, and
9 that the private market is not able to build housing for this population without significant
10 public subsidy such as the 1590 Sales Tax; and

11
12 **Whereas**, the Strategy recommends implementing the Housing and Related
13 Services Sales Tax (1590 Sales Tax) as a tool for generating additional local funding to
14 support income-qualified affordable housing; and

15
16 **Whereas**, the Pierce County Council recognizes the 1590 Sales Tax funds are
17 intended to advance the development of projects across the housing needs spectrum,
18 including workforce housing for residents with income between 50 percent and 60
19 percent AMI, in order to make housing more stable and affordable for Pierce County's
20 137,000 cost-burdened households; and

21
22 **Whereas**, Federal Low Income Housing Tax Credits (LIHTC) and the State
23 Housing Trust Fund are the primary federal and state funding tools to build affordable
24 housing projects. Local equity and local matching dollars, such as the 1590 Sales Tax
25 funds, are required to compete for both funding sources, and it has been documented
26 that projects in Pierce County are not competitive for these funding sources due to
27 Pierce County's lack of available local matching funds; and

28
29 **Whereas**, building and preserving affordable housing requires a multitude of
30 stakeholders to come together to provide the incentives and capital necessary to
31 achieve such goals; and

32
33 **Whereas**, with additional local dollars, nonprofit and private developers will be
34 well situated to compete for state and federal funding streams, maximizing the impact of
35 local investments and increasing the number of projects being built specifically for cost-
36 burdened populations; and

37
38 **Whereas**, the scale of our housing shortages is too great for any one
39 government or entity to solve alone; increasing housing supply and reducing
40 homelessness will require investment, participation, and coordination from throughout
41 the housing community, including nonprofit providers, public housing authorities, private
42 developers, builders, real estate professionals, municipal partners, and many more; and
43



1 **Whereas**, more housing of all kinds is needed throughout Pierce County in both
2 incorporated and unincorporated areas; cities will play a key role in determining where
3 new projects are targeted and how new revenue streams are effectively allocated to
4 work toward a more equitable and adequate housing situation for all of our residents;
5 and

6
7 **Whereas**, the Fair Housing act enshrines into federal law the goal of eliminating
8 racial segregation and ending housing discrimination based on race, color, religion, sex,
9 familial status, national origin, and disability; and

10
11 **Whereas**, the Fair Housing act also expanded civil rights protections to prohibit
12 discrimination in the sale, rental and financing of housing based on race, color, religion,
13 national origin, sex disability and familial status; and

14
15 **Whereas**, Pierce County is an inclusive community committed to affordable
16 housing and to promoting appropriate activities by private, non-profit, public, and faith-
17 based partners intended to provide or advocate for equal housing opportunities for all
18 residents and prospective residents of Pierce County; and

19
20 **Whereas**, Pierce County has played a longstanding role as a center of
21 opportunity and upward mobility made possible by good jobs and safe workforce
22 housing; and

23
24 **Whereas**, Pierce County's housing shortage threatens our ability to attract
25 businesses, and retain a talented workforce, undermining Pierce County's long term
26 economic competitiveness; and

27
28 **Whereas**, to extend Pierce County's legacy of economic vitality and quality of life
29 into the future, the County must have a broad set of housing options for workers at all
30 income levels; and

31
32 **Whereas**, our social fabric, our economy, our health, and environment are
33 strengthened when housing of all types is included in our communities; and

34
35 **Whereas**, across all of our County, urban, suburban, and rural, communities
36 benefit from all types of housing including the people who reside in these homes, their
37 neighbors, schools, businesses, employers, and our strength is in our diverse, inclusive
38 neighborhoods; and

39
40 **Whereas**, if a city in Pierce County has imposed the tax authorized under RCW
41 82.14.530 prior to the effective date of this Ordinance, a credit will be provided against
42 Pierce County's tax for the full amount imposed by the City; and

43
44 **Whereas**, the City of Tacoma has already imposed this sales tax within their
45 jurisdiction; and



1 **Whereas**, Pierce County has determined that the tax should be imposed and that
2 the proceeds will be used solely for purposes authorized by RCW 82.14.530; and

3
4 **Whereas**, Pierce County lost one of the strongest and most effective housing
5 and homelessness advocates when Maureen Howard died of cancer on January 5,
6 2023; and

7
8 **Whereas**, Maureen Howard spent her decades-long career fighting for housing,
9 shelter and dignity for those living on the streets and was always looking for a way to
10 give a helping hand; and

11
12 **Whereas**, Maureen Howard’s contributions to the community will be greatly
13 missed; her fearlessness and dedication advocating for the homeless will forever be
14 remembered; and

15
16 **Whereas**, Pierce County dedicates this Act to Maureen Howard and it will be
17 known and cited as the Maureen Howard Affordable Housing Act; **Now Therefore**,

18
19 **BE IT ORDAINED by the Council of Pierce County:**

20
21 Section 1. Chapter 4.28 of the Pierce County Code, "Sales and Use Tax," is
22 hereby amended as shown in Exhibit A, which is attached hereto and incorporated
23 herein by reference, and an additional one-tenth of one percent sales and use tax is
24 hereby imposed in Pierce County pursuant to RCW 82.14.530.

25
26 Section 2. Section 4.48.020 of the Pierce County Code, "Special Revenue
27 Funds," is hereby amended as shown in Exhibit B, which is attached hereto and
28 incorporated herein by reference.

29
30 Section 3. The County Executive and Finance Director are authorized and
31 requested to execute any contracts with the State Department of Revenue that may be
32 necessary to provide for collection or administration of the tax imposed by Section 1 of
33 this Ordinance.

34
35 Section 4. The Finance Department shall take all necessary steps to effectuate
36 the adjustment of tax rates associated with this Ordinance as soon as possible.

37
38 Section 5. As appropriated in Ordinance No. 2022-76s2 for the Housing and
39 Related Services Tax in fiscal year 2023, the Council reaffirms funding the following
40 2022 Affordable Housing Financing Notice of Fund Availability Waitlist projects:

41
42 A. \$4,500,000 for the Inland Group Copper Way project which is anticipated to
43 create 253 affordable rental units for households at or below 60 percent of the area
44 median income.



1 B. \$2,000,000 for the Southport/Rainier Viridian Gardens project which is
2 anticipated to create 95 affordable rental units for households at or below 60 percent of
3 the area median income.
4

5 Section 6. If any section, sentence, clause, or phrase of this Ordinance should
6 be held to be invalid or unconstitutional by a court of competent jurisdiction, or its
7 application held inapplicable to any person, property, or circumstance, such invalidity or
8 unconstitutionality shall not affect the validity of any other section, sentence, clause, or
9 phrase of this Ordinance or its application to any other person, property, or
10 circumstance.

11
12 Section 7. This Ordinance may be known and cited as the "Maureen Howard
13 Affordable Housing Act."
14

15
16 **PASSED this _____ day of _____, 2023.**
17

18
19 ATTEST:

PIERCE COUNTY COUNCIL
Pierce County, Washington

20
21
22
23 _____
24 **Denise D. Johnson**
25 Clerk to the Council

Ryan N. Mello
Council Chair

26
27
28
29 _____
30 **Bruce F. Dammeier**
31 Pierce County Executive
32 Approved _____ Vetoed _____, this
33 _____ day of _____,
34 2023.

35 Date of Publication of
36 Notice of Public Hearing: _____

37
38 Effective Date of Ordinance: _____
39



Only those portions of Chapter 4.28 that are proposed to be amended or necessary for context are shown. Remainder of text, maps, tables and/or figures is unchanged.

Chapter 4.28

SALES AND USE TAX

Sections:

- 4.28.010 Imposition – Collection.
- 4.28.020 Rate.
- 4.28.030 Administration.
- 4.28.040 Credit.
- 4.28.050 Inspection of Records.
- 4.28.060 Violations.
- 4.28.070 Additional Tax – Imposition – Collection.
- 4.28.080 Additional Tax – Rate.
- 4.28.090 Additional Tax – Administration – Violations.
- 4.28.100 Additional Tax – Relationship to City Tax – Credit.
- 4.28.110 Criminal Justice Purposes Tax – Imposition.
- 4.28.120 Criminal Justice Purposes Tax – Rate.
- 4.28.130 Criminal Justice Purposes Tax – Allocation and Use.
- 4.28.140 Criminal Justice Purposes Tax – Distribution.
- 4.28.150 Criminal Justice Purposes Tax – Administration, Violations and Penalties.
- 4.28.160 Behavioral Health and Therapeutic Courts Tax – Imposition.
- 4.28.170 Behavioral Health and Therapeutic Courts Tax – Rate.
- 4.28.180 Behavioral Health and Therapeutic Courts Tax – Allocation and Use.
- 4.28.190 Behavioral Health and Therapeutic Courts Tax – Administration, Violations and Penalties.
- 4.28.200 Housing and Related Services Tax – Imposition.
- 4.28.210 Housing and Related Services Tax – Rate.
- 4.28.220 Housing and Related Services Tax – Allocation and Use.
- 4.28.230 Housing and Related Services Tax – Administration, Violations and Penalties.
- ~~4.28.200-300~~ Severability.

4.28.200 Housing and Related Services Tax – Imposition.

Pursuant to the authority granted in RCW 82.14.530, there is imposed an additional sales and use tax, separate and apart from any other sales and use tax imposed by this title, upon every taxable event within Pierce County

4.28.210 Housing and Related Services Tax – Rate.

The rate of the sales and use tax imposed by PCC 4.28.200 shall be one-tenth of one percent of the selling price or value of the article.



1 **4.28.220 Housing and Related Services Tax – Allocation and Use.**

2 Moneys collected under PCC 4.28.200 must be used for the purposes authorized by RCW
3 82.14.530.

4

5 **4.28.230 Housing and Related Services Tax – Administration, Violations and Penalties.**

6 The provisions of PCC 4.28.030, 4.28.040, 4.28.050, and 4.28.060 apply to the Housing and
7 Related Services tax imposed pursuant to PCC 4.28.200.

8

9 **4.28.200-300 Severability.**

10 If any provision of this Chapter or its application to any person or circumstance is held
11 invalid, the remainder of the Chapter or the application of the provisions to other persons or
12 circumstances shall not be affected.

13



Only those portions of Section 4.48.020 that are proposed to be amended are shown.
Remainder of text, tables, maps and/or figures is unchanged.

4.48.020 Special Revenue Funds.

S. Housing and Related Services Fund.

1. **Creation.** There is created a fund known as the Housing and Related Services Fund which shall consist of tax revenues deposited into the fund pursuant to Ordinance No. 2022-81 and PCC 4.28.200, plus any other investment or other income to the fund.

2. **Use of Fund.** Pierce County may use distributions from the Housing and Related Services Fund as authorized by RCW 82.14.530, and the Council may periodically establish funding priorities through resolution or the biennial budget.

The Human Services Department, in collaboration with the Pierce County Community Development Corporation, the Behavioral Health Advisory Board, the Comprehensive Plan to End Homelessness Implementation Advisory Board, or successor organizations and community partners, shall create a six-year advisory expenditure and implementation plan based on the allowed uses of the fund, the Council's identified priorities, and the goals and strategies contained in the 2022 Pierce County Housing Action Strategy adopted by Resolution No. R2022-162s, or the County's most recent housing plan, the Comprehensive Plan to End Homelessness adopted by Resolution No. R2022-22s, or the County's most recent plan addressing homelessness, and the most recent Behavioral Health Improvement Plan. The advisory plan must describe the Human Services Department's process for consulting with the above-referenced advisory boards or successor organizations to evaluate the funding applications and detail the annual costs to the Human Services Department for administering the fund.

By December 1, 2023, the Human Services Department must present the advisory plan to the Council for review and adoption by resolution or ordinance. The advisory plan must be updated biennially by July 1 in odd years, and these biennial updates must also be submitted to the Council for review and adoption.

The advisory plan must account for the following factors as evident from the current data: the need for various types of housing by various populations, the need in various localities within Pierce County, the availability of capable development and service organizations to effectively use the financing, and the opportunities to use the county's financing to leverage financing from other sources.

To the extent practicable, the initial advisory plan must incorporate the Council's policy goals to:

- a. Attract affordable housing development and preservation and permanent supportive housing throughout the County;
- b. Address the racial and rural wealth gap through increasing homeownership; and
- c. Dedicate up to:
 - (1) 30 percent of the funds to projects serving individuals whose income is at or below 30 percent of the area median income;



1 (2) 50 percent of the funds to projects serving individuals whose income is
2 between 30 and 60 percent of the area median income; and

3 (3) 20 percent of the funds to housing-related services and behavioral health
4 treatment facilities and related programs.

5 3. **Expenditures.** The Human Services Department shall solicit funding applications
6 and provide recommendations for uses of this fund to the Council in written
7 memorandum and expenditures shall be authorized by resolution or ordinance of the
8 Council.

9 To the extent practicable, the Human Services Department shall use the advisory
10 plan to guide their funding recommendations and shall consult with the Pierce
11 County Community Development Corporation to evaluate affordable housing
12 funding applications, the Behavioral Health Advisory Board to evaluate behavioral
13 health related and supportive services funding applications, and the Comprehensive
14 Plan to End Homelessness Implementation Advisory Board, or successor
15 organization, to evaluate funding applications for projects aimed at preventing
16 homelessness or serving individuals experiencing homelessness.

17 All expenditures from the fund must be approved by the Council.

18 4. **Oversight.** Beginning July 1, 2025, and every two years thereafter, the Human
19 Services Department shall develop and submit to the Council a biennial performance
20 report reflecting priorities and strategies, describing accomplishments and outcomes
21 achieved, outlining specific deliverables and action steps for the next biennium, and
22 setting and tracking performance measures by the uses of the fund. These biennial
23 performance reports may be submitted with the biennial updates to the advisory plan.

24 5. **Performance Audit.** By April 1, 2030, and every six years thereafter, the
25 Performance Audit Committee established under Chapter 1.26 PCC shall complete a
26 comprehensive assessment of all the projects, services and programs receiving
27 funding from the fund.

28 6. **Required Council Review.** No later than May 1, 2030, and every 10 years
29 thereafter, the Council shall hold a public hearing to consider public input regarding
30 the continued need for the tax collected pursuant to PCC 4.28.200. The Finance
31 Department shall submit a report to the Council, which includes an accounting of all
32 funds collected and expended. The Human Services Department shall submit a
33 report to the Council which includes the number of units developed or preserved,
34 populations served and other impact the investments have made in implementing the
35 Comprehensive Plan to End Homelessness, the Behavioral Health Improvement
36 Plan, and the Housing Action Strategy and their successive planning documents

37 7. **Excess Monies.** Any unexpended funds remaining at the end of any budget year
38 shall be carried forward from year to year and not be transferred to the general fund
39 or otherwise lapse.
40





Middle Housing Grant

SSHA³P Executive Board Briefing ■ August 4, 2023

PHOTO OF DUPLEX FROM SIGHTLINE



WELCOME / BERK CONSULTING



STRATEGY ■ ANALYSIS ■ COMMUNICATIONS

Helping communities and organizations create their best futures.

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Racial Equity Analysis



Maddie Immel

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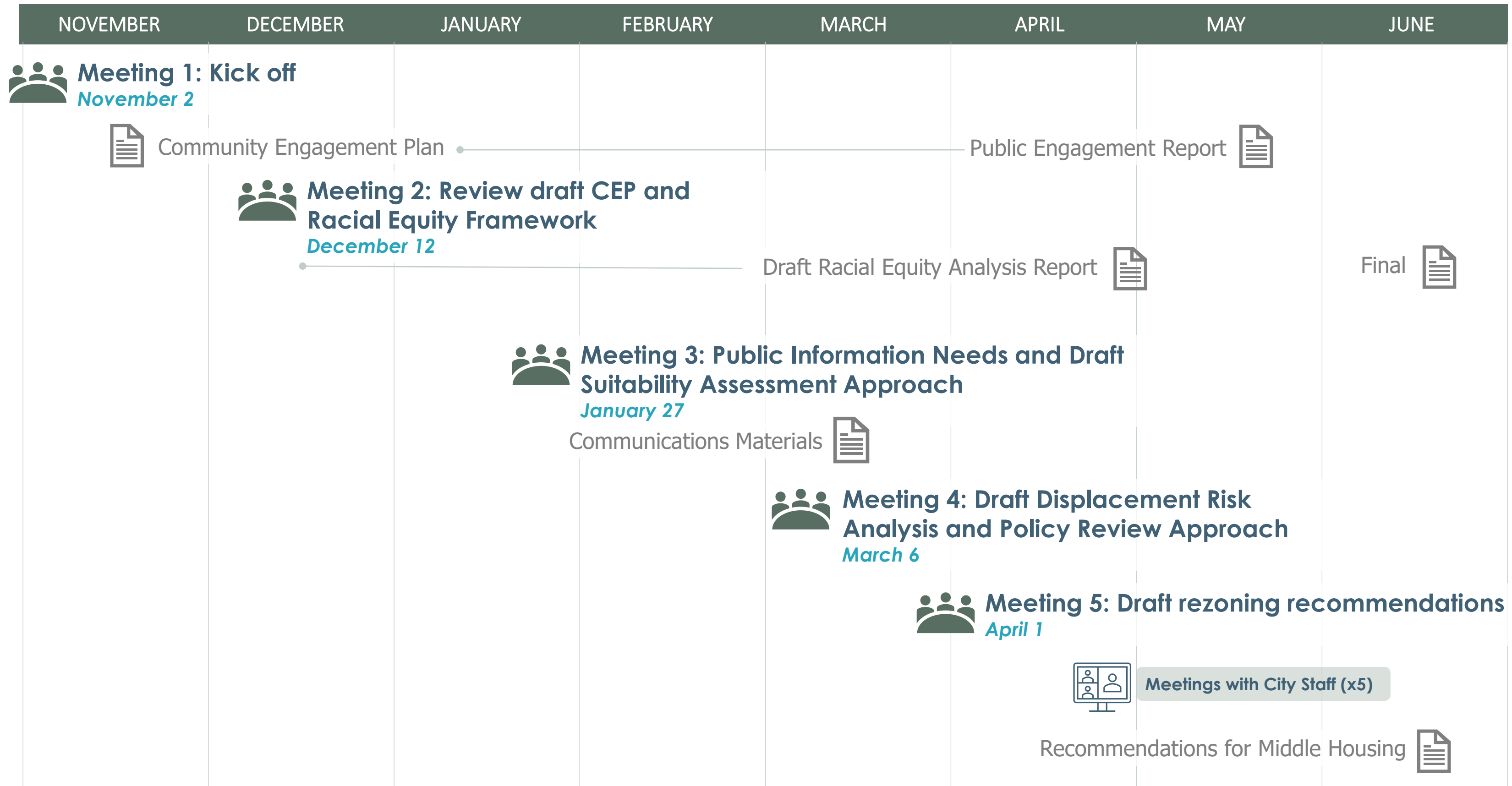
Strategic Advisor



WELCOME / PRESENTATION OVERVIEW

- Introduction
- Project Approach
- Project Outcomes
 - Communications & Engagement
 - Racial Equity Analysis
 - Middle Housing Suitability Analysis
- General Reflections

MIDDLE HOUSING GRANT PROJECT APPROACH



Communications & Engagement

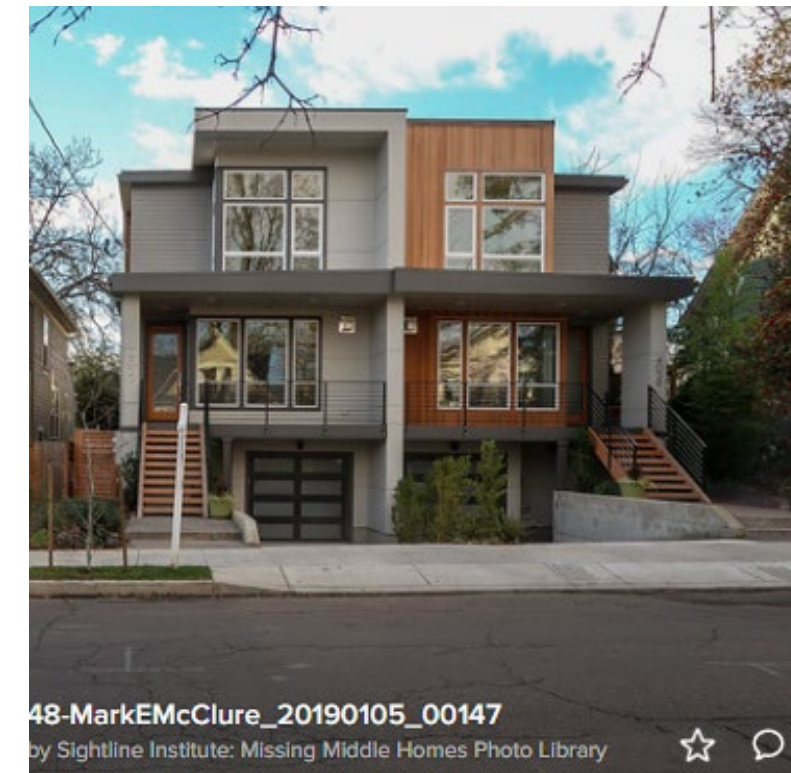
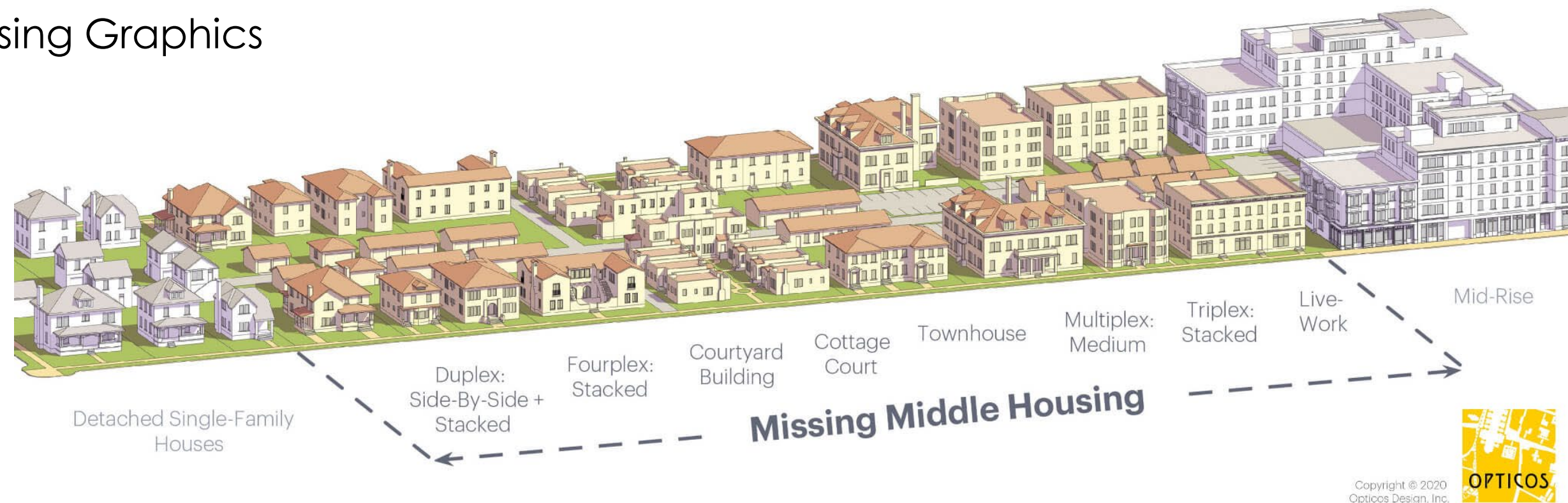


PROJECT CONTRIBUTIONS / Explaining Middle Housing for General Audiences

Challenge:

- Communities have a strong attachment to “single-family,” “small-town feel”, and rural character.
- Available resources are not written for policy-makers, not general audiences.
- Most images and housing graphics do not reflect local conditions.

Common Middle Housing Graphics

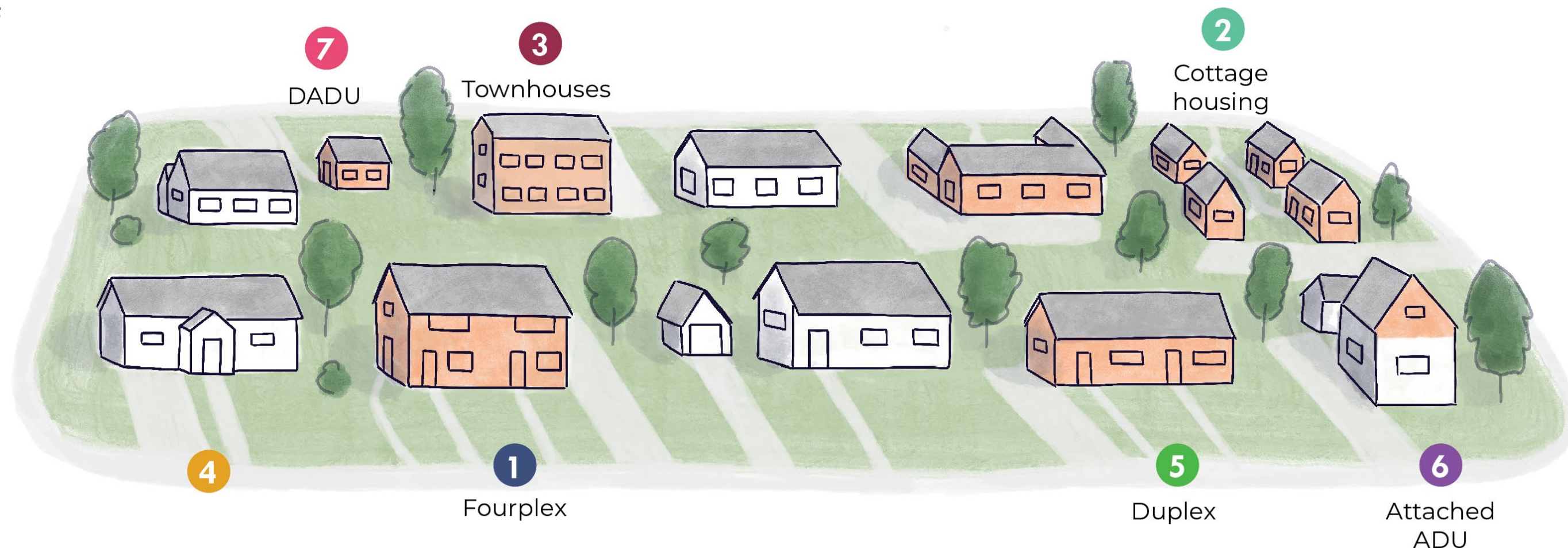


PROJECT CONTRIBUTIONS / Explaining Middle Housing for General Audiences

Objective:

- Show examples of middle housing
- Explain who Middle Housing serves in Pierce County communities.
- Keep graphics abstract to prevent reactions to architecture or building design.
- Illustrate the role and benefits of middle housing to participating communities.

Example of Graphics



PROJECT CONTRIBUTIONS / Fact Sheets and Meeting Materials

Example
Fact Sheets

What is middle housing?

Between single-family houses and large apartment complexes, *middle housing* includes diverse options such as townhouses, duplexes, triplexes, fourplexes, courtyard buildings, cottage housing, mother-in-law units (accessory dwelling units), backyard cottages, and live/work lofts.

Townhouses



Compatible

The form, scale, and density of middle housing can be similar to single-family houses, making them compatible with most residential neighborhoods. They also make use of existing infrastructure, such as roads and utilities.

Affordable

Middle housing types can be more affordable than single-family homes and a better fit for a variety of households with a range of household incomes. Like all housing, middle housing can be rented or owned.

Cottage housing



Historic fourplex



Proven

Middle housing buildings are commonly found alongside single-family homes in neighborhoods built before 1940. After the 1940s, many residential areas were zoned exclusively for detached single-family houses on individual lots.

Middle housing offers housing at a scale between single-family houses on large lots and apartment units in larger complexes.



Single-family housing

- Larger units
- Low density
- More expensive per unit



MIDDLE HOUSING



Multifamily housing

- Smaller units
- High density
- Less expensive per unit

Middle housing and single-family homes can look similar, with very different costs per home.

Single unit



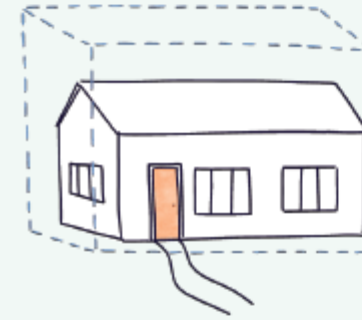
Single-family home
\$872,500 (\$286/sf)

Two units



Duplex home
\$366,000 (\$279/sf)

Existing homes in your neighborhood are likely smaller than the maximum size allowed. Whether middle housing is allowed or not, larger buildings are likely in the future.



Many existing houses, especially older homes, are smaller than the development code currently allows.



Developers build large single-family homes that are close to the maximum size allowed.



Allowing middle housing means more than one unit can be built in the same amount of space.

Property taxes

New development and investment can make your neighborhood more desirable. This could result in higher market value for your home and the land underneath it, which may result in a larger property tax bill.

Depending on market conditions, these changes may not happen within the next 30 years.

Property tax relief

Washington state offers property tax relief programs to senior citizens, disabled persons, households with limited income, widows, and widowers of veterans. A household at risk of losing their home due to property taxes may be eligible for property tax exemptions or relief.

Contact the Pierce County Assessor's Office for more information.

Incremental change

Cities that have allowed middle housing have seen incremental change in neighborhoods. Though the variety of new housing has increased, the amount of middle housing has increased modestly. Most of the new housing is still single-family or apartment units.

PROJECT CONTRIBUTIONS / Meeting Materials

Example Meeting 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



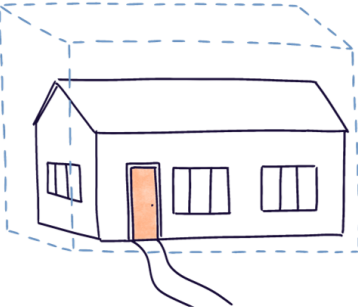
MIDDLE HOUSING



Multifamily housing

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

Existing homes in your neighborhood are likely smaller than the maximum size allowed. Whether middle housing is allowed or not, bigger buildings will likely be developed.



Many existing houses, especially older homes, are smaller than the development code allows.



Single-family homes have become larger over time. When new houses are built, they are often built closer to the maximum size allowed.



Allowing missing middle housing does not change size maximums but allows more than one unit in the same space.

Currently allowed

Allowing middle housing will create more housing options

Middle housing is one of many efforts to address **housing affordability** in Pierce County.



Housing costs have risen 3x as fast as incomes over the past 10 years



1 in 3 households spend more than 30% of their income on housing



About 1/2 of renters spend more than 30% of their income on rent



To purchase an average home, you would have to make more than 1.5x the county median income

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

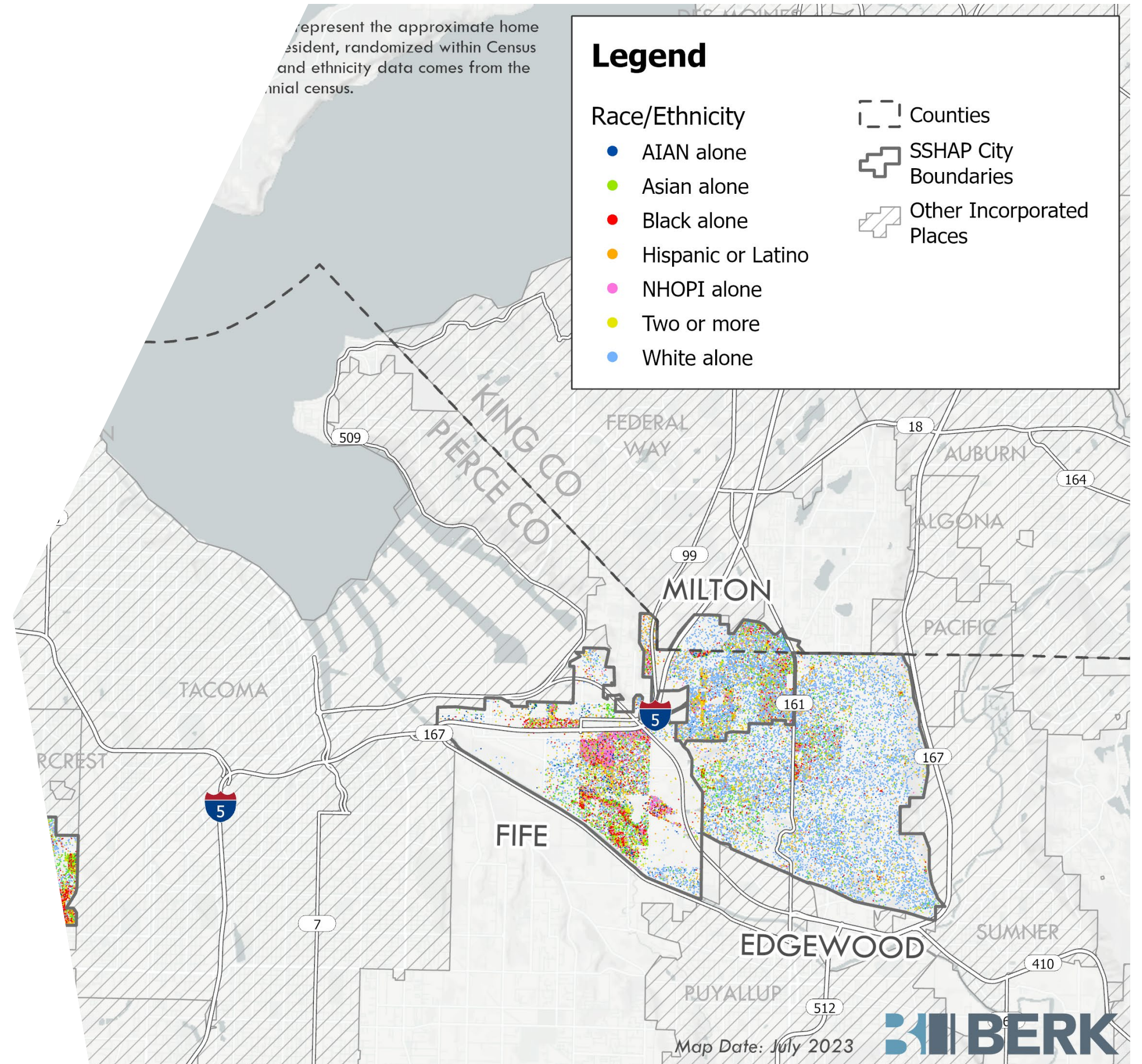
PROJECT CONTRIBUTIONS / Engagement

- In collaboration with participating cities, we developed a Community Engagement Plan that focused on:



- Engagement informed the Racial Equity Analysis and development of information materials for future use.
- Partnerships with CBOs was less successful.

Racial Equity Analysis





RACIAL EQUITY ANALYSIS / Overview

New requirements to Washington's Growth Management Act:

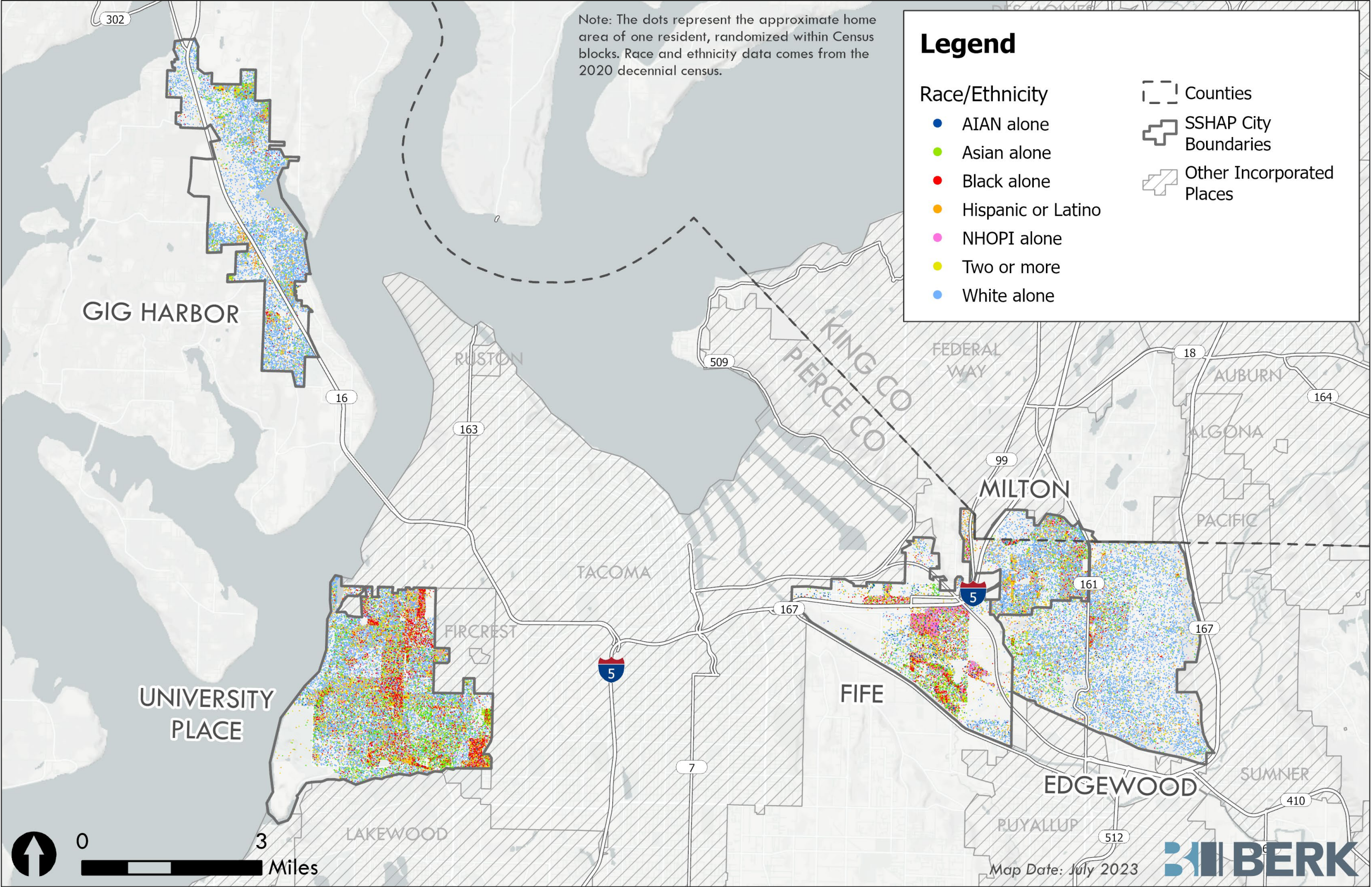
- Identify policies/regulations that result in racially disparate impacts, displacement, and exclusion in housing.
- The Middle Housing Grant program includes a racial equity analysis and recommended anti-displacement policies to help prepare for the comprehensive plan update.

Racial Equity Analysis Focus Areas

1. Housing exclusion and segregation
2. Racially disparate impacts in housing
3. Displacement Risk

RACIAL EQUITY ANALYSIS / Housing Exclusion and Segregation

Geographic distribution of population – by race and ethnicity – reveals patterns of concentration and highlight areas for further exploration.



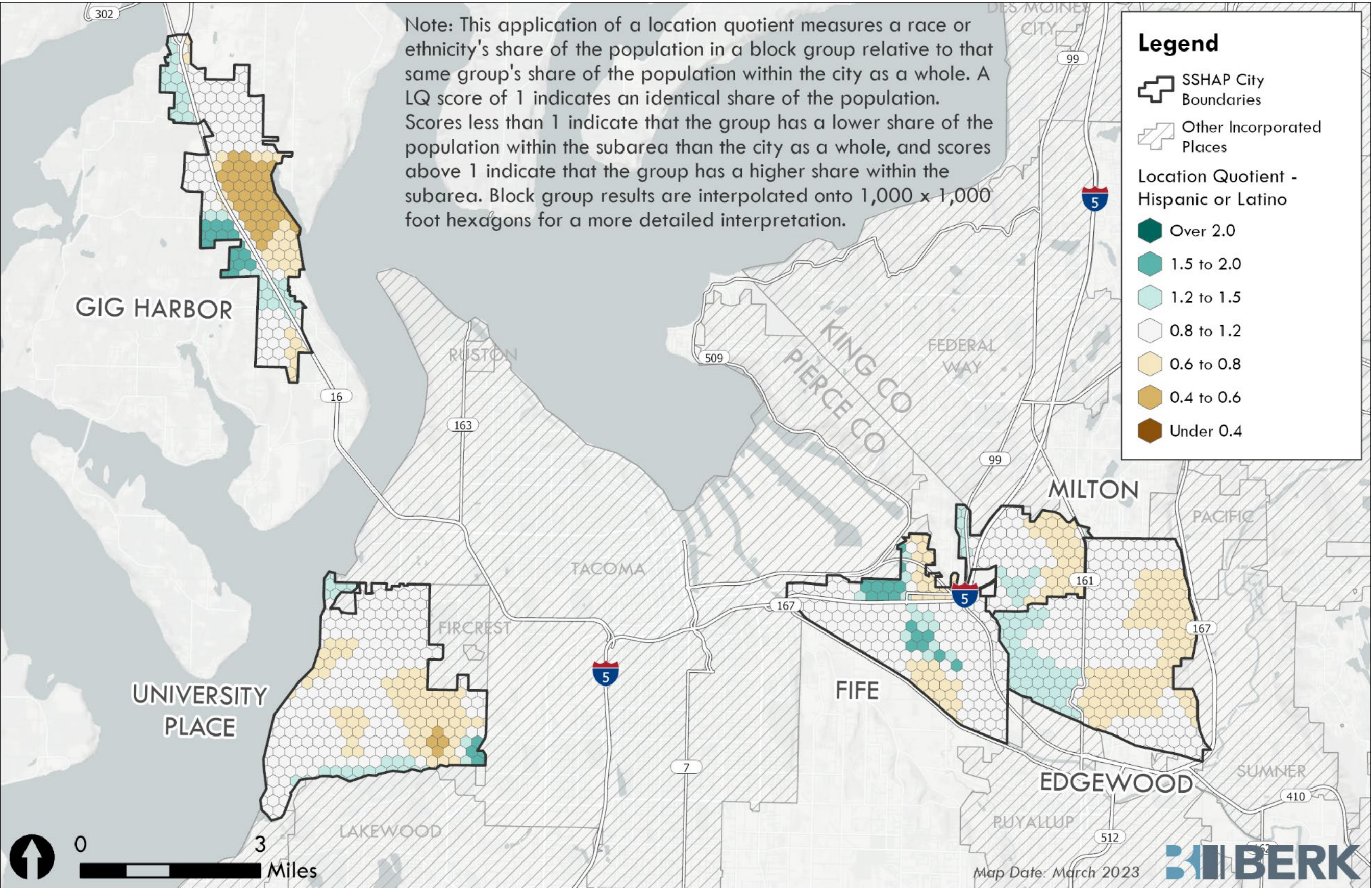
Dot Density Map of Population by Race and Ethnicity (2020)

RACIAL EQUITY ANALYSIS / Housing Exclusion and Segregation

Location Quotient for Hispanic or Latino residents

Location quotient is a method to show the concentration of communities in relatively small areas (e.g., a Census block group) compared to a larger area.

It can help identify areas of potential segregation or exclusion

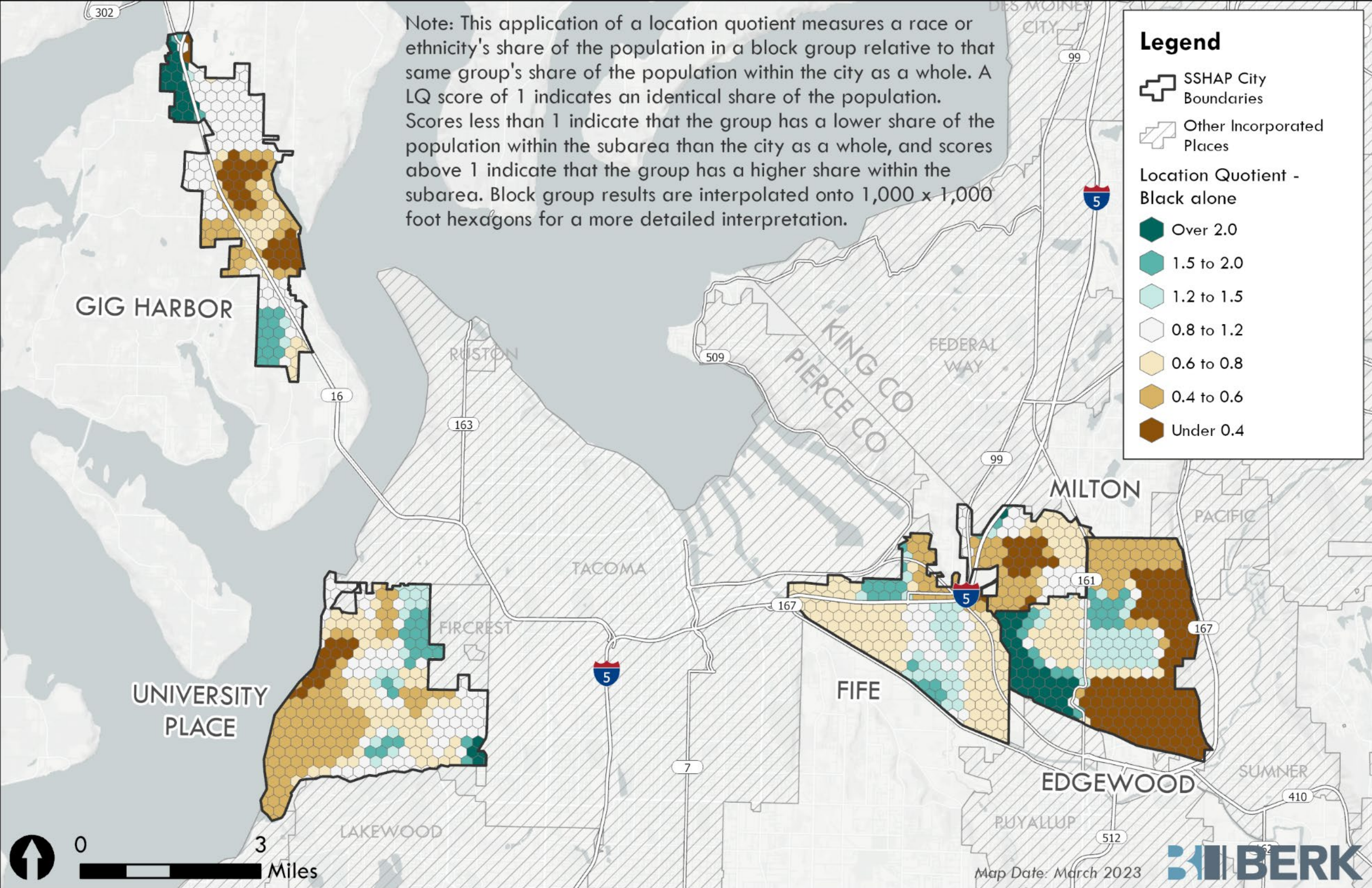


RACIAL EQUITY ANALYSIS / Housing Exclusion and Segregation

Location Quotient for Black residents

Location quotient is a method to show the concentration of communities in relatively small areas (e.g., a Census block group) compared to a larger area.

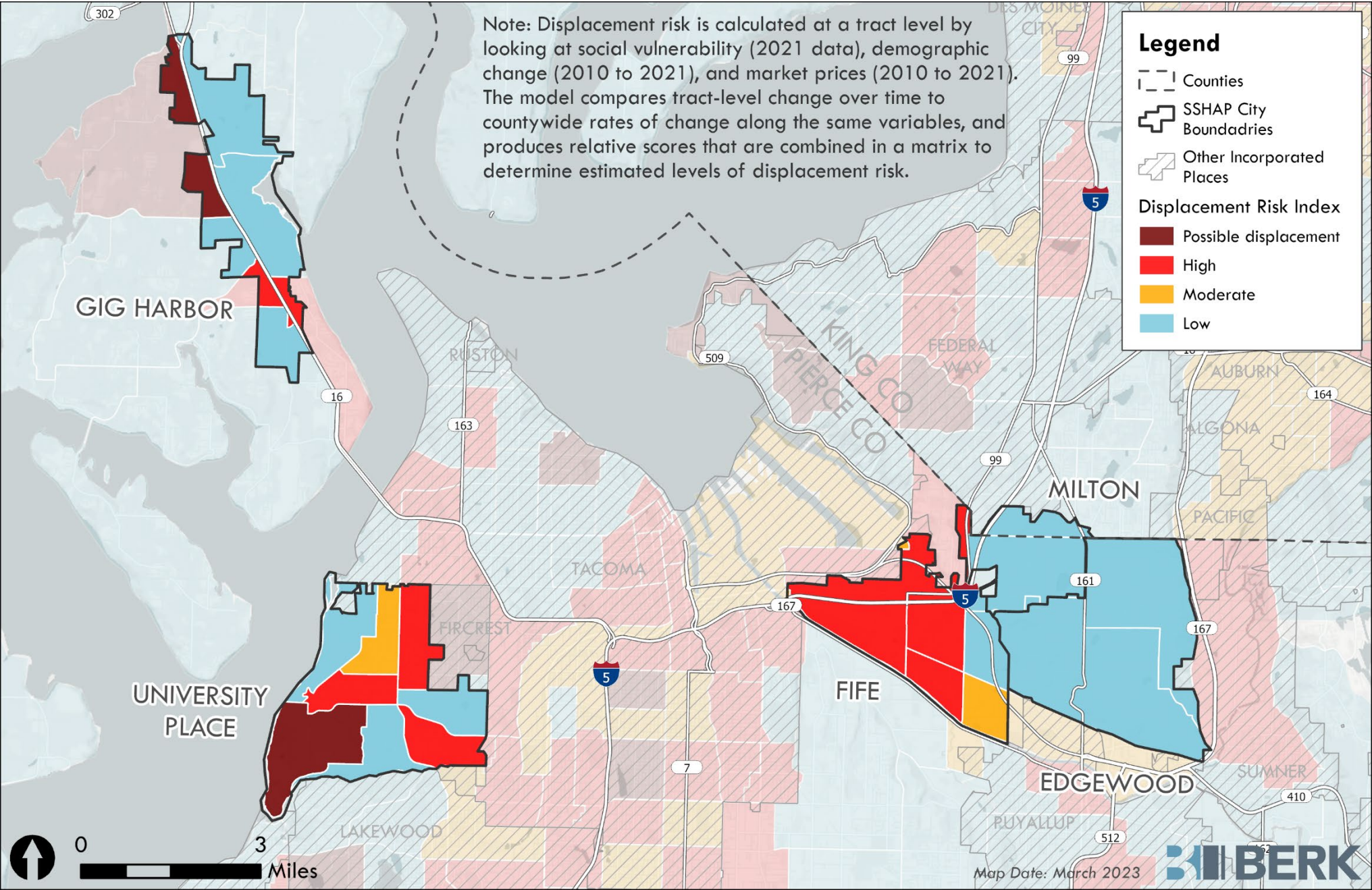
It can help identify areas of potential segregation or exclusion



RACIAL EQUITY ANALYSIS / Displacement Risk

Social vulnerability, demographic change, and market trends all contribute to displacement risk. This index quantifies and combines these risk factors in a matrix format to estimate overall risk at the tract level.

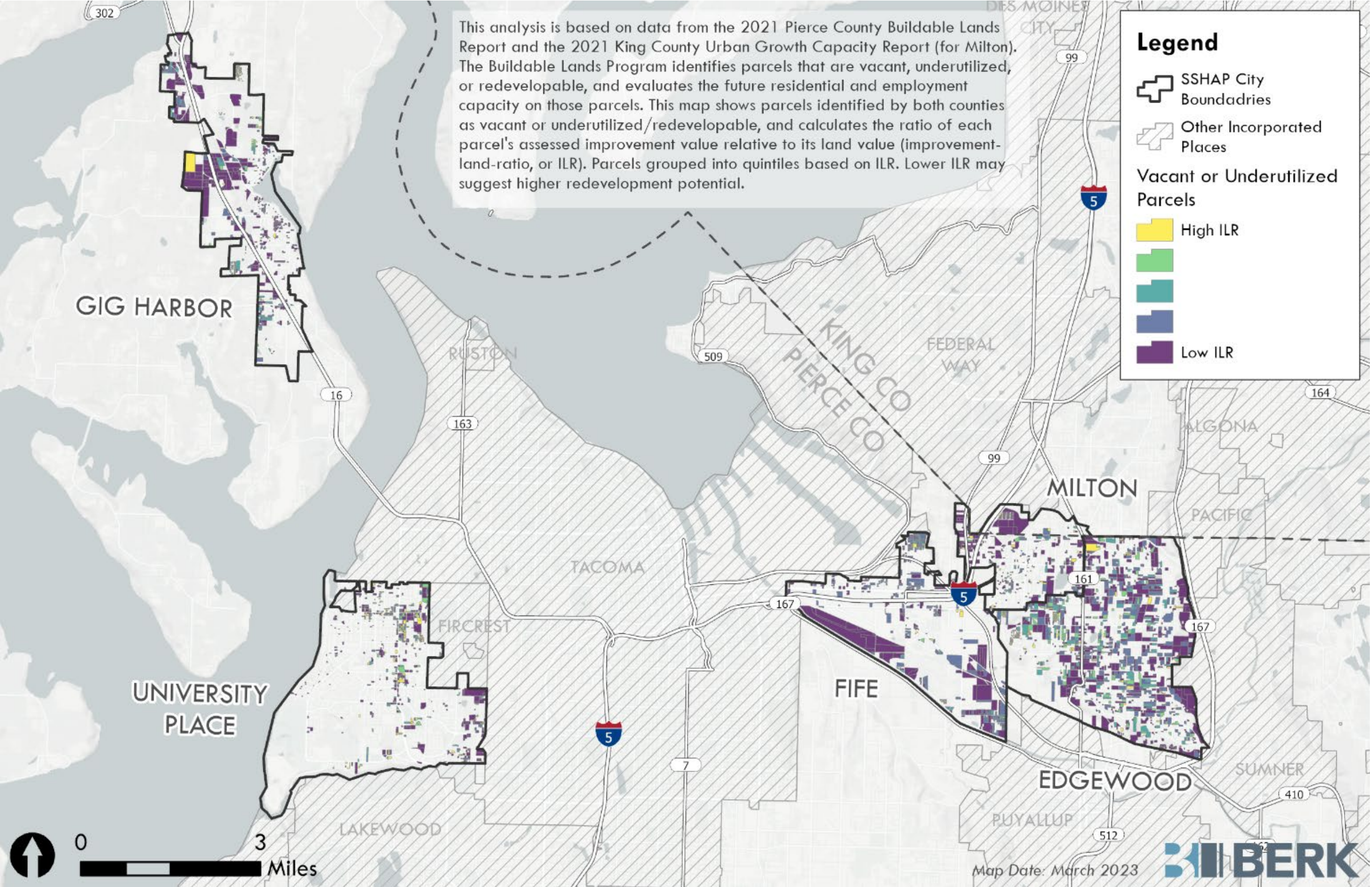
Displacement Risk Index at the Census Tract Level



Displacement Risk	Social Vulnerability?	Demographic Change?	Market Prices?
Possible displacement	Yes or No	Gentrification	Appreciated
High	Yes	Gentrification	Accelerating or Stable
High	Yes	No	Accelerating
High	No	Gentrification	Accelerating
Moderate	Yes	No	Appreciated or Stable
Moderate	Yes	Disinvestment	Accelerating
Low	Yes	Disinvestment	Appreciated or Stable
Low	No	Gentrification	Stable
Low	No	No or Disinvestment	Appreciated, Accelerating, or stable

RACIAL EQUITY ANALYSIS / Displacement Risk

Improvement-to-Land Value Scores for Vacant and Underutilized Parcels



The **Buildable Lands Program** under the GMA evaluates growth capacity under existing conditions (vacant, partially utilized, and underutilized parcels).

An improvement-to-land value analysis is one method to identify redevelopment potential among parcels identified through buildable lands

RACIAL EQUITY ANALYSIS / Observed Disparate Impacts

- 1. Areas of **moderate** and **high displacement risk** often overlap with areas that have larger concentrations of BIPOC communities.
- 2. There is often a **disparity in homeownership** between White households and households with people of color
- 3. BIPOC households are **more likely to be housing cost-burdened** than White households
- 4. Black residents are experiencing a **relatively high level of segregation**, compared to other communities in each city

Observed Disparity?
 Yes = ● No = ○ Partial = ◐

	Edgewood	Fife	Gig Harbor	Milton	University Place
Evidence of Exclusionary Effect	●	○	●	●	○
Black or African American	●	○	●	○	○
Hispanic and Latino	● <small>(gap is closing)</small>	○	●	○	○
Racial Segregation	◐	○	○	○	○
Disparities in Homeownership	●	●	○	●	●
Asian	○	●	○	○	○
Black or African American	○	●	○	○	●
Hispanic and Latino	●	○	○	●	●
Disparities in Cost Burden	●	◐	●	○	○
Areas of Higher Displacement Risk	○	●	●	●	●

Suitability Assessment





SUITABILITY ASSESSMENT / Overview

Suitability Assessment Focus Areas

1. Evaluate suitability of residential lands for additional middle housing development.
2. Identify barriers to middle housing development and recommend actions to address them.
3. Identify a minimum 30% of each city's single-family land supply where rezoning can promote development of middle housing types, as required by the Middle Housing Grant.

SUITABILITY ASSESSMENT / Approach

How did we evaluate suitability?

Two-layer approach:

- Site Characteristics and Location
- Land Use and Regulatory Conditions

Why this approach?

- Distinguish between “fixed” site characteristics and changeable regulations/policies.
- Inform prioritization of implementation strategies.

Topics Considered

Site Characteristics and Location	Land Use/Regulatory Conditions
<ul style="list-style-type: none">▪ Environmental conditions.▪ Presence of natural hazards.▪ Existing public services and infrastructure.▪ Access to significant public assets or amenities.	<ul style="list-style-type: none">▪ Types of residential uses allowed.▪ Achieved residential densities and prevailing housing types.▪ Zoning and development standards.

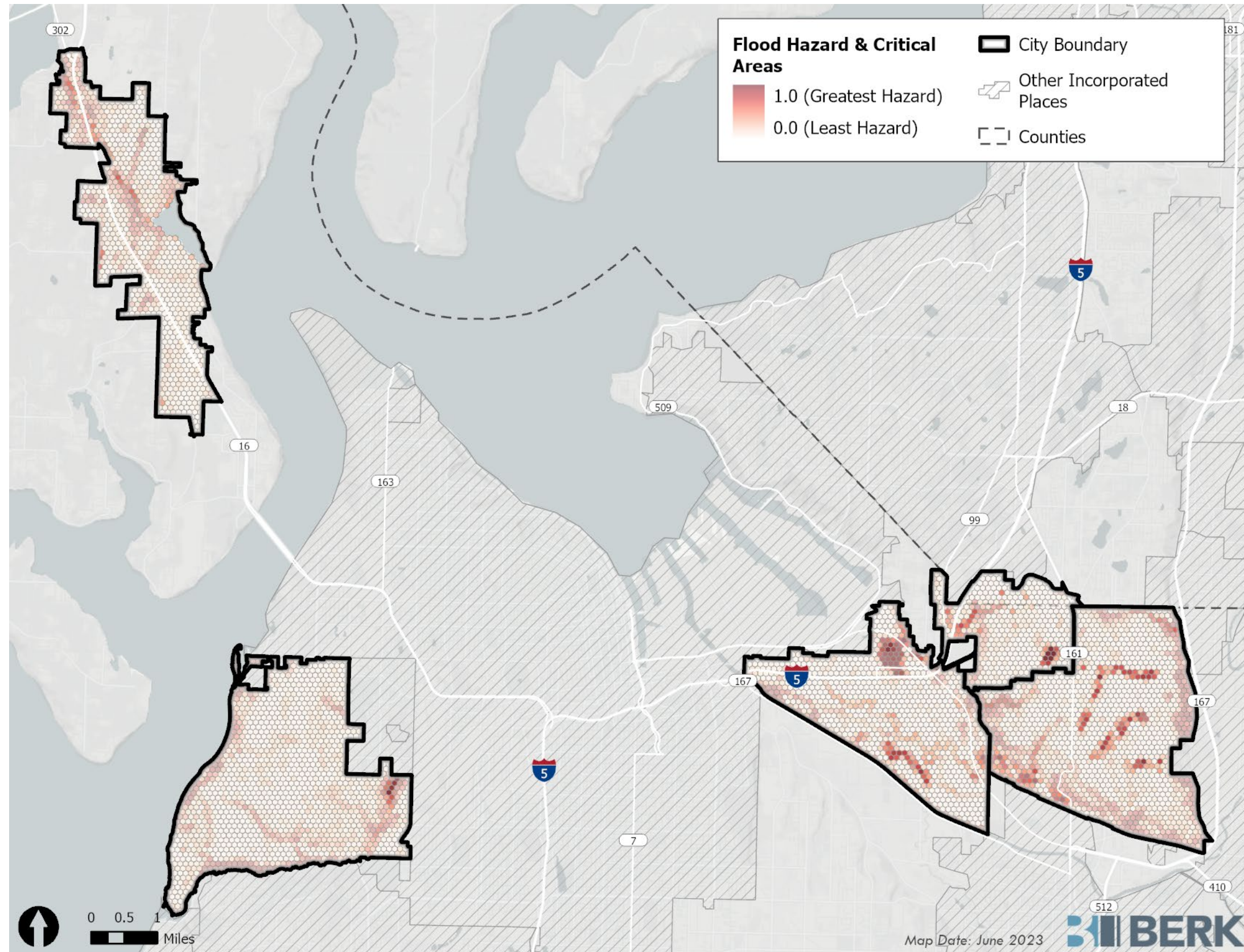


Limited Influence
Conditions are difficult and/or expensive to change.



Opportunities
Regulatory conditions are not fixed.

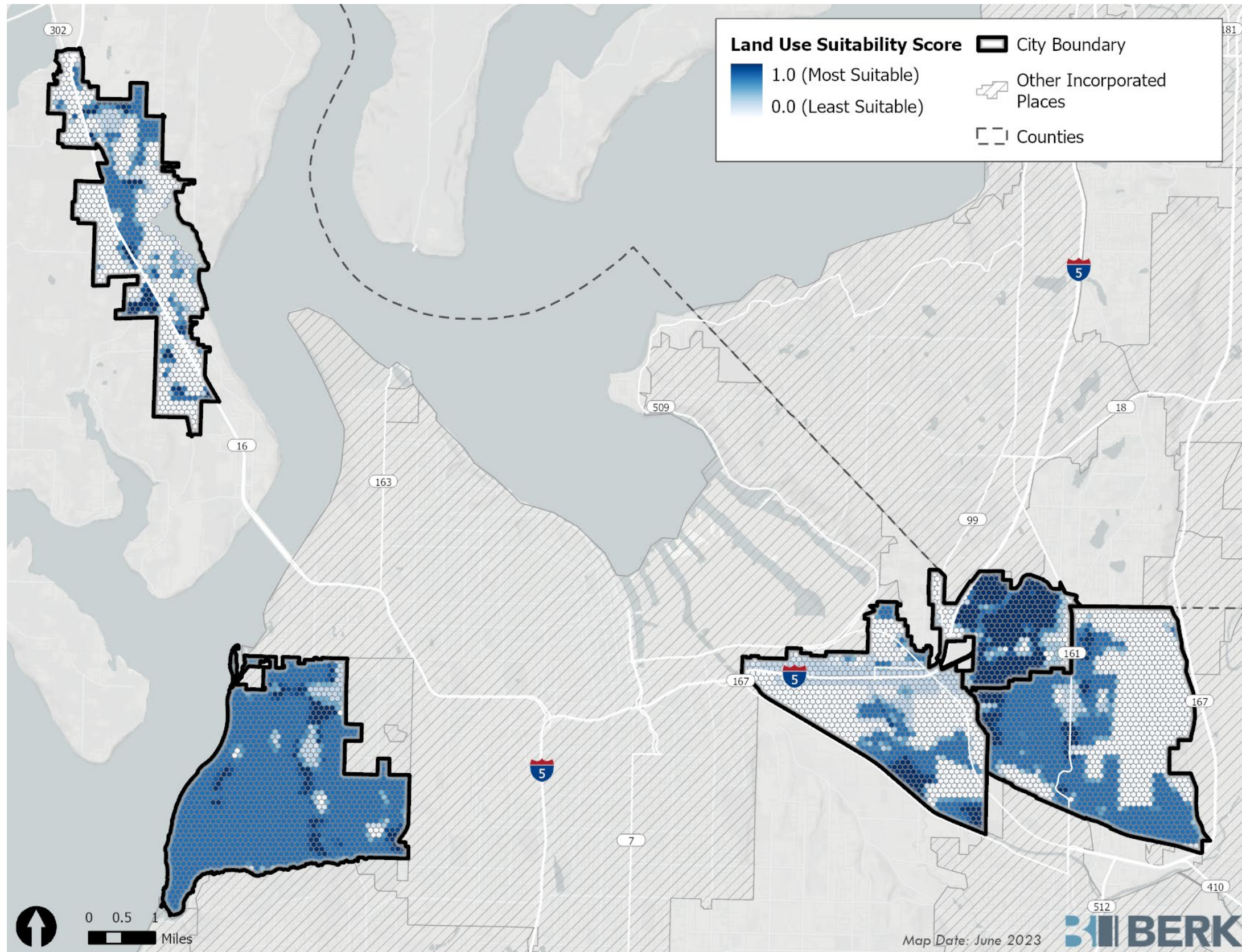
SUITABILITY ASSESSMENT / Output



Criteria Evaluation

- Mapping of scoring output for each of the established criteria.
- Score values are set to a standard scale (0.0 – 1.0) and normalized by jurisdiction.

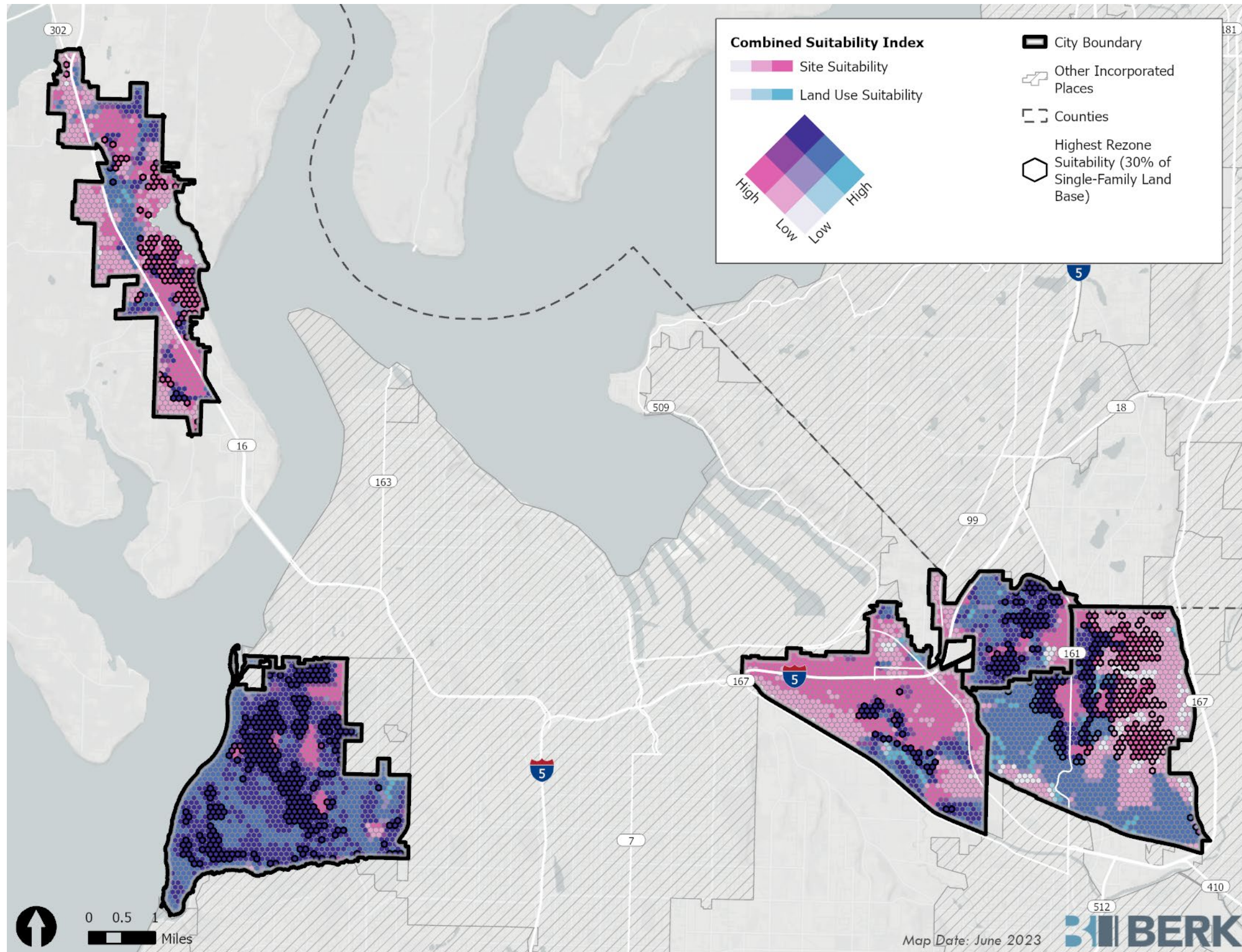
SUITABILITY ASSESSMENT / Output



Suitability Index – Land Use

- Individual criteria scores were combined and re-normalized to generate associated suitability indices.
- This example shows the Land Use Suitability Index, based on how local zoning regulations address middle housing types (permitted, prohibited, restricted, etc.).

SUITABILITY ASSESSMENT / Output



- ## Composite Suitability Index
- Combines the Site Suitability and Land Use Suitability Indices.
 - Highlights:
 - High site and land use suitability (dark purple)
 - High site suitability/Low land use suitability (bright pink)
 - Low site suitability/High land use suitability (bright blue)
 - Low site and land use suitability (white)



GENERAL REFLECTIONS

1. There are common challenges among the five participating cities.
 - A need to address the challenge of housing affordability
 - Long-term residents being resistant to change
2. The finding of racially disparate impacts was not surprising, but the variation by community was notable. The detail on local conditions can help align policy solutions to the specific needs of local communities.
3. Theoretical suitability and feasibility are not always aligned. Private property constraints (HOA's/covenants) and development code requirements can create challenges even where middle housing types are permitted.
4. Re-zoning is not the only solution to promote middle housing. More granular development code amendments can reduce barriers to middle housing types in areas not exclusively zoned for single-family.
5. The multijurisdictional collaboration was beneficial for establishing objectives and methods, translating the analytic outputs to policy solutions needed city-specific processes.



THANK YOU

Q&A

Public Engagement Plan

South Sound Housing Affordability Partners Middle Housing Project • Final April 2023

Introduction

The Public Engagement and Communication Plan is a working document that describes the goals, objectives, activities, and timeline for community engagement conducted in support of the SSHAP Middle Housing Grant. This includes the following elements:

- **Objectives** of the Public Engagement and Communication Plan.
- **Key messages** we want to convey to the public about middle housing and this project.
- **Stakeholder groups** to engage as part of the process, including details on the information needs or engagement objectives for each group.
- **Strategies** for engagement corresponding to the timeline in the project plan.
- **Timeline** of the project and engagement activities.
- **Summary of previous engagement done by cities** to create a shared understanding of what the five SSHAP cities have done to engage the community on housing issues, including shared challenges.

Objectives

The objectives for public engagement are:

1. **Engage community members** that have not reliably participated in previous community planning efforts.
2. **Identify racially disparate impacts, previous displacement, and exclusion in housing** in the SSHAP cities, how these impacts are experienced day-to-day, and how might changes in city or regional policy impact the affected communities.
3. **Identify areas and communities at greater displacement risk.**
4. **Identify barriers for building middle housing in existing neighborhoods**, including concerns of residents of existing neighborhoods and barriers to developmental feasibility.

5. Lay the groundwork for successful comprehensive plan updates by **disseminating key messages and information** (see key messages below) and addressing common concerns about updating city policies and codes to allow for more diverse housing types.
6. Increase the community's understanding of **middle housing types** and the benefits they can bring the community.

Key Messages

The following key messages will guide communications throughout all community engagement efforts. In addition, BERK will develop communications collateral to support engagement activities.

About Middle Housing

1. Middle housing refers to homes that are between single-family homes and larger apartment buildings.

- Middle Housing was commonly built throughout Washington communities until the rise in popularity of single-family zones in the mid-twentieth century. **Exhibit 1** illustrates types of middle housing.
- Middle Housing buildings can be at the same scale of single family buildings.

Exhibit 1: Missing Middle Examples



Source: <https://missingmiddlehousing.com/>

2. Middle Housing includes diverse housing options such as townhouses, duplexes, triplexes, fourplexes, courtyard buildings, cottage housing, and live/work lofts.

- Common prior to 1940, these housing types were outlawed in planning practices due to the rising popularity of exclusive single-family zones, which only permitted single detached housing structures. Historic neighborhoods have utilized middle housing to create mixed use space.
- The architectural style, scale, and density of middle housing can be similar to single-family homes or different. Middle housing options are often compatible in neighborhoods with primarily single-family buildings.
- Middle housing can be rented or owned.

3. Middle housing serves housing needs not met by single-family homes or large-scale multifamily development.

- Middle housing offers housing that meets the needs of multigenerational households, households that don't have the interest or capacity to maintain a larger home and yard, single households, allow a worker to live near their workplace or clients, students, a young family to be close to the support of relatives, someone experiencing hardship to stay near friends, a young adult to remain in the neighborhood they grew up in, or an older adult to age in place.
- Middle Housing promotes more efficient use of existing infrastructure and more walkability in neighborhoods.
- Middle Housing can allow for more affordable options.
- Middle Housing options can offer homeownership opportunities, particularly entry level homeownership.
- Middle Housing can prevent large portions of the community from being excluded from areas of the community.

4. Changing zoning to allow for missing middle housing does not affect the property value of existing homes.

- Property values are based on the condition and size of your land and structure(s), as well as market conditions.
- Allowing missing middle housing is associated with potential land value increases on lots that are suitable for redevelopment.
- Reinvestment into existing neighborhoods can improve the infrastructure for everyone, such as adding sidewalks, transportation improvements, and neighborhood-based services.
- New investment into development and amenities will increase property values. Depending on market conditions, these changes may not happen within the 30-year planning horizon.

5. Changing zoning to allow for middle housing does not affect property taxes of existing homes. Future development and investment may impact future property values and thus taxes.

- New investment in a neighborhood can increase the value of land and property, which may increase the land owners' property taxes. Depending on market conditions, these changes may not happen within the 30-year planning horizon.
- Washington state offers property tax relief programs to senior citizens, disabled persons, households with limited income, widows, and widowers of veterans. A household at risk of losing their home due to property tax increases may be eligible for property tax exemptions or relief.

6. Cities who have legalized middle housing have seen incremental change in neighborhoods.

- Cities that have legalized middle housing types have increased the variety of new housing, though only modest upticks in number of middle housing units. Most of the new housing is still single-family or apartment units.

7. Why aren't we just building more affordable housing?

- Our current housing challenges largely stem from not enough housing relative to job growth and new household formation. The solution is more housing.
- Local government does not build housing, it establishes rules on what can be built where. Housing is primarily built by private homebuilders.
- Current regulations, including restricting most of our residential areas to low numbers of housing units, prevents homebuilders from innovating in response to market demand.
- All types of new housing are needed, including affordable housing and more expensive housing. Housing prices tend to continue to appreciate when there is a variety of housing options, but at more manageable rates.

About the project

8. This project is funded by a grant by the Washington State Department of Commerce and is a collaborative effort between the cities of Milton, University Place, Fife, Gig Harbor, and Edgewood.

9. This project is one of many efforts to address the housing affordability crisis in Pierce County, and more generally Washington State.

- Housing costs have risen three times as fast as incomes over the past decade in Pierce County (2010-2021), creating challenges for both owner and renter households. One-third of all Pierce County households spend more than 30% of their income on housing costs.
- The cost to purchase an average home is only affordable to those with incomes more than one and a half times the county median income.
- About half of renters in Pierce County are spending more than 30% of their income on rent. Entry-level homeownership is not possible without affordable rental options.

10. This project aims to identify unmet housing needs and policy options to meet those needs.

- This project will identify areas suitable for zoning to allow for middle housing. This may be based on access to jobs, transit, infrastructure, or other factors. Cities will use this information to inform future changes to zoning and regulations to allow more diverse housing types in existing communities.
- Where middle housing is allowed, it must still meet city development standards.

- Development standards regulate development on topics like parking requirements, impervious surface, building height, setbacks, and architectural design.

11. This project does not enact new rules but will inform future updates to local land use and zoning regulations. Washington State is requiring cities to allow greater housing diversity in existing neighborhoods.

- Washington State Law requires all cities in Pierce County to update their comprehensive land use policies by 2024. The updates are required ([RCW 36.70A.070\(2\)](#)) to account for housing needs at all economic levels, include provisions for middle housing options, and to identify and remedy existing policies that may have a discriminatory impact.

Stakeholder Matrix

Stakeholder Group	Engagement Objectives	Approach	Groups or Areas
RESIDENTS			
Community Based Organizations and Institutional Partners	<ul style="list-style-type: none"> Gather landscape-level information on historical factors that may contribute to racially disparate impacts, displacement, and exclusion in housing. Identify areas or communities that may be at greater risk of displacement. Identify barriers to meeting housing needs in the communities Identify potential community engagement partners. 	<ul style="list-style-type: none"> Interviews 	<p>Some ideas for initial connections:</p> <ul style="list-style-type: none"> Mountain View Community Center (1/26/23) Gig Harbor Peninsula FISH Food Bank (1/26/23) Asia Pacific Cultural Center (1/24/23) Habitat for Humanity (1/11/23) Tacoma Urban League (1/24/23) Rebuilding Together, South Sound (2/2/2023) Pierce County Health Department Lutheran Community Services Northwest Tacoma Community House Mi Centro United Way, Resilient Pierce County Elevate Health Rosean Martinez, Assistant Director for Student Advocacy and Support, UW Tacoma
Local schools	<ul style="list-style-type: none"> Understand demographic shifts and continuity of students 	<ul style="list-style-type: none"> Interviews 	<ul style="list-style-type: none"> Milton: Local high school Edgewood and Fife: Superintendent of Fife Public Schools Kevin Alfano University Place: University Place Primary Gig Harbor: Discovery Elementary, Swift Water Elementary

Stakeholder Group	Engagement Objectives	Approach	Groups or Areas
Communities facing racially disparate impacts	<ul style="list-style-type: none"> Provide information on the historical and current experiences of displacement and housing insecurity Provide information on the push and pull factors that may be contributing to displacement, exclusion, and racially disparate impacts. 	<ul style="list-style-type: none"> Key Stakeholder Interviews Engagement by CBOs 	<p>Areas of interest:</p> <ul style="list-style-type: none"> Milton: Korean speaking church, Slavic church. Edgewood: Asian cluster west of town, high ownership of Asian homes, White alone and Hispanic have similar incomes but opposite patterns in homeownership Fife: Larger population of Native Hawaiian and Pacific Islander and Black south of I-5, Korean speaking church, SW of town, higher median income for Asian household but lower homeownership rates University Place: Highest income among NHOPI but lower homeownership, Black clusters north of city and SE Gig Harbor: Asian cluster on north end (Bracera Apartments), concentration of Hispanic along Hwy 16 (Harbor View East Apartments?)
<p>Communities at risk of displacement</p> <ul style="list-style-type: none"> Will be identified through analysis of secondary data 	<ul style="list-style-type: none"> Identify unmet housing needs Identify causal factors that are driving displacement risk including decisions/actions by older and newer residents and businesses. 	<ul style="list-style-type: none"> Document Review Key Stakeholder Interviews Engagement by CBOs 	<p>Areas of interest:</p> <ul style="list-style-type: none"> Milton: Manufactured home communities especially west of Hwy 99 (higher numbers of NHOPI) Edgewood: Cherrywood Mobile Park Fife Multifamily communities in immediate vicinity of future City Center/future light rail TOD (area north of I-5, north 99, between 12th and 15th in the industrial zone) University Place Gig Harbor: Hillcrest Mobile Home Park
Residents of single-family areas that may be impacted by zoning changes to allow missing middle housing	<ul style="list-style-type: none"> Raise awareness of Missing Middle housing types, reasons for their consideration, and regulatory obligations. Clarify and answer frequently asked questions 	<ul style="list-style-type: none"> Communication Collateral Meetings in a Box 	<ul style="list-style-type: none"> Fife: David Ct E neighborhood (near 54th and Valley Ave E) Milton: Commercial area Other cities TBD

Stakeholder Group	Engagement Objectives	Approach	Groups or Areas
OTHER LOCAL STAKEHOLDERS			
Policy makers	<ul style="list-style-type: none"> Provide information about the project approach, methods, and findings. Increase confidence in the project's recommendations Answer questions about project and recommendations 	<ul style="list-style-type: none"> Recommendations Presentation 	<ul style="list-style-type: none"> Planning Commissions/Economic Development Boards City staff Interested Councilmembers (while meeting Open Meeting Act requirements)
Homebuilders/Developers	<ul style="list-style-type: none"> Identify parts of the planning and regulator schema that place a prohibitive influence on middle housing Review proposed policy and code changes with developers Solicit suggestions on what neighborhoods may be most suitable for middle housing and why. 	<ul style="list-style-type: none"> Document review, including past interviews from the Pierce County HAP Key Stakeholder Interviews Communication Collateral 	<ul style="list-style-type: none"> Future interviews TBD, based on document review Vintage Housing Catholic Community Services, Pierce County Louis Rudolph Homes (infill housing) Zac Baker, Vaughn Bay Construction
Puyallup Tribe of Indians	<ul style="list-style-type: none"> Hear the tribe's concerns about housing and identify desired housing outcomes. Inform about project and coordinate with tribal leadership. Understand historical context of displacement and concerns of present displacement 	<ul style="list-style-type: none"> Key Stakeholder Interviews Document review 	<ul style="list-style-type: none"> Joanne Gutierrez, Housing Director, and Andrew Strobel, Planning and Land Use Director (1/31/2023)
Local employers/businesses	<ul style="list-style-type: none"> Identify housing constraints to recruiting and retaining staff. 	<ul style="list-style-type: none"> Key Stakeholder Interviews 	<ul style="list-style-type: none"> Fife Milton Edgewood Chamber of Commerce Gig Harbor Chamber of Commerce Fife: Businesses that will be impacted by light rail station development or businesses serving the communities at risk of displacement from light rail expansion.

Strategies

1 Document Review

The Middle Housing project will build on the engagement work completed during previous planning efforts including the following:

- Pierce County Housing Action Plan (HAP)
- Pierce County Assessment of Barriers to Development
- Pierce County Needs Assessment
- [Resilient Pierce County 2020 Report](#) (United Way)
- Previous engagement efforts from cities

BERK will review available documents to gather and summarize helpful information for the Middle Housing project, including key stakeholder groups to engage. BERK will analyze previous engagement findings and synthesize the information to inform the racial equity analysis and recommendations for policies to address displacement.

2 Communication Collateral



BERK will produce materials for SSHAP cities to use on their own municipal websites or on social media. A project or housing-specific web page can provide the public with background and context, indicate opportunities for participation, and provide a one-stop source for project materials. Cities that choose to host a housing-specific web page will be responsible for posting and updating the materials. These materials could include fact sheets, a project timeline, examples of middle housing, graphs/diagrams, and slide decks. It can also support additional public communications related to the cities' comprehensive plan updates. Partners will advise on the types of collateral that will be most helpful to cities by mid-January.

3 Key Stakeholder Interviews



Interviews provide in-depth information on a particular person's point of view. They are effective at providing well-positioned, expert, or direct information on a topic as well as process needs. BERK will develop a standard list of interview questions, which will be modified to best use the input and time of individual stakeholders. BERK will conduct interviews with identified stakeholders via phone and in person. BERK will take interview notes and incorporate the input the summary of stakeholder engagement findings. Content will not be attributed to individual interviewees, however given the size of the community and specialized expertise of interviewees, BERK cannot guarantee anonymity.

- Early interviews will focus on landscape-level questions and inform later engagement activities.
- Later interviews will focus on specific policy alternatives to address identified housing needs, racially disparate impacts, displacement, and middle housing feasibility.

3 Meetings in a box (hosted by cities)

BERK will support SSHAP city staff with materials that cities can use to support public meetings during the Middle Housing project. The meeting-in-a-box will include all materials necessary for city staff to facilitate an effective group discussion including a short PowerPoint presentation and/or printable materials, facilitator's guide, talking points, and notetaking instructions. BERK can provide training to city staff as needed. Materials will be designed to communicate complex housing information to general audiences. The presentation and/or handouts may be updated over the course of the project to share preliminary findings and update questions.



4 Engagement by Community Based Organizations (CBOs)

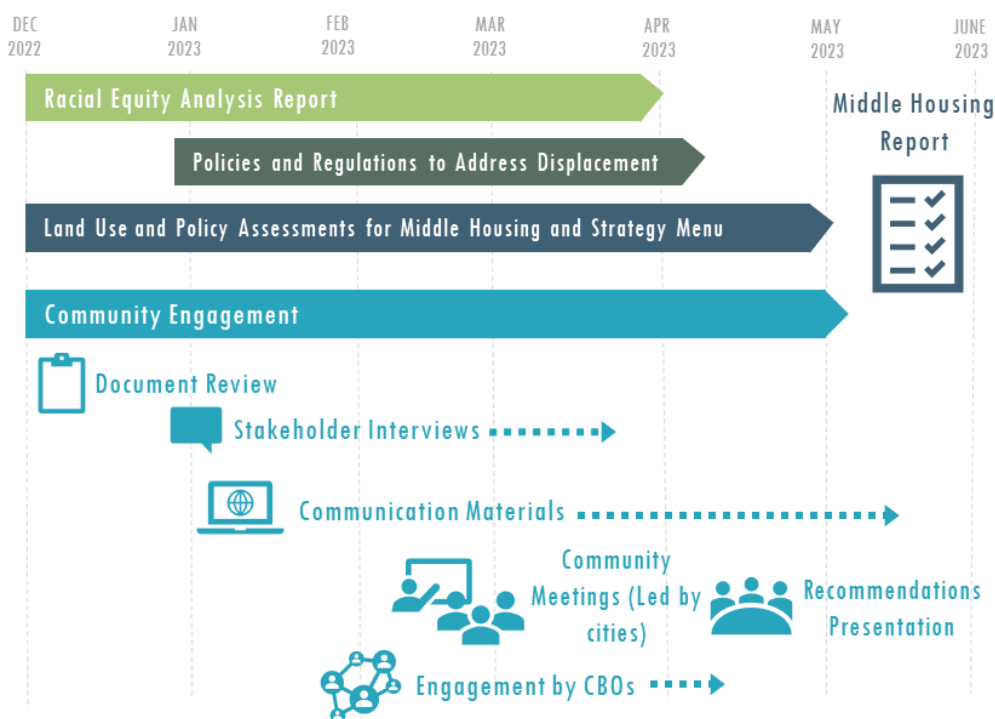
BERK will work with cities to identify CBOs to engage populations historically marginalized from public planning processes, including communities that face racially disparate impacts and housing challenges. BERK will provide a clear statement of project objectives and information needs and collaborate with SSHAP staff and CBOs to design meaningful engagement with impacted communities. The specific approaches will be designed based on the local and cultural expertise of CBOs. SSHAP has secured \$40,000 from Washington State's Department of Commerce to compensate CBOs for their efforts on behalf of this project and other comprehensive planning needs.



5 Recommendations Presentation

BERK will conduct up to two presentations in-person, with up to two additional presentations virtually, to discuss our analysis, findings, and recommendations. These presentations will be suitable for decision makers or a general audience.

High Level Timeline



Attachment A

Previous Engagement Efforts

City/ Effort	Themes
Edgewood Town Center Subarea Plan that includes public engagement. Final report available in Spring 2022	<ul style="list-style-type: none"> About 70% respondents disagree or strongly disagree to using land for multi-family housing
Fife Comprehensive Plan Update survey	<ul style="list-style-type: none"> Concerns: Homelessness, traffic (including truck traffic), crime 46% interested in land use & zoning, 37% in housing Almost 80% of respondents own a home
Gig Harbor Parks, Recreation & Open Space (PROS) Plan in 2021	<ul style="list-style-type: none"> Summary of survey results
Milton Comprehensive Plan Update (Conducted by Framework) Public meeting, surveys, and engagement with the local High School/Junior High.	
University Place	TBD

Common Challenges

Participating cities anticipate challenges related to opposition to increased density or affordable housing, NIMBY-ism, stereotypes about people who live in multifamily housing, and misconceptions about what “affordable” means.

Participating cities tend to hear from the same people at public meetings and would like to hear more diverse perspectives and experiences.

Community Engagement Report

SSHA^{3P} Middle Housing Grant | May 2023

Introduction

The South Sound Housing Affordability Partners (SSHA^{3P}), together with the cities of Edgewood, Fife, Gig Harbor, Milton, and University Place, received a Middle Housing Grant administered by the Washington State Department of Commerce. The grant supported a program of stakeholder engagement designed to inform three analytic efforts: a racial equity analysis, identifying communities at risk of displacement, and assessing the suitability of middle housing for addressing community housing needs. These analyses will support updates to cities' housing policies and land use regulations as part of their comprehensive plan updates.

This Community Engagement Report summarizes engagement activities and high-level themes of community input. Additional findings are incorporated into the racial equity analysis described above.

The stakeholder engagement activities were guided by a Public Engagement Plan that identified the following objectives:

- **Engage community members** that have not reliably participated in previous community planning efforts.
- **Identify racially disparate impacts, previous displacement, and exclusion in housing** in the participating cities, how these impacts are experienced day-to-day, and how might changes in city or regional policy impact the affected communities.
- **Identify areas and communities at greater displacement risk.**
- **Identify barriers for building middle housing in existing neighborhoods**, including concerns of residents of existing neighborhoods and barriers to developmental feasibility.
- Lay the groundwork for successful comprehensive plan updates by **disseminating key messages and information** and addressing common concerns about updating city policies and codes to allow for more diverse housing types.
- Increase the community's understanding of **middle housing types** and the benefits they can bring the community.

Interviews

BERK conducted interviews with community organizations, school districts, and other local institutions identified by city staff and the BERK team. Most interviews were conducted over Teams and lasted about 30 minutes, with a few interviews conducted over the phone. These interviewers asked local stakeholders about observations related to displacement, barriers to stable housing or homeownership, as well as neighborhood and community change. A list of standard interview questions was augmented with questions specific to the interviewees' expertise. This list of interview questions can be seen in Appendix A. BERK also sought to confirm or advance preliminary findings of the racially equity analysis. In these cases, BERK provided dot density maps depicting the distribution of people based on their identified race and inquired about observed demographic clusters and exclusions.

Exhibit 1. List of Interviews

Organization	Contact	Contact Info
Asia Pacific Cultural Center	Mr. Kim Program Manager - Business and Community Engagement Services	hong@asiapacificculturalcenter.org
Bracera Apartments (Gig Harbor)		(253) 851-7368
Developers/Homebuilders	Clinton Brink Master Builders Association of Pierce County Corey Watson JK Monarch Evan Mann and Kurt Wilson Sound Built Homes Kathryn Jerkovich Harborstone Consulting	CBrink@Brinkatlaw.com corey@jkmnarch.com evan@soundbuilthomes.com kurt@soundbuilthomes.com kjerkovich@harborstonellc.com
Fife Public Schools	Denise Daniels Executive Director of Office of Equity and Inclusion	ddaniels@fifeschools.com
Gig Harbor FISH Food Bank	Pamela Leazer Executive Director Amy Gartlan Safeway Food Drive Coordinator Dawn Wagner Clothing & Household Goods Coordinator	pamela.leazer@gmail.com
Habitat for Humanity	Maureen Fife Executive Director	mfife@tpc-habitat.org
Harborview East Apartments (Gig Harbor)		(253) 858-5448

Kamu Ink (Fife)		(253) 279-3449
Mountain View Community Center	Rachael Gibbons Programs Manager Ramon Prado	rachaelg@mtviewcc.org ramonp@mtviewcc.org
Pacific Islander Coalition of WA	Kiana McKenna Director of Policy and Civic Engagement	kiana@picawa.org
Puyallup Tribe	Andrew Strobel Director of Planning and Land Use Joanne Gutierrez Housing Director	andrew.strobel@puyalluptribe-nsn.gov Joanne.Gutierrez@PuyallupTribe-nsn.gov
Puyallup School District	Brian Devereux Director of Facilities Planning	DevereBJ@puyallup.k12.wa.us
Realtor for Westridge subdivision	Alex Foraker	(253) 209-4200
Rebuilding Together South Sound	Rachel Lehr Director of Programs	rlehr@rebuildingtogetherss.org
Salvation Baptist Church	Andrey Chepel	andreychepel@hotmail.com
Tacoma Urban League	Corey Orvold Managing Broker at Coldwell Bank (Tacoma Urban League volunteer)	corey.orvold@coldwellbanker.com
Tacoma Pro Bono	Will Beck Assistant Managing Attorney – Appointed Counsel Tacoma-Pierce County Housing Justice Project	wbeck@tacomaprobono.org
University Place School District	Alphonso Melton Executive Director of Business Services Willie Keith Executive Director of Primary Education	amelton@upsd83.org wkeith@upsd83.org

Community Input Themes

Racially Disparate Impacts and Displacement

Few people spoke about personal experiences of exclusion or observations in their community.

Although every interviewee was asked about their own experiences of exclusion or segregation, or if they have observed process of exclusion and segregation in the community, few people had specific observations.

- One interviewee suggested that observed segregation in Edgewood and Milton is potentially cultural as opposed to policy or legislative outcomes. They noted that these cities have historically been farming communities that pride themselves on being a “unique community surrounded by warehouses and cities.” The interviewee linked this narrative to observed pushback against allowing apartments and high-density development in the community.

This narrative of city history overlooks the historical facts related to the displacement of the indigenous population, the contributions of people of color in the area’s agricultural history, and the historical role of policies that prevented people of color from owning land.

Immigrant communities and communities of color tend to settle where their families are.

Instead of discussing experiences of segregation, a few interviewees noted that their communities “cluster and follow each other” or “tend to gravitate to where their families are.” This suggests that some observed ethnic enclaves are based on preferences of the groups’ members. Affordability was also a main reason why people chose to settle in an area. The imperative of affordability also explains why communities of color tend to live in areas with more multifamily housing.

Few people spoke about personal experiences with displacement or observations of displacement in their community.

When asked about displacement risk, few interviewees could reference specific areas of the city or cases they knew of people being displaced. Of the people who did mention displacement risk, cost was cited as the main reason for people needing to move. Some specific observations include:

- Cost is the biggest barrier for housing and many people have moved to more affordable areas like Graham and Yelm.
- Tribal families tend to be bigger and have a need for larger units, which are more expensive, causing them to leave the area to find housing that better suits their needs.

Community Member Engagement Objectives

- Provide information on the historical and current experiences of displacement and housing insecurity.
- Provide information on the push and pull factors that may be contributing to displacement, exclusion, and racially disparate impacts.
- Identify unmet housing needs.
- Identify causal factors that are driving displacement risk. decisions/actions by older and newer residents and businesses.

- The Puyallup Tribe’s land is valuable for real estate—something noted as atypical for tribes—so tribal members are being displaced as families move to find housing that is affordable.
- One interviewee noted that the area’s Pacific Islander community members tend to be in the areas that have households with the lowest income, that are most displaced, and closest to being gentrified.
 - Community representatives report that Pacific Islanders experiencing homelessness don’t live on the streets but instead tend to double up with families or live in their cars close to family members. This makes the problem of homelessness in the Pacific Islander community look different than in other communities.

A few additional notes on displacement include:

- One organization that focuses on eviction noted that they just got through the backlog of cases after the eviction moratorium ended. The number one reason they see for an eviction notice is nonpayment.
 - They have been seeing 3-4 cases of trailer park owners developing an illegitimate ledger for tenants and claiming that tenants owe fees. They have not seen this in the 5 cities studied in this report.
- One interviewee claimed that Pierce County has more mobile home parks than any other place in the state and suggested that the cities should make deals with owners of mobile home parks to help protect these community members from future displacement as mobile home parks redevelop.

Some seniors, particularly those living on a fixed income, struggle to find affordable places to rent .

A couple interviewees noted that seniors may be at risk of displacement.

- Some seniors struggle to find an affordable place to live, especially when low-income housing has long waitlists 0 months or years.
- Seniors who own their homes may still find it challenging to pay rising property taxes.
- [For the Pacific Islander community,] elders tend to get displaced more than the rest of the family - e.g. move between different houses or get their own places at times, but always within proximity to family members.

Community Based Organizations and Institutional Partners

Housing costs and rising rents are the major barrier to stable housing in the participating cities.

The top barrier mentioned by interviewees was housing affordability, for both renters and individuals wanting to buy.

- Renters are especially burdened because they are beholden to a landlord who can increase the price. If a renter is perpetually

Community Based Organization Engagement Objectives

- Gather landscape-level information on historical factors that may contribute to racially disparate impacts, displacement, and exclusion in housing.
- Identify areas or communities that may be at greater risk of displacement.
- Identify barriers to meeting housing needs in the communities.
- Identify potential community engagement partners.

behind on rent, they cannot renew the lease. If they can't renew the lease, going month-to-month adds additional costs.

- Homeowner Associations (HOA) and Condominium Owner's Association (COA) fees are cost barriers.
- Some people who want to buy a home are "caught in the middle" because they are unable to qualify for a program like Habitat for Humanity but cannot afford to buy a home on the open market.
- The cost of maintaining a home is a challenge. One interviewee noted that their organization tries to provide resources to people, especially people of color, who are targeted by investors that notice an unmaintained home and offer to buy it, sometimes below what it's worth.

Financial institutions and lack of access to information on homeownership are barriers to homeownership.

In addition to the challenges of saving for a down payment, interviewees noted that financial institutions are historically very white [designed by white culture and designed to serve white households] and are inaccessible to communities of color. Lack of information about homeownership and credit scores were also mentioned as barriers to homeownership for people of color.

Transportation was cited by one interviewee as an additional challenge.

In the Milton, Edgewood, and Fife area, an organization noted that school districts report that a lack of transportation is a barrier for students. Kids can't participate in after-school activities without transportation home afterwards.

Local schools

Fife Public Schools

Fife Public Schools encompasses Fife and parts of Edgewood.

School Engagement Objectives

- Understand demographic shifts and continuity of students.

- Fife Public Schools is hearing about racial tension between students at Hedden Elementary School in Edgewood, one of the least diverse schools in the district. It has a student population that is 50% white (the district has 60% students of color) and disproportionately male. In comparison, Fife Elementary School only has 20% white students and is not reporting racial issues.
 - There is more poverty and student homelessness in the south of Fife. Students in households experiencing housing insecurity or homelessness is reflected in attendance rates. Hedden Elementary has a consistent attendance rate of 80%, while Fife Elementary has an attendance rate of 70%.
 - The school district is experiencing the most growth in the south of Fife. The district has recently added one school.
- The top languages in Fife Public Schools are Spanish, Ukrainian, Russian, and Korean.
- They are seeing a rise in student homelessness. About 3% of students are identified as mobile, leaving the school to eventually return, usually due to housing instability or moving for more affordable rent.

Puyallup Public Schools

Puyallup Public Schools encompasses most of Edgewood.

- The school district is seeing the development of more multifamily units than single-family homes for the first time. Building in the City of Edgewood is probably a large component.
 - Their capital facilities plan predicts a bump in student enrollment because of more families living in multi-family housing.
- The Southeastern part of the district is experiencing population growth.

University Place School District

University Place School District includes University Place and parts of Tacoma.

- Responding to the dot density map, interviewees from the school district noted that the higher concentrations of people of color in certain areas of University Place, including Black residents, aligns with their understanding of the district.
 - They noted that there are potentially more Black households in the southeast corner because of multifamily housing and that the area is closer to Tacoma.
- There has been a drop in enrollment since COVID as people move away or out of state.

Homebuilders and Developers

Barriers to Building Middle Housing in SSHA^{3P} Cities

- Interviewees state that developers will build what is allowed and what the market wants but observe a lack of available land that allows middle housing.
- Developers report that cities are anti-growth and are not genuinely trying to change.
 - One interviewee said that at least three of the grant cities have been combative of efforts to increase single family detached development, let alone other housing types.
 - One interviewee perceived Gig Harbor as anti-growth and another said that projects took a long time to be approved in the city. Another said Gig Harbor was hard to work with and had chased off developers in the past.
 - One interviewee perceived Edgewood as not being interested in making policy changes to accommodate more housing.
- Developers report that some cities are using requirements for landscape buffers or tree preservation that undermine the viability of a project. Policies that allow replanting and retention can add flexibility (see Federal Way code). Replanting, off-site planting, fee in lieu would also help.

Homebuilder and Developer Engagement Objectives

- Identify parts of the planning schema that place a prohibitive influence on middle housing.
- Review proposed policy and code changes with developers.
- Solicit suggestions on what neighborhoods may be most suitable for middle housing and why.

- Impact fees can make it difficult for developers to see a project as financially viable.
 - One interviewee noted that they would “never build in Gig Harbor” because of the high impact fees. Another said fees in University Place are also high.
 - One interviewee noted that Edgewood recently raised their fees dramatically, doubling the traffic fee.
- Design review can be a barrier to project viability.
 - One interviewee found Gig Harbor’s design guidelines to be overly restrictive (particularly buffers).
 - One interviewee believed Gig Harbor and University Place design requirements to be the most prohibitive and costly of the five cities.
- The lack of sewer infrastructure to accommodate growth.
 - This was noted as a problem especially in Edgewood where the sewer is not extended to available land.
 - Building middle housing on a septic system is very unlikely.
- Liquefaction issues in Fife add to development costs.
- One developer felt that cities are not doing the minimum to encourage housing if they are not allowing 9 units as a short plat already, not allowing shared access or private access to those 9 units (not require them to be served by public road), and not requiring SEPA for those. For short plats, this developer had also had the experience that SEPA ends up being required even for smaller short plats.

Developer Suggestions for Policies to Encourage Middle Housing

- Permitting up to 45 feet heights can allow for smaller footprint townhome units, because it creates a habitable attic (but no elevator is needed).
- Setbacks are easier to work with than FAR. FAR consumes a lot of time and energy.
- Overly prescriptive standards result in all homes being the same, without enough variety. General standards create more variety because developers can be creative and respond to market demands. This is especially true about design standards. Design standards should also be flexible enough to accommodate improvements in technology and design trends.
- Frontage improvements are expensive so decreasing standards for road, sidewalk, and planter widths can make middle housing more achievable.
 - Fee-in-lieu for frontage improvements can be more cost effective for smaller subdivisions.
- Reducing the permitting time can dramatically reduce costs.
- Unit lot subdivision can encourage more missing middle housing development. The City of Renton is one example of a code that allows it. In this case, some standards affect the parent lot and others affect the zero lot line lots within it.
- Programs to help property owners who have never done a development project do middle housing.

Engagement Challenges

SSHA^{3P} secured additional grant funding from Washington State Department of Commerce to partner with Community Based Organizations (CBOs) to engage communities that face racially disparate impacts, housing challenges, and displacement risk. The grant was intended to support CBOs in designing engagement approaches based on their local and cultural expertise. BERK approached a number of CBOs in Pierce County but was unable to identify a partner for engaging historically disadvantaged populations or those at risk of displacement in participating cities. Challenges included:

- Too short of a timeline to establish trusted relationships with CBOs who are unfamiliar with municipal policy making around housing.
- Few organizations focused on communities of identity. In addition, the five participating cities—Edgewood, Fife, Gig Harbor, Milton, and University Place—are substantially different from each other in terms of demographics, history, size, and housing composition.
- The project content felt distal to the expressed needs of community members. Many community members are struggling with finding affordable housing, but long-range policymaking around housing and land use was a stretch in terms of interest.
- A mismatch between the organization’s core business and the needs of the project. Most CBOs contacted are direct service organizations, with limited staffing capacity to take on a new set of activities.

Unsuccessful connections are identified in Appendix B. Partnering with CBOs to plan engagement events may have been more successful if it was paired with a longer-term effort, like comprehensive plan updates, or with a project that had a wider scope, such as including all cities in Pierce County. Outreach from the cities may have also led to more success, given the promise of developing a deeper relationship with city staff.

Opportunities for Further Engagement

There are additional engagement needs and opportunities that could be addressed in the cities’ ongoing efforts including the update of their comprehensive plans. These are:

Organizations

- Pierce County Aging and Disability Resource Center (ADRC)
- Gig Harbor – Gig Harbor Senior Center, Mustard Seed Project
- Edgewood, Fife, Milton – Good Seeds Church, New Life Samoan Church, social worker at Fife Public Schools (Namyi Min, nmin@fifeschools.com)
- University Place – Families Unlimited Network

Locations

- Milton – Manufactured home communities especially west of Hwy 99 (higher numbers of NHOPI)
- Edgewood – Cherrywood Mobile Park

- Gig Harbor: – Harborland Mobile Home Park, Hillcrest Mobile Home Park

Events

- Events hosted by the Asia Pacific Cultural Center
 - Annual Samoa Cultural Week/Day: Various locations on July 23-29, 2023
 - Annual Polynesian Luau: APCC on August 26, 2023
 - Korean Chuseok Festival: Gig Harbor on September 30, 2023.

Appendix A: Interview Questions

Community Organizations

Introduction and Background

1. What is your organization's role in addressing community or housing needs in Pierce County? Who do you serve?

Displacement

2. As the cities work to improve their land use policies, they are considering the racially disparate impacts being experienced in the community. In the communities that you serve, do you see evidence of segregation or racial disparities in homeownership? If so, what do you see as the root causes of these impacts? What are the patterns and forces leading to these outcomes in these communities?
3. Economic displacement is when people are forced to move due to cost. Cultural displacement is when the people and institutions that give the neighborhood cultural meaning are eroded such that people leave. Have you identified any signals of economic or cultural displacement in your community?
 - a. Are there specific areas that you feel are at risk of future displacement? Why do you think this? What would be the best remedy?

Housing Needs

4. What are some housing needs members of your community experience?
 - a. Are any of these needs specific to a certain demographic group? (age, race, ethnicity, family size, income-level or employment type)
5. Other than cost, are there additional barriers to homeownership experienced by BIPOC households?

Community Engagement

6. This project is about how housing policies affect communities and individuals differently. We have questions about what barriers community members face, experiences of exclusion, concerns about land use changes, and more. How would you go about answering these questions? How can we get community input on these questions?
7. Is there anyone else we should speak with about this project?

School Districts

1. What cities do you serve (Fife, Milton, Edgewood, Gig Harbor, University Place)
2. Have you noticed any demographic shifts?
3. Stable housing is an important part of student persistence. What displacement pressures do you see families facing?
 - a. Are certain demographic groups more likely to struggle persisting?
4. [Explain middle housing]. How might middle housing benefit families in the school district? Staff?

5. Are there specific housing needs that are specific to a certain demographic group? (age, race, ethnicity, family size, income-level or employment type)
6. Other than cost, are there additional barriers to homeownership experienced by BIPOC households?

Apartments

1. What types of units do you have? How much are you renting units for?
2. What are your income requirements?
3. Do you have a waiting list? How long are units vacant?
4. How long do people generally stay?
5. How do you think your apartment building compares to other available rental units in the city?
6. What type of people tend to rent units?

Developers

1. What middle housing have you built and in which jurisdictions?
2. Are you likely to continue to build middle housing types? Why or why not?
3. What are the barriers (by jurisdiction) you encounter to developing more middle housing?
 - A. Fees (do any stand out as particularly burdensome)
 - B. Site regulations (parking, setbacks, height, tree retention, etc)
 - C. Market/demand
 - D. Permitting and design review
 - E. Infrastructure (is it a limitation)
4. What could the city do to encourage more middle housing?
 - A. Regulatory changes (zoning, process, etc.)
 - B. Incentives

Appendix B: Partnering with CBOs

Organization	Attempt	Contact Info
Asia Pacific Cultural Center (Executive Director)	Knowing that the ED had more connection to the Polynesian community, asked for meeting. She agreed but never responded to suggested times.	Faaluaina Pritchard faaluaina@asiapacificculturalcenter.org
Cherrywood Mobile Park	Called and left message, no call back	(253) 922-6036
Good Seeds Church	Emailed multiple times, no response	goodseedpastor@gmail.com
Harborview West Apartments	Called and left message, no call back	(253) 851-8399
Mi Centro	Emailed multiple times, no response	Bernal Baca bbaca@clatino.org
New Life Samoan Church	Facebook outreach, no response	https://www.facebook.com/nwlschurch/
Pacific Islander Health Board of Washington	Emailed, no response	lai@pihealthboard.org alana@pihealthboard.org johanna@pihealthboard.org gabi@pihealthboard.org
St. Paul Chong Hasang (Fife)	Called and left message, no call back	253-896-4489
St. John's Episcopal Church (Gig Harbor)	Called and left message, no call back	(253) 858-3777
Tacoma Community House	Emailed multiple times, no response	Jason Scales jscales@tacomacommunityhouse.org

South Sound Housing Affordability Partners Middle Housing Project

RACIAL EQUITY ANALYSIS

A collaboration among **SSHAP** & The cities of Edgewood, Fife, Gig Harbor, Milton, and University Place



Photo of the Iseri family working at a raspberry farm, 1908. Courtesy UW Special Collections (2093)

June 2023



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Introduction

A recent update to Washington’s Growth Management Act (RCW 36.70a.070) requires local jurisdictions to identify policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and implement policies to address and undo these effects. Additionally, jurisdictions must identify areas that may be at a higher risk of displacement from market forces that occur as a result of changes to zoning, development regulations, and capital investments and establish anti-displacement policies. Finally, the GMA also requires jurisdictions to make provisions for moderate density housing, such as duplexes, triplexes, and townhomes.

The South Sound Housing Affordability Partners (SSHA^{3P}), in partnership with the cities of Edgewood, Fife, Gig Harbor, Milton, and University Place, received a grant from the Department of Commerce’s Middle Housing Grant Program. Established in 2021, SSHA^{3P} is an intergovernmental collaboration between the jurisdictions of Auburn, DuPont, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Puyallup, Sumner, Steilacoom, Tacoma, and University Place, Pierce County, and the Puyallup Tribe. SSHA^{3P} members collaborate to create and preserve affordable, attainable, and accessible housing throughout their communities.

The grant provides funds to conduct research and community engagement activities necessary to make policy and regulation changes to allow middle housing types in existing single-family neighborhoods. The authorizing legislation also requires grantees to conduct a racial equity analysis and establish anti-displacement policies to ensure there will be no net displacement of very low, low, or moderate-income households or individuals from racial, ethnic, and religious communities that have been subject to discriminatory housing policies in the past.

This report addresses the grant requirements for a Racial Equity Analysis. The analysis evaluates multiple geographic, demographic, racial and ethnic, housing, income, and displacement metrics to identify the following:

1. racially disparate impacts in housing due to past and current discriminatory policies, and
2. areas that may be at a higher risk of displacement from market forces.

The report is structured into two sections.

Part 1. Racially Disparate Impacts Analysis

Part 1 presents an analysis of dimensions of racially disparate impact for the five participating cities and Pierce County, including measures of housing exclusion and segregation, racially disparate impacts, and displacement risk.

Part 2. City Profiles

Part 2 presents city-specific analyses of racially disparate impacts and exclusion for each participating city, including a discussion of the racial and ethnic history of the area, a demographic profile, an analysis of population change, housing outcomes, and displacement risk.

Key Findings

The Racial Equity Analysis broadly evaluates three major themes of racial inequity within the five cities participating in the Middle Housing Grant Program. The three major components of racial equity analysis are housing exclusion and segregation, racially disparate impacts in housing, and displacement risk. Key findings from each section include:

Housing Exclusion and Segregation

- Residents identifying as Black experience the highest levels of racial segregation, both in Pierce County and across the five cities. The Black population is experiencing higher levels of housing segregation in Edgewood and Milton relative to other groups in those cities and compared to Black populations in the three other study cities.
- Residents that identify as Asian consistently have the second highest rate of segregation, with larger disparities observed in Edgewood, Gig Harbor, Milton, and University Place. Black and Asian populations are experiencing relatively similar levels of segregation in Fife and Gig Harbor, which are higher than for Hispanic and Latino populations in both communities.
- In general, the degree of geographic segregation experienced by the Hispanic or Latino population tends to be similar to or less than people of color overall.

Racially Disparate Impacts in Housing

- Households led by a person of color have a higher rate of housing cost-burden (defined as total housing costs being greater than 30% of a household's income) than White households in all jurisdictions except University Place.
- Households that identify as Black, American Indian or Alaska Native, and Hispanic or Latino are more likely to experience housing cost burden, or be blocked from an area due to housing costs (experiencing an exclusionary effect). Households that identify as two or more races also tend to have lower levels of housing affordability.
- Four of the study jurisdictions have a *nominal* shortage of affordable homes for households with incomes less than 50% of AMI, which means there are fewer than 100 affordable homes for every 100 households in that economic segment. The shortage ranges from only 42 affordable units per 100 households in Gig Harbor to 82 affordable units per 100 households in Milton. The shortage is more severe for households with incomes less than 30% of AMI. Moreover, all five cities display an *effective* shortage of affordable homes for households with incomes less than 80% of AMI. This means that higher income households are “down renting” into more affordable housing units, which prevents those units from being available for households with incomes at a commensurate level.

Displacement Risk

- Fife and University Place show signs of moderate and high displacement risk across large sections of both cities, primarily due to higher levels of social vulnerability.
- In Milton, neighborhoods with higher levels of racial diversity show relatively low displacement risk, indicating that these neighborhoods are not exhibiting signs of gentrification and have

market conditions that are either stable or appreciating at a pace slower than countywide trends.

- Edgewood exhibits low displacement risk across the whole city. It has a combination of low social vulnerability, a decreasing share of low-income households paired with a growing share of people of color, and relatively low rents that, while appreciating, are still lower than many other places in Pierce County.
- Areas of higher displacement risk in Gig Harbor result from demographic changes and market conditions leading to rapidly rising rental prices.

Exhibit 1. Summary of Racially Disparate Findings

Observed Disparity? Yes = ● No = ○ Partial = ◐	Edgewood	Fife	Gig Harbor	Milton	University Place
Evidence of Exclusionary Effect	●	○	●	●	○
Black or African American	●	○	●	○	○
Hispanic and Latino	●	○	●	○	○
	(gap is closing)				
Racial Segregation	◐	○	○	○	○
Disparities in Homeownership	●	●	○	●	●
Asian	○	●	○	○	○
Black or African American	○	●	○	○	●
Hispanic and Latino	●	○	○	●	●
Racial Disparities in Cost Burden	●	◐	●	○	○
Areas of Higher Displacement Risk	○	●	●	●	●

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Part 1. Racially Disparate Impacts

Notes on Data and Categories

Race and ethnicity data come from the U.S. Decennial Census and the American Community Survey (ACS). Both data products use the same race and ethnicity categories, which include:

- For race: American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, White, and other. In addition, they have a category for two or more of the categories.
- For ethnicity: Hispanic or Latino, and not Hispanic or Latino.

Individuals are asked to answer a question about race and a question on ethnicity. For this analysis, the data groups all respondents who answer in the affirmative for being Hispanic or Latino regardless of race. For example, a person that is Black and Hispanic would be classified as Hispanic. To prevent double counting the other racial groups exclude people who are Hispanic or Latino. The full set of race and ethnicity categories includes:

- American Indian or Alaskan Native (not Hispanic or Latino)
- Asian (not Hispanic or Latino)
- Black (not Hispanic or Latino)
- Native Hawaiian or Other Pacific Islander (not Hispanic or Latino)
- White (not Hispanic or Latino)
- Other (not Hispanic or Latino)
- Two or more races (not Hispanic or Latino)
- Hispanic or Latino of any race

The U.S. Decennial Census and the associated data products provide the best available information for the SSHA^{3P} jurisdictions. However, privacy protection measures limit the ability to further disaggregate data into finer racial and ethnic identities. Moreover, for ACS data – which is based on a survey, unlike the Decennial Census counts – small sample sizes for some race or ethnicity categories can create large margins of error. The analysis notes where estimates are suppressed or should be interpreted with caution due to sampling error.

Housing Exclusion and Segregation

An important piece of evaluating racially disparate impacts is determining the extent to which a community is experiencing exclusion or segregation. The analysis includes three measures to help quantify patterns in geographic distribution:

1. A **comparison of the racial profiles** of the jurisdictions and the county;
2. A **location quotient** of the representativeness of areas within the cities;
3. A **dissimilarity index** that compares the relative isolation or integration of each racial or ethnic group.

Additional community input is necessary to determine the specific forces that lead to the observed geographic patterns and to identify the root causes of either exclusion or segregation accurately, should they exist.

Race and Ethnicity by Jurisdiction

Historically, North American land use policies and processes of city incorporation have been used to segregate and exclude people of color from some communities, particularly suburban communities established in the latter half of the 20th century.¹ To test for exclusionary effects, **Exhibit 2** compares the racial and ethnic composition of each jurisdiction to the Pierce County distribution across eight Census-defined categories.

In Pierce County, 62% of the population identifies as White alone (not Hispanic or Latino). A greater proportion of Gig Harbor (79%), Edgewood (74%), and Milton (67%) populations identify as White compared to the countywide rate. People who identify as Black are less represented in these communities compared to the countywide rate of 7% (Edgewood [2%], Gig Harbor [1%], and Milton [4%]). Edgewood and Gig Harbor also have less representation of the Hispanic or Latino community (8% and 7%, respectively, compared to the countywide rate of 12%).

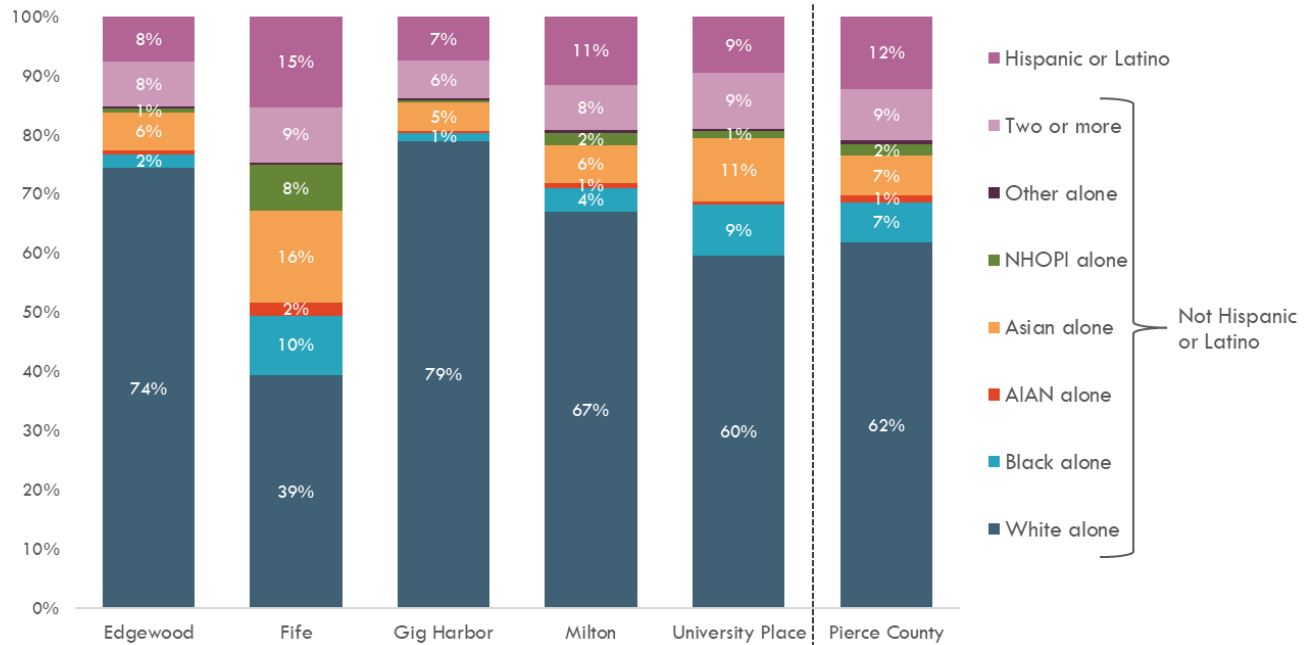
The racial composition of Fife departs from the countywide pattern with a majority of the population identifying as people of color (61%). Fife has a greater representation of people who identify as Asian (16% compared to the countywide rate of 7%), as well as Native Hawaiian or Other Pacific Islander (8% compared to the countywide rate of 2%). Additional community input and analysis are necessary to determine if this is in part the result of an exclusionary effect from neighboring jurisdictions or if there are distinct local factors making Fife the community of choice for these populations. The following sections of this report use analytical tools to explore these potential exclusionary dynamics further.

The distribution of groups in University Place roughly parallels the county. University Place has a slightly larger Asian community (11% compared to the countywide rate of 7%) and a smaller proportion of the Hispanic or Latino community (9% compared to the countywide rate of 12%).

The data table in **Exhibit 2** includes the change in racial and ethnic composition between 2010 and 2020. There was an increase in the share of residents identifying as two or more races across all jurisdictions, matching a trend at the county level. The proportion of the population that identifies as people of color grew in all five cities, with the greatest shifts in Edgewood (14 percentage points) and Milton (13 percentage points) compared to a range of 7 to 9 percentage points in the other jurisdictions. In Edgewood the greatest change was for the Asian and Hispanic or Latino shares of the population (4 percentage points for each group), whereas in Milton the change was primarily in the Hispanic or Latino group. While Edgewood and Milton have higher proportions of the population identifying as White in 2020 compared to the county, this trend suggests that this discrepancy is closing.

¹ See Rothstein, R. (2018). *The Color of Law*. Liveright Publishing Corporation.

Exhibit 2. Race and Ethnicity by Jurisdiction, 2020



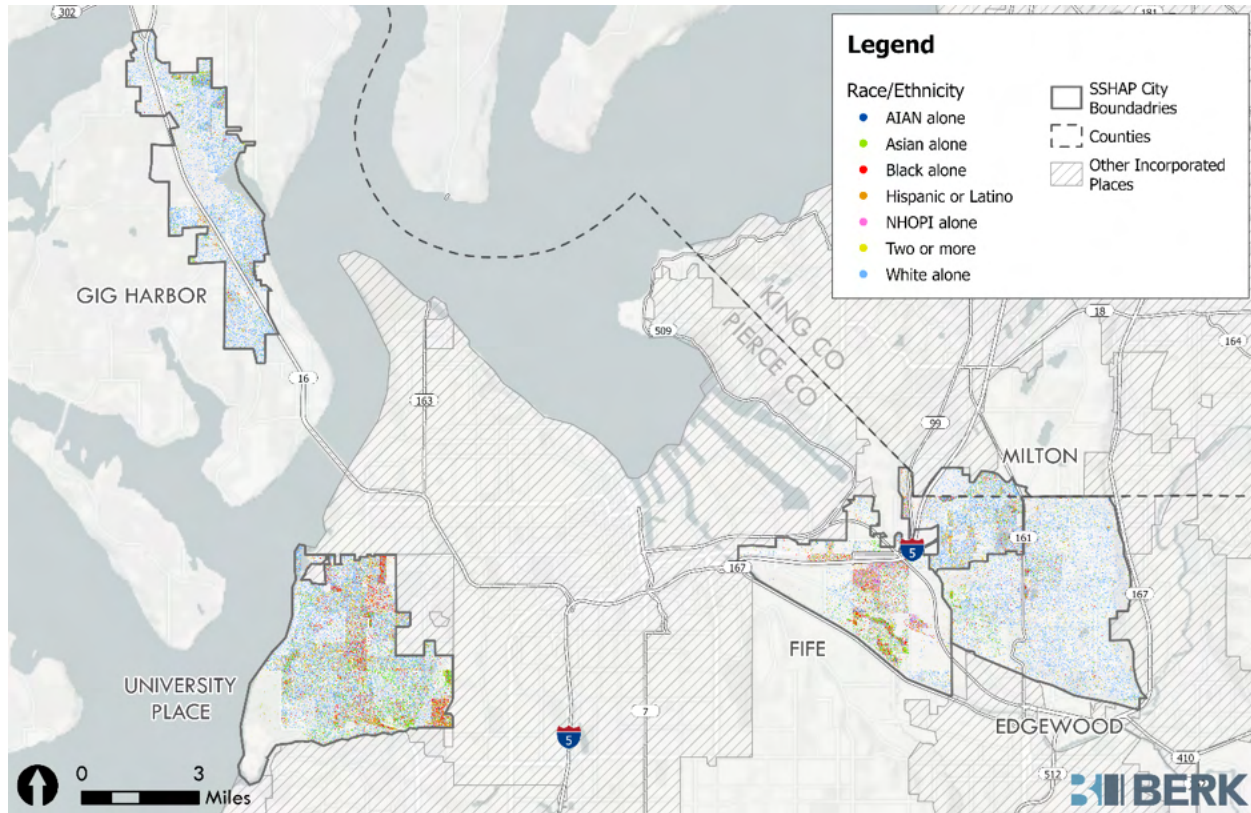
	Edgewood		Fife		Gig Harbor		Milton		University Place	
	2010	2020	2010	2020	2010	2020	2010	2020	2010	2020
White alone	88%	74%	48%	39%	86%	79%	80%	67%	68%	60%
Black alone	1%	2%	8%	10%	1%	1%	3%	4%	8%	9%
AIAN alone	1%	1%	2%	2%	1%	0%	1%	1%	1%	1%
Asian alone	2%	6%	15%	16%	2%	5%	5%	6%	9%	11%
NHOPI alone	0%	1%	3%	8%	0%	0%	1%	2%	1%	1%
Other alone	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Two or more	3%	8%	6%	9%	3%	6%	4%	8%	7%	9%
Hispanic or Latino	4%	8%	17%	15%	6%	7%	5%	11%	7%	9%

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

Sources: U.S. Decennial Census, 2010 and 2020; BERK 2023

Exhibit 3 shows the geographic distribution by race and ethnicity for the five cities. This analysis demonstrates Edgewood, Gig Harbor, and Milton populations are primarily White without notable concentrations of people of color. Fife and University Place have a greater diversity of races or ethnicities throughout their jurisdictions. The distribution of people by race and ethnicity suggests some geographic clustering, which could be a sign of exclusion or represent patterns of segregation. Additional analysis of racial and ethnic distributions is discussed in **Part 2. City Profiles** in this report.

Exhibit 3. Race and Ethnicity Dot Density Map, 2020



Sources: U.S. Decennial Census, 2020; BERK, 2023.

Location Quotients: Patterns of Exclusion

Location quotient (LQ) scores show the concentration of communities in relatively small areas (e.g., a Census block group) compared to a larger area. For this analysis, racial and ethnic communities on a neighborhood level are compared to their respective share of the citywide population. For example, if 10% of the city’s population is Black, and 10% of a particular block group population is Black, then the location quotient is 1 (i.e., the concentration of the Black community in that small area roughly matches the citywide level). A block group where 20% of residents are Black would have a location quotient of 2. A block group where only 5% of residents are Black would have a location quotient of 0.5. In other words, areas with high location quotient scores have a greater share of that population compared to the rest of the city. This method can help identify areas of potential segregation or exclusion.

Exhibit 4 through **Exhibit 8** show the location quotient for four races or ethnicities in the five cities (Asian alone, Black alone, Hispanic or Latino, and White alone populations), along with all BIPOC populations. They are based on block group population calculations, and the results are

This report uses both the acronym BIPOC and the phrase “people of color” when referring to people who identify as a race other than White, not Hispanic or Latino. BIPOC is an acronym that stands for “Black, Indigenous, and people of color” that includes all nonwhite identified people and people who identify as Hispanic or Latino, as well as highlighting the historical injustices imposed on specifically the Black and Indigenous communities. Households are assigned to a racial group based on the self-reported identity of the householder, which is the person in whose name the housing unit is owned or rented.

distributed to a hexagonal grid that is roughly 1,000 by 1,000 feet to provide a more granular view of neighborhood trends. All areas with location quotients above 1.0 have a higher share of that particular group than the city as a whole. Areas with scores below 1.0 have a lower share.

The LQ analysis shows relatively high concentrations of residents identifying as “Asian alone” in north Gig Harbor, southeast University Place, south Fife, and west Edgewood, and relatively low concentrations throughout much of Gig Harbor, southeast Edgewood, central Milton, and north and west University Place. For residents identifying as “Black alone,” there are far more areas with significantly lower concentrations across the five study jurisdictions. Black residents, for example, have very low concentrations in central Gig Harbor, east Edgewood, and central Milton, with only a few areas with relatively high concentrations in west Edgewood, central Fife, and pockets of University Place. Fife and Gig Harbor are the only study jurisdictions with significant concentrations of Hispanic or Latino residents. Edgewood has a moderate concentration on the city’s western side, but throughout much of Edgewood, Milton, and University Place, the LQ for Hispanic or Latino residents is around 1 or below, indicating a proportional or relatively low share.

Meanwhile, many areas within each city exhibit a proportional share of residents identifying as “White alone” to the citywide level. In Gig Harbor, for example, every area roughly matches the citywide share of White residents, and the same is true for most areas within University Place. Western Edgewood exhibits a relatively low share and central Milton exhibits a relatively high share of White residents, but otherwise have neighborhoods roughly in line with their citywide levels. Fife has a small residential pocket in the northern part of the city with a relatively high share of White residents, just to the east of a neighborhood with a relatively low share. Much of southeastern Fife has a proportional share of White residents to the citywide level.

Exhibit 4. Location Quotient for Asian Residents, 2020

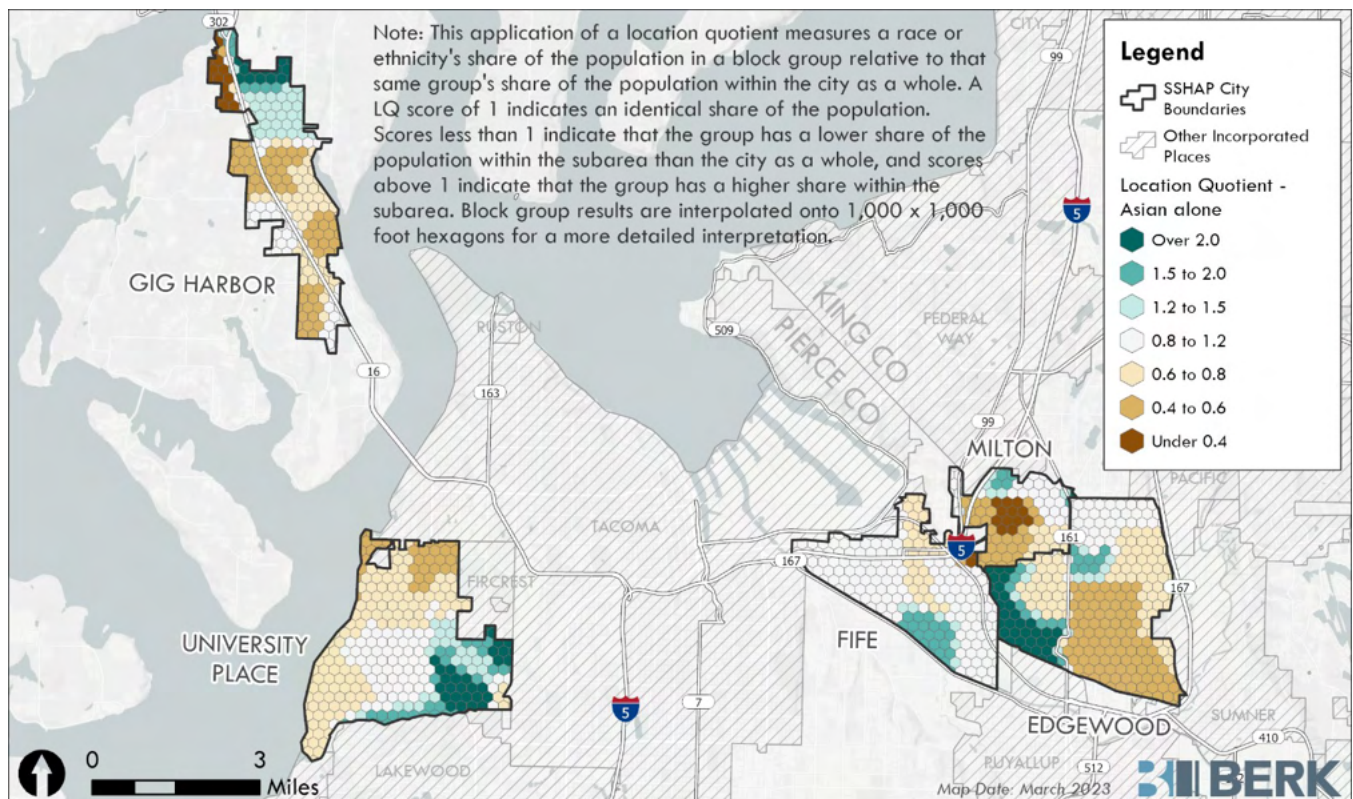
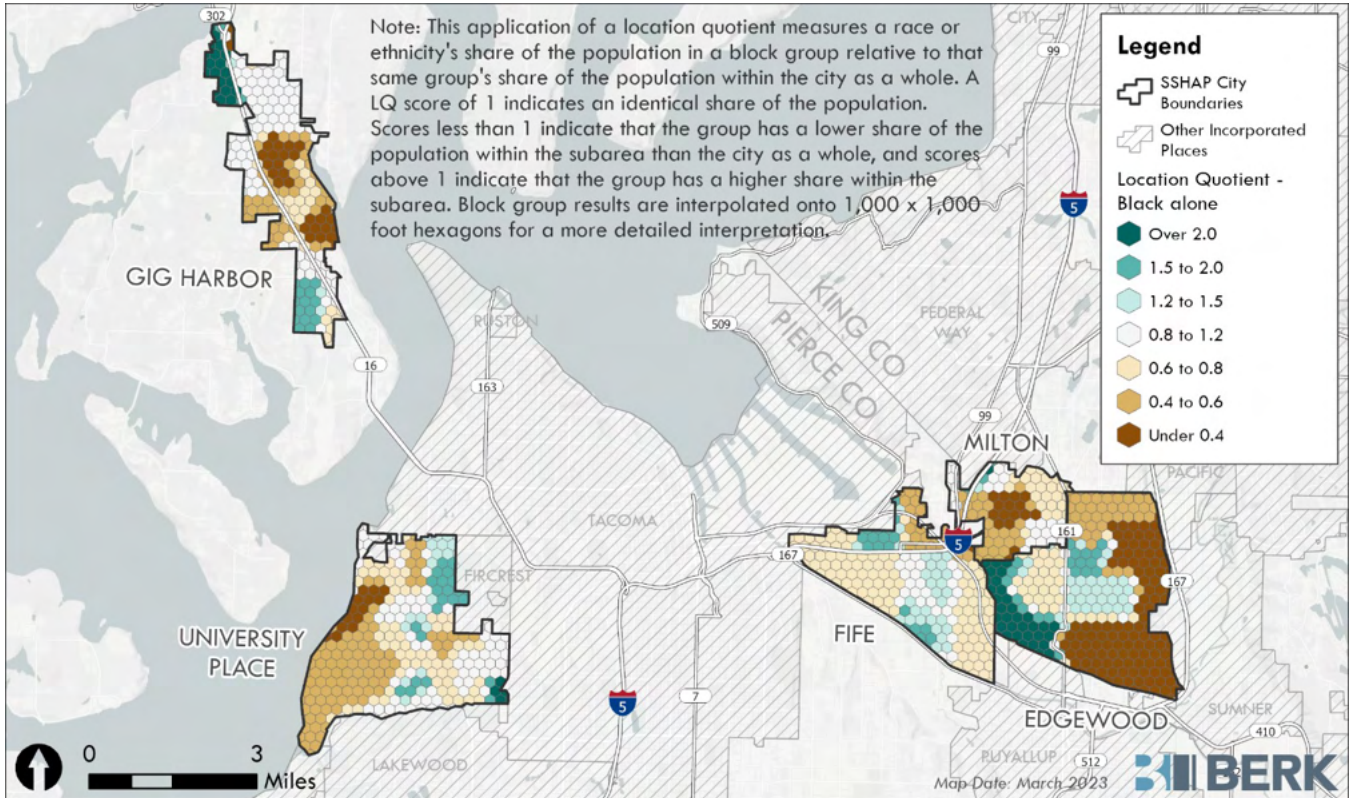


Exhibit 5. Location Quotient for Black Residents, 2020



Sources: U.S. Decennial Census, 2020; BERK, 2023.

Exhibit 6. Location Quotient for Hispanic or Latino Residents, 2020

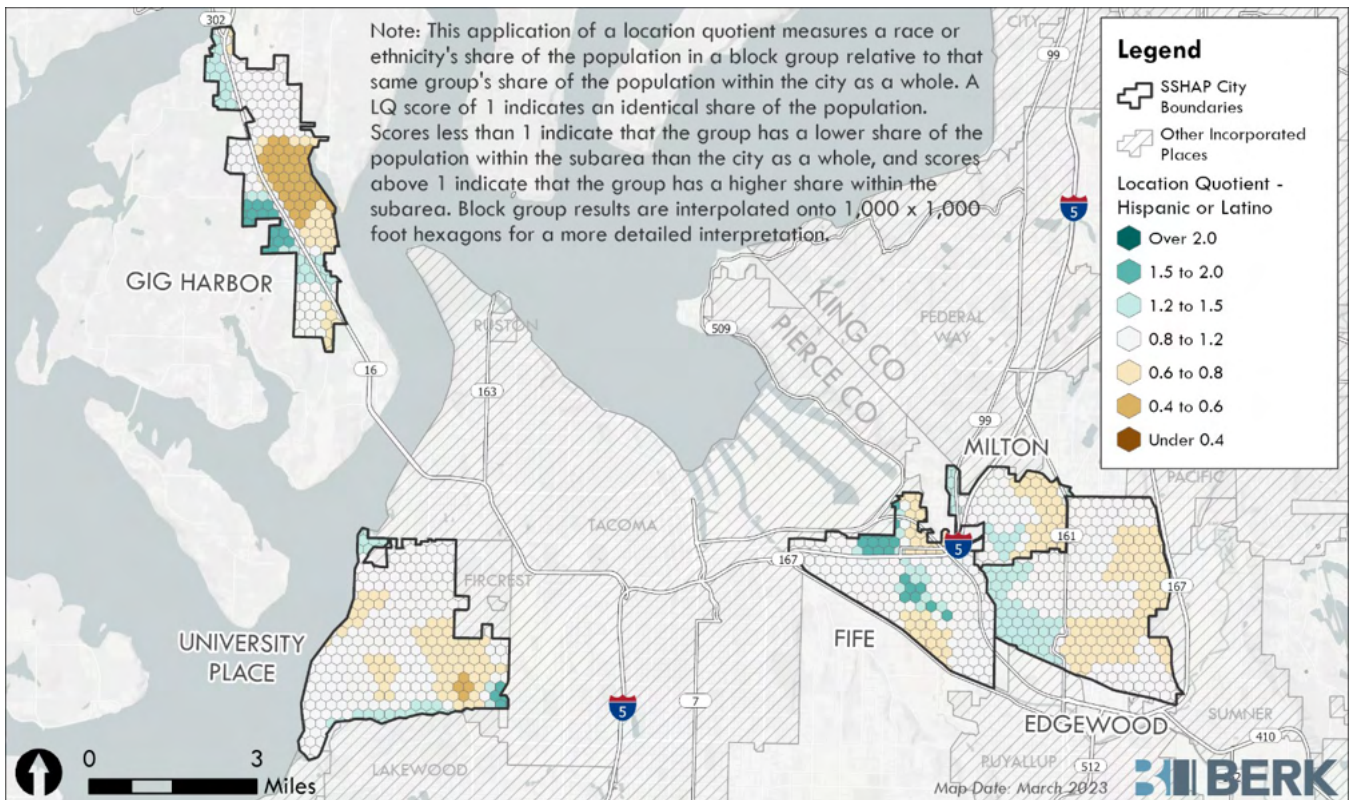


Exhibit 7. Location Quotient for White Residents

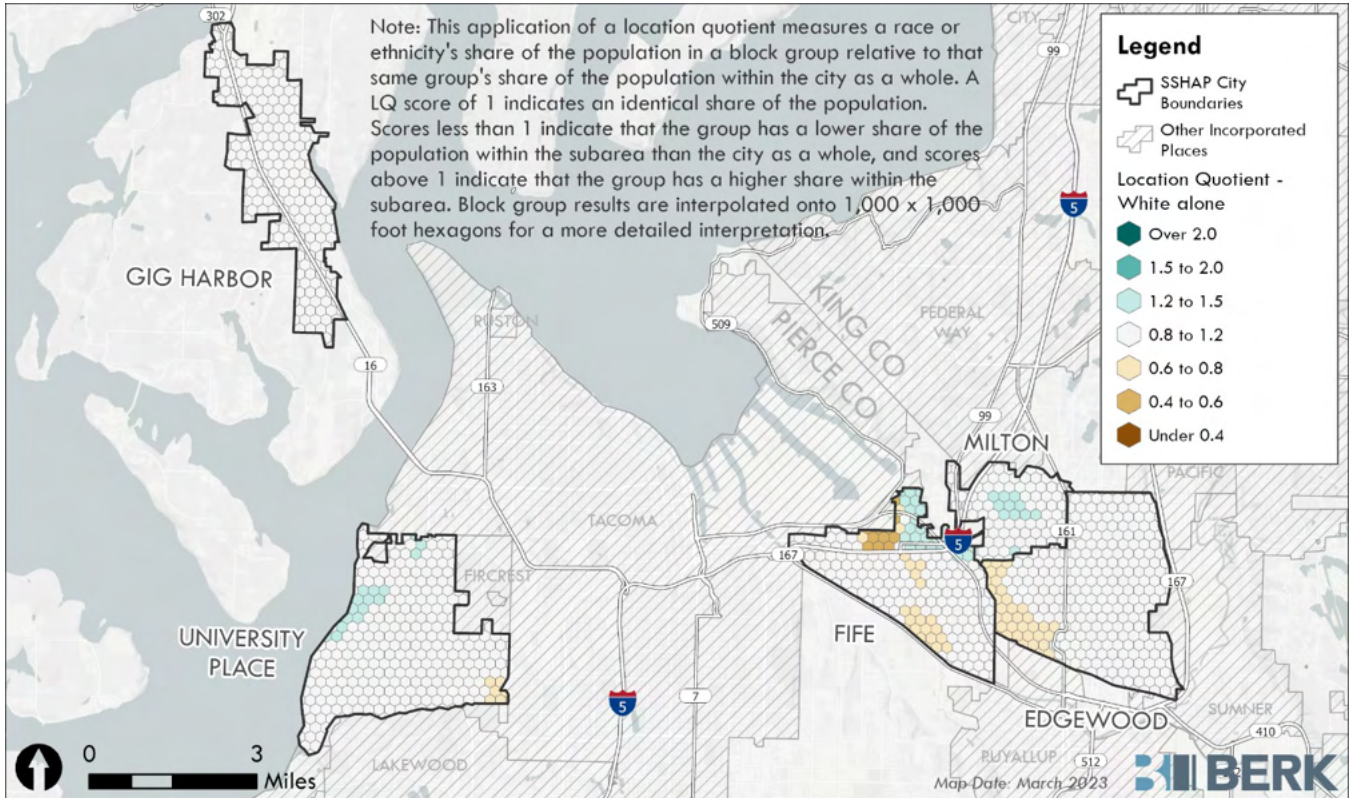
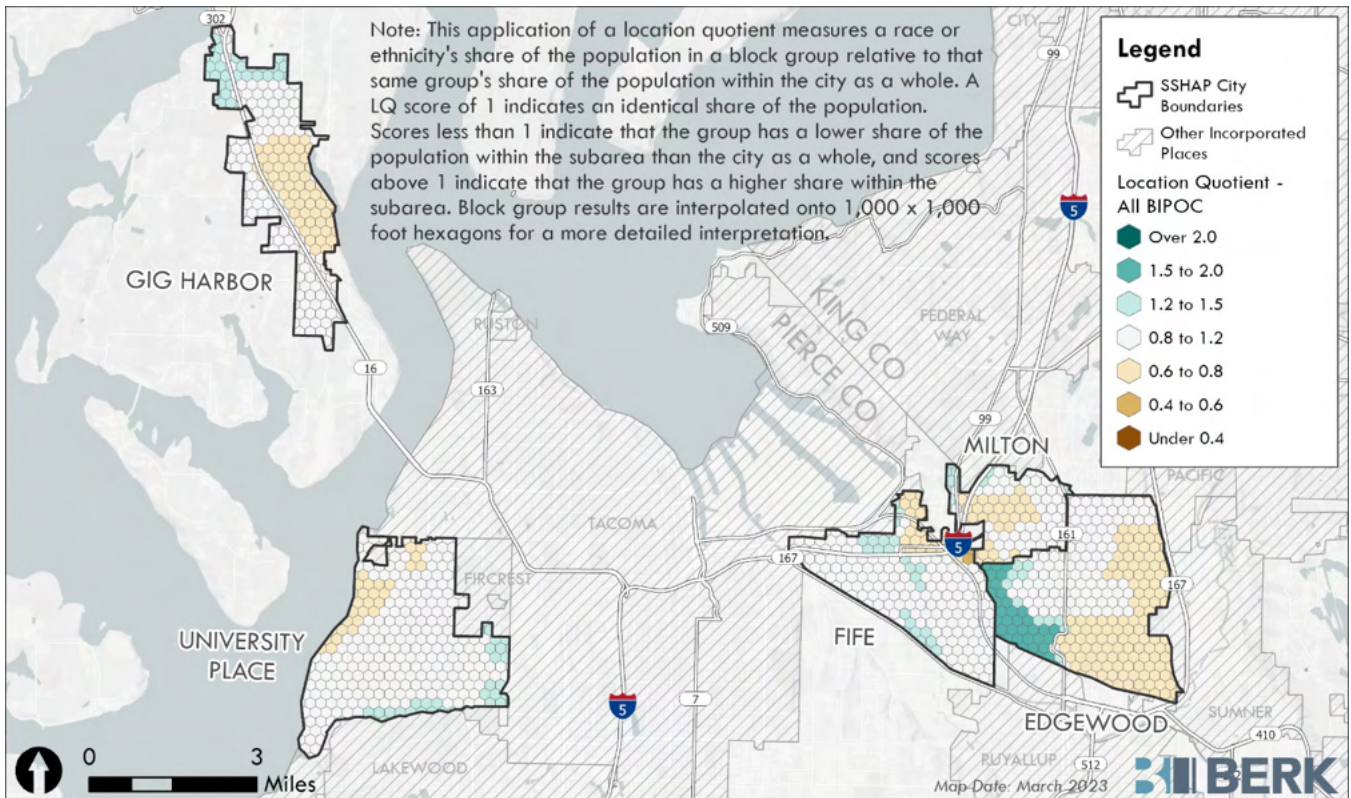


Exhibit 8. Location Quotient for All BIPOC Residents, 2020



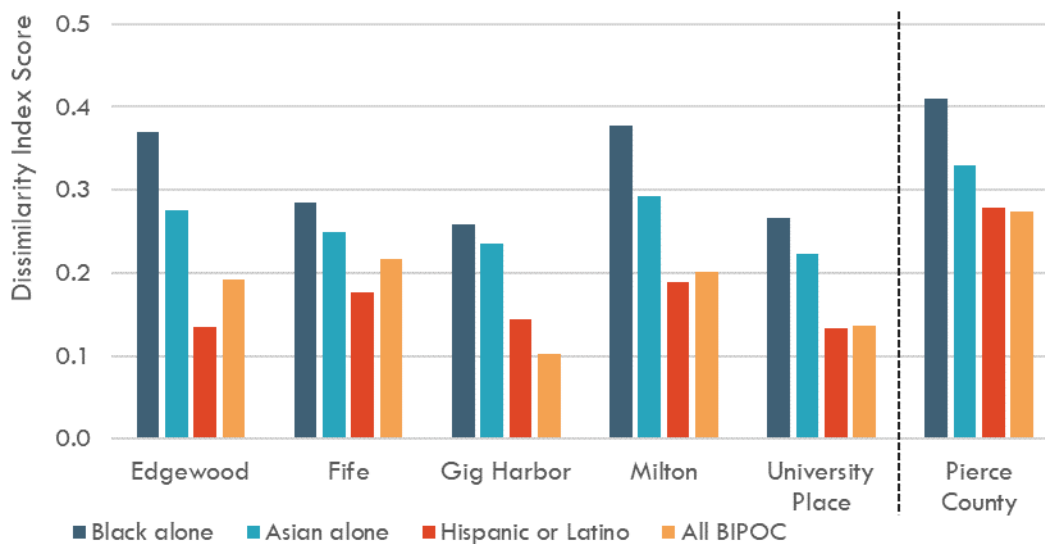
Sources for Exhibit 4 through Exhibit 8: U.S. Decennial Census, 2020; BERK, 2023.

Degrees of Segregation and Integration (Dissimilarity Index)

A dissimilarity index is a statistical method for measuring segregation based on the demographic composition of an area and smaller geographic units within that area. Simply put, it indicates how evenly two demographic groups are distributed throughout an area. For this analysis, the index measures the degree of segregation for several racial or ethnic groups relative to the White alone population. If the composition of both groups in every geographic unit (e.g., Census block group) is the same as within the whole area (e.g., city) then the dissimilarity index score will be 0 (no segregation). By contrast, if one population is clustered entirely within one Census block group, the dissimilarity index score will be 1. Higher dissimilarity index values indicate higher levels of segregation. Generally, areas with a dissimilarity index score of 0.4 or less are considered to have relatively low levels of segregation. An index score between 0.4 and 0.55 indicates moderate levels of segregation. And areas with a score higher than 0.55 are considered highly segregated.²

Exhibit 9 shows the dissimilarity index scores for Black alone, Asian alone, Hispanic or Latino populations, and all BIPOC residents. It compares the scores on a city level to dissimilarity scores for all of Pierce County. Across all jurisdictions, the Black alone population is experiencing the highest degrees of segregation.

Exhibit 9. Dissimilarity Index, 2020



Sources: U.S. Decennial Census, 2020; BERK, 2023.

The results show that the dissimilarity scores for each group across Pierce County are higher than the corresponding dissimilarity scores within each city, suggesting greater racial segregation across the county compared to within the jurisdictions being studied. However, there are a few notable variations and trends:

- Black alone residents experience the highest levels of racial segregation, both in Pierce County and across the five cities. The Black alone population is experiencing higher levels of housing

² For an interpretation of dissimilarity index scores see:

<https://www.piercecountywa.gov/DocumentCenter/View/84977/Analysis-of-Impediments-to-Fair-Housing-Choice---Final?bidId=>

segregation in Edgewood and Milton relative to other groups in those cities and compared to Black populations in the three other SSHA^{3P} jurisdictions.

- Following the Black alone population, the Asian alone population consistently has the second highest rate of segregation, with larger disparities observed in Edgewood, Gig Harbor, Milton, and University Place. The cities of Fife and Gig Harbor exhibit relatively similar levels of segregation for Black alone and Asian alone populations; both cities experience dissimilarity levels for Black alone and Asian alone populations that are significantly higher than the dissimilarity levels for Hispanic or Latino residents.
- The degree of geographic segregation for the Hispanic or Latino population tends to reflect or be less than the BIPOC population overall. Hispanic or Latino residents are experiencing relatively lower levels of segregation in the study jurisdictions.

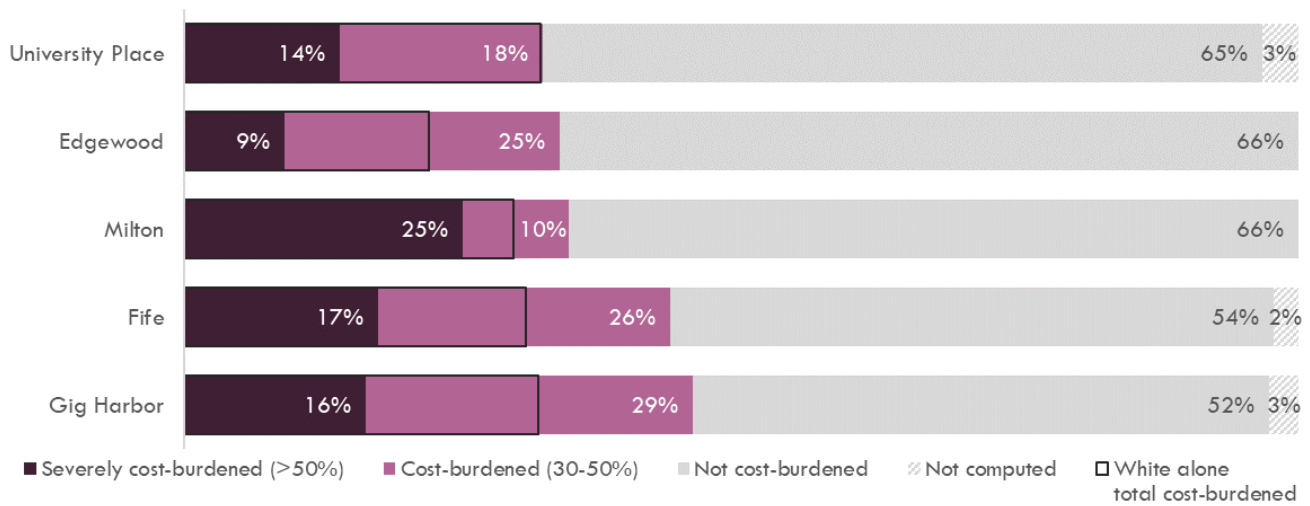
Disparate Impacts in Housing

Cost-burden Status by Race and Ethnicity

A related method to examine housing affordability is to evaluate the share of a household's income devoted to housing costs (i.e., rent, mortgage, or related costs associated with owning a home). Households that spend more than 30% of their income on housing costs are considered “cost-burdened,” and those that spend more than 50% are “severely cost-burdened.” **Exhibit 10** shows the cost-burden status in each jurisdiction for households in which the householder identifies as BIPOC compared to the total share of cost-burdened White alone households. For this analysis, BIPOC households include all households except those where the householder identifies as White alone.

Gig Harbor and Fife have the largest share of BIPOC households that are cost-burdened, at 45% and 43%, respectively. These two cities also have a large cost-burden disparity between BIPOC and White alone households. Although Milton has a slightly smaller share of BIPOC households that are cost-burdened, the share of BIPOC households experiencing severe cost-burden status in Milton is higher than the other study jurisdictions and significantly higher than Pierce County and King County. Edgewood and University Place have similar shares of total cost-burdened households (34% and 32%, respectively); however, University Place has a higher share of severely cost-burdened households, and Edgewood shows a larger disparity between cost-burdened BIPOC and White alone households.

Exhibit 10. Cost-Burden Status for BIPOC Households by Jurisdiction, 2019



Sources: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy, 2015-2019; BERK, 2023.

Rental Housing Affordability by Race and Ethnicity

Exhibit 11 presents data on the relative affordability of the individual rental markets. Relative affordability is assessed by the ratio of the jurisdiction’s median rent to the median household income of the racial and ethnic groups in that jurisdiction. For example, if the median rent in a jurisdiction is \$1,000 and a racial group’s median monthly income is \$5,000, the median rent would be 20% of the median household income. Lower percentages suggest higher degrees of affordability and higher percentages suggest lower affordability and a more limited supply of housing options affordable to that group.

Exhibit 11 shows that rental housing affordability by racial and ethnic group varies by jurisdiction. Red shading (■) indicates a higher ratio (e.g. less affordability) for the group compared to White alone households. Green shading (■) indicates a lower ratio (e.g. more affordability) than White alone households. Rental housing affordability for different racial and ethnic groups varies by jurisdiction; however, across all the jurisdictions, housing is less affordable to households that identify as Black (ratios ranging between 21% and 24%) and American Indian or Alaska Native group (ratios between 26% and 52%). In Fife and Gig Harbor, rental housing is less affordable to all groups other than White alone (non-Hispanic) and Asian alone. Rental housing in Edgewood is relatively more affordable for the Asian alone population, which suggests that the Asian alone population in Edgewood has a higher median income than in other jurisdictions.

Exhibit 11. Median Rent Relative to Median Household Income, 2021

	Median Rent (month)	Median Rent as a % of Median Household Income							
		White alone, non-Hispanic	Black alone	AIAN alone	Asian alone	NHOPI alone	Other alone	Two or more	Hispanic or Latino
	All City Households								
Edgewood	\$1,295	14%	*	*	9%	*	*	13%	15%
Fife	\$1,432	21%	24%	26%	21%	28%	28%	22%	25%
Gig Harbor	\$1,477	18%	*	52%	17%	*	*	22%	23%
Milton	\$1,438	20%	21%	*	28%	*	*	27%	19%

University Place	\$1,250	18%	23%	*	17%	15%	15%	16%	16%
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Note 1: Instances of * indicate suppressed data from the ACS, likely due to limited sample sizes.

Note 2: Red shading indicates a higher ratio (e.g., less affordability) for the group compared to White alone households. Green shading indicates a lower ratio (e.g., more affordability) than White alone households.

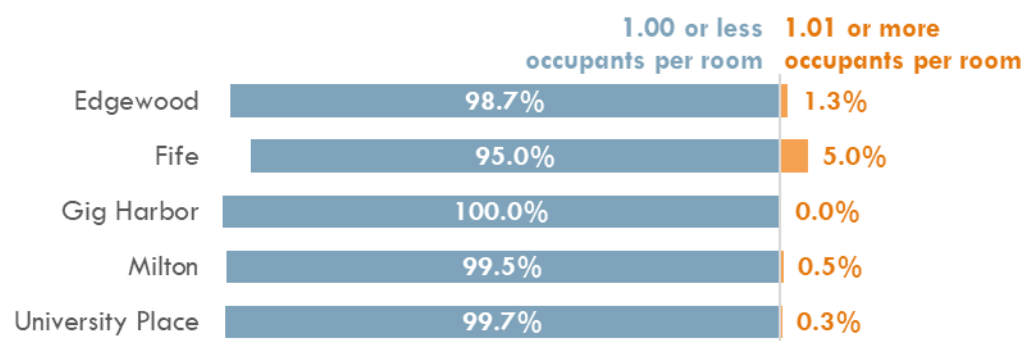
Sources: American Community Survey 5-year estimates, Table B25058 & B19013, 2017-2021; BERK, 2023.

Overcrowding by Tenure

Overcrowding suggests that community members cannot access housing that meets the needs of their households. Overcrowding could be due to insufficient income on the part of households or a lack of suitable housing options to accommodate larger families or preferred living arrangements. Due to small sample sizes, overcrowding data disaggregated by race or ethnicity has large margins of error and cannot inform reliable conclusions.

Exhibit 12 presents estimates of overcrowding of owner households for all five cities. It shows that Edgewood and Fife have the highest rates of overcrowding among owner households. Edgewood has 1.3% of households with more than one occupant per room and Fife has 5% of households with more than one occupant per room.

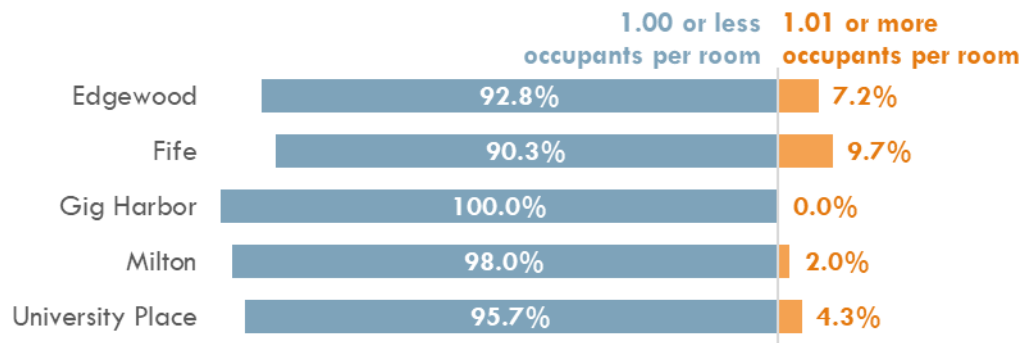
Exhibit 12. Occupants per Room for Owner-Occupied Households, 2021



Sources: American Community Survey 5-year estimates, Table B25014, 2017-2021; BERK, 2023.

Exhibit 13 shows that there is **significantly more overcrowding among renters than owners**. Edgewood and Fife have the highest rates of overcrowding among all the jurisdictions, but Milton and University Place also have significantly higher rates of overcrowding among renters than they do among owners. Edgewood has 7.2% of renter households with more than one occupant per room and Fife has 9.7% of renter households with more than one occupant per room. Additionally, 2% of Milton renter households are experiencing overcrowding, much higher than the 0.5% of owner households experiencing overcrowding. In University Place, 4.3% of renters are experiencing overcrowding while only 0.3% of owners experience this same issue.

Exhibit 13. Occupants per Room for Renter-Occupied Households, 2021



Sources: American Community Survey 5-year estimates, Table B25014, 2017-2021; BERK, 2023.

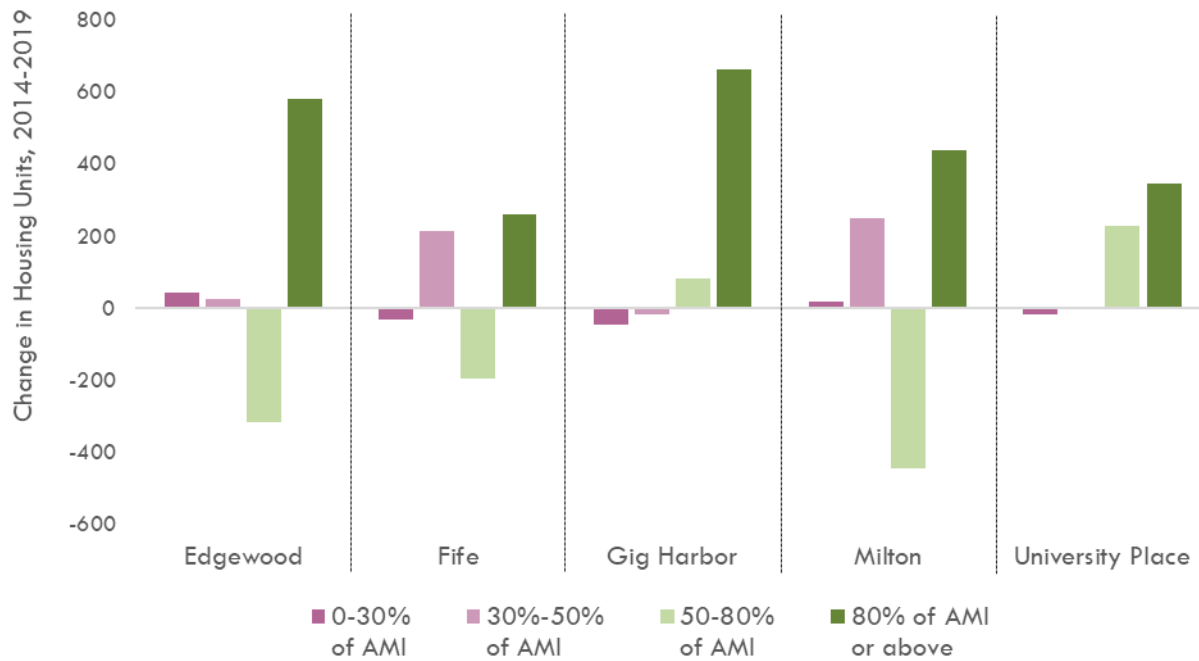
Displacement Risk

The Growth Management Act requires jurisdictions to identify areas at higher risk of displacement and establish anti-displacement policies. Methods to understand relative risk include: (1) assessing the change in housing unit affordability over time; (2) conducting a gap analysis of the number of households and housing units affordable at each income level; and (3) identifying parcels at risk for redevelopment, and (4) using a comprehensive displacement risk methodology to determine relative risk at a tract-level.

Change in Housing Unit Affordability

Housing affordability is assessed according to countywide median income. While the communities of Edgewood, Fife, Gig Harbor, Milton, and University Place may have previously offered affordable housing relative to the county, there has been a shift in the housing affordability since 2014. Edgewood, Fife, and Milton have lost units affordable to households with incomes under 80% of area median income (AMI), particularly in the 50-80% AMI range. This loss of units could be due to the addition of new, higher-priced housing or rising rents and values of existing housing.

Exhibit 14. Change in Housing Units by Affordability Level, 2014-2019



Sources: U.S. Department of Housing and Urban Development, *Comprehensive Housing Affordability Strategy, 2010-2014 and 2015-2019*; BERK, 2023.

Edgewood, Fife, and Milton experienced a functional loss of low-to-moderate income housing units (affordable to households with incomes of 50-80% of AMI), suggesting a shift away from units of greater affordability between 2014 and 2019. This may not be a loss of units; many of these 50-80% of AMI units likely appreciated in rent or ownership value, contributing to the dramatic increase of units affordable to households earning 80% of AMI or above, as seen in **Exhibit 14**. Low-to-moderate income units (affordable between 50-80% of AMI) decreased sharply in Edgewood, Fife, and Milton, while increasing by about 230 units in University Place between 2014 and 2019 (representing a 5% increase). Meanwhile, Edgewood, Fife, and Milton also showed signs of divergent affordability trends. Despite an increase in units with higher costs (affordable at 80% of AMI or above), these three cities also saw increases in the number of units affordable to low-income households, with notable increases in the 30-50% of AMI income band in Fife and Milton.

There are notable differences in affordability trends by tenure, as seen in

Exhibit 15. For example, although Gig Harbor experienced a significant increase in units affordable to 80% of AMI or above, since 2014 there was a loss of an estimated 85 renter units affordable to households with incomes at 80% of AMI. Meanwhile, there was an increase in renter units at the 30-50% of AMI income band, despite an overall decline in units at that level in Gig Harbor. University Place saw similar divergent trends at the 30-50% AMI and 80%+ AMI levels. Increases in rental units affordable to households with lower incomes (<30% AMI or 30-50% AMI) may be due to the addition of new subsidized housing stock or new subsidies going into effect for existing properties.

Exhibit 15. Change in Housing Units by Tenure and Affordability Level, 2014-2019

	Tenure	0-30% of AMI	30%-50% of AMI	50-80% of AMI	80% of AMI or above
Edgewood	Renter Units	45	90	-30	45
	Owner Units	0	-65	-285	535
Fife	Renter Units	-30	165	-135	140
	Owner Units	0	50	-60	120
Gig Harbor	Renter Units	-45	90	125	-85
	Owner Units	0	-105	-40	750
Milton	Renter Units	20	185	-240	130
	Owner Units	0	65	-205	310
University Place	Renter Units	-15	45	200	-105
	Owner Units	0	-45	30	450

Note: The U.S. Department of Housing and Urban Development uses different ranges at lower affordability levels. It publishes data for rental units affordable at 0-30% of AMI, and owner units affordable at 0-50% of AMI. For this analysis, BERK assumed that all units affordable to households at 0-30% of AMI are rental units and categorized the 0-50% of AMI owner units under 30-50% of AMI in the chart and table above.

Sources: U.S. Department of Housing and Urban Development, *Comprehensive Housing Affordability Strategy, 2015-2019*; BERK, 2023.

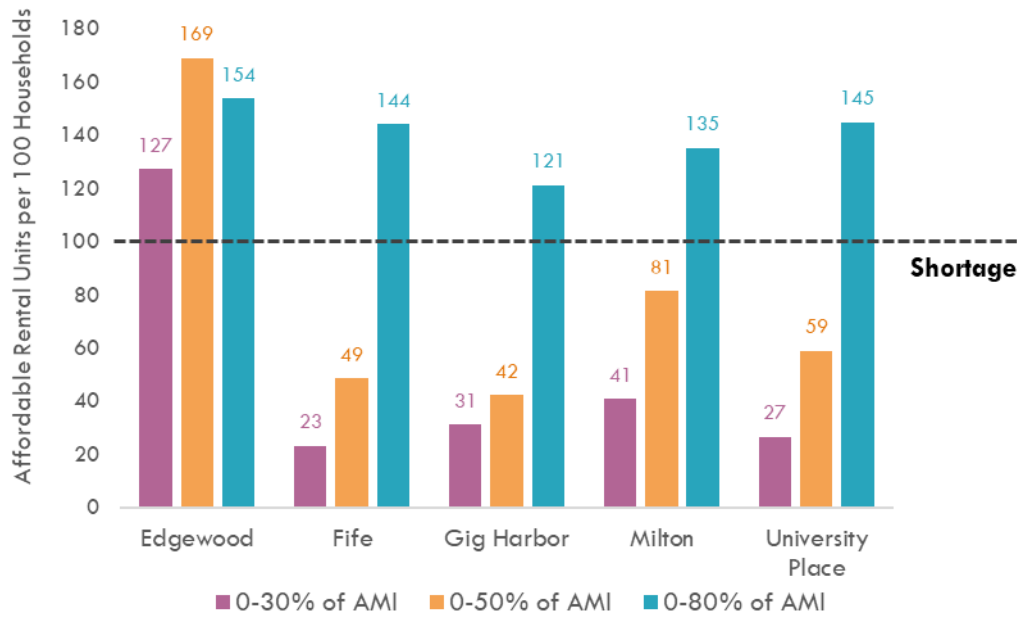
Gap Analysis – Housing Units per 100 Households

A shortage of affordable housing units – units that are affordable to households at specified income levels – can amplify displacement risk. A gap between the number of households at a given income level to the number of units affordable to that same income level indicates an undersupply of needed housing units. An undersupply of housing units affordable to that income group may be due to a lack of housing units, or “down renting,” in which a housing unit at a particular affordability level (i.e., affordable to households at 50-80% of AMI) is occupied by a household with a higher income (i.e., above 80% of AMI, in this case).

Exhibit 16 shows that four study jurisdictions have a nominal shortage of affordable homes for households with incomes less than 50% of AMI. A shortage means that there are fewer than 100 affordable homes for every 100 households in that economic segment. The shortage is more severe for households with incomes less than 30% of county AMI. These same four jurisdictions have a nominal surplus of homes affordable to households with incomes between 50-80% of AMI, suggesting that some of these households may be “down renting.”

Housing Affordability or Housing Cost Burden is measured as total housing cost as a percentage of total income. Housing is considered affordable for a household if the total housing cost is less than 30% of total income. A household is considered cost burdened if the total housing cost is 30% or greater of a household's total income.

Exhibit 16. Affordable Units per 100 Households by Income Level

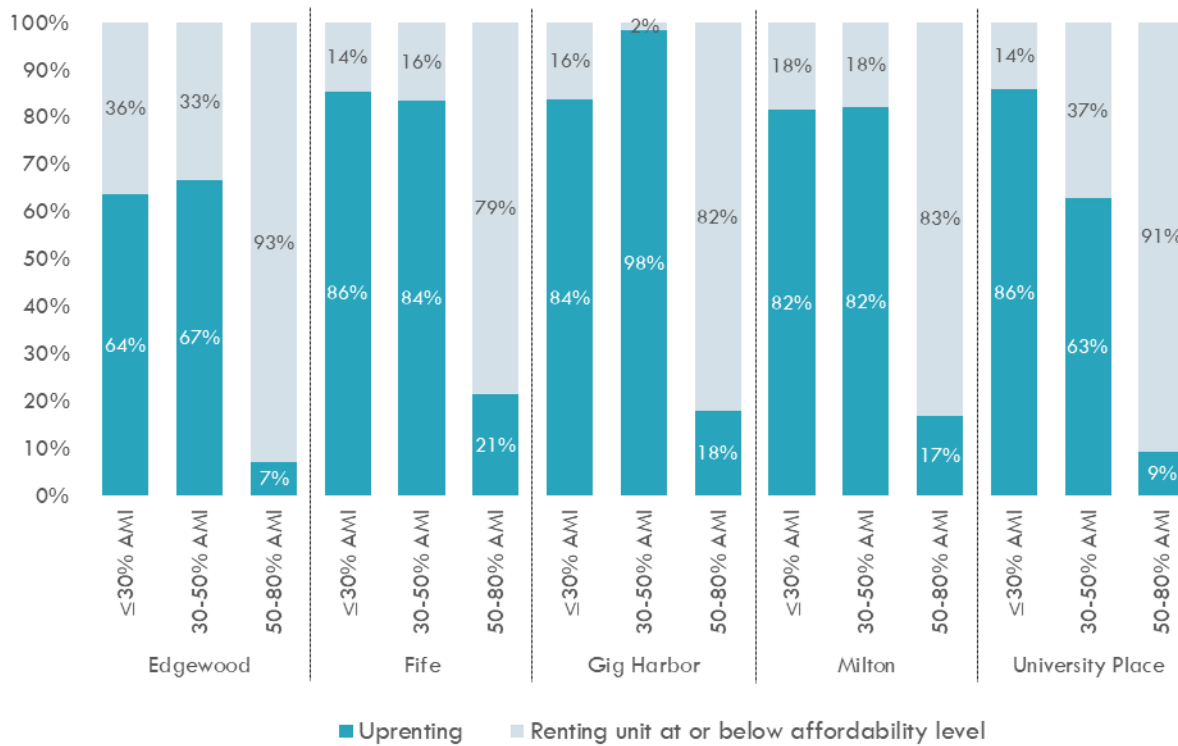


Sources: U.S. Department of Housing and Urban Development, *Comprehensive Housing Affordability Strategy, 2015-2019*; BERK, 2023.

Edgewood is the only city with a nominal surplus of units affordable to households at every income level less than 80% of AMI. The surplus is unusual but not altogether surprising since Edgewood shows far fewer households with incomes under \$75,000 per year than the other study jurisdictions. With relatively few low-income households but a housing market with relatively low rents, Edgewood has more opportunities for moderate- and higher-income households to rent down into more affordable homes.

However, this nominal surplus – across several affordability categories in Edgewood and cumulatively up to 80% of AMI in the other four cities – can sometimes obscure the availability of affordable housing units. For example, although the data show a nominal surplus of units cumulatively up to 80% of AMI in all five cities, when accounting for the income level of households occupying those same units, there are far fewer housing units currently available to households with equivalent income levels. In other words, significant “down renting” by moderate- or higher-income households can lead to fewer **affordable and available** housing units. This is the case in all five cities. When accounting for availability, all cities display an effective shortage of affordable homes. **Exhibit 17** shows down renting and up renting trends in each city by household income level. Up renting occurs when a household occupies a housing unit that it cannot afford based on its income and is experiencing housing cost burden. High rates of up renting occur when there is an insufficient supply of housing units affordable to the economic segment relative to the need.

Exhibit 17. Percent of Households Renting Units Above Their Affordability Level (i.e., Up-renting), by Income Group



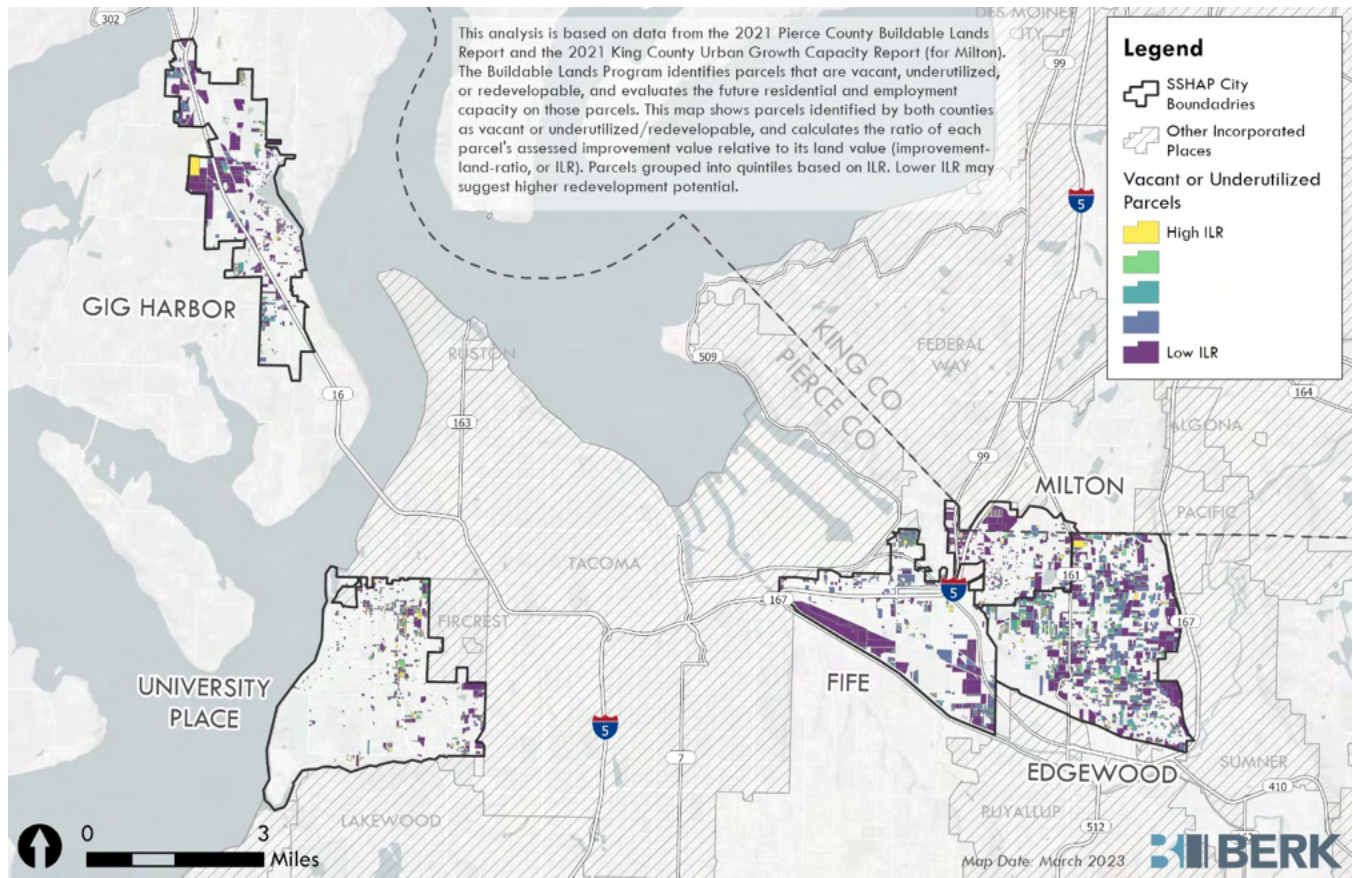
Sources: U.S. Department of Housing and Urban Development, *Comprehensive Housing Affordability Strategy, 2015-2019*; BERK, 2023.

Parcels with Underutilized Development Capacity or Low Improvement-to-Land Value Ratios

The Buildable Lands Program under the GMA requires several counties, including Pierce County and King County (which covers the portion of Milton that falls outside of Pierce County), to identify parcels that are vacant, partially utilized, and underutilized, as part of the program’s broader effort to evaluate the counties’ capacity for future growth. The latest buildable lands studies from Pierce County and King County provide parcel-level data that establishes each parcel as vacant, underutilized, or fully utilized / built-out and joins several other important features such as the parcel’s assessed value and future residential and employment capacity, among other attributes.

These parcels provide a ground-level view of redevelopment potential, which can contribute to displacement risk in some cases and under certain conditions. Evaluating the relationship between the assessed land value and improvement value on these vacant or underutilized parcels is one method of further exploring redevelopment potential. This analysis calculated an improvement-to-land value ratio (ILR) for every vacant or underutilized/redevelopable parcel identified through the buildable lands process within each SSHA3P jurisdiction. Parcels were then grouped into quintiles based on their ILR score. Low ILR scores suggest a higher potential for redevelopment. **Exhibit 18** shows the results of this analysis within each SSHA³P city.

Exhibit 18. Map of the Improvement-to-Land Value Scores (by Quintile) for Vacant and Underutilized Parcels, 2021



Sources: 2021 Pierce County Buildable Lands Program; 2021 King County Urban Growth Capacity Study; BERK 2023.

Exhibit 19. Share of Vacant and Underutilized Parcels by ILR Quintiles, 2021

	ILR Quintiles				
	Low ILR (High Redevelopment Potential)	2	Medium ILR (Moderate Redevelopment Potential)	4	High ILR (Low Redevelopment Potential)
	1	2	3	4	5
Edgewood	44%	19%	9%	11%	16%
Fife	38%	44%	9%	4%	5%
Gig Harbor	47%	9%	16%	19%	9%
Milton	72%	10%	8%	3%	8%
University Place	53%	12%	8%	8%	20%

Sources: 2021 Pierce County Buildable Lands Program; 2021 King County Urban Growth Capacity Study; BERK 2023.

Displacement Risk Methodology

The Puget Sound Regional Council (PSRC) provides a displacement risk assessment based on socio-demographic indicators, transportation factors, neighborhood characteristics, housing indicators and measures of civic engagement. To complement this approach, this report presents an alternative

displacement methodology that focuses on three elements: (1) social vulnerability; (2) demographic change, and (3) market prices. This method includes many of the measures within PSRC’s index but relates them differently to reveal their contribution to displacement risk.

- Social Vulnerability:** Vulnerability is assessed based on the factors that would make it difficult for a household to find new housing in the area if they should be displaced from their current unit. Social vulnerability includes several measures of demographic characteristics that correlate with social vulnerability, including the share of households that rent, the BIPOC share of the population, and median income relative to the countywide median income. The model then groups the scores into quintiles (higher quintile score equals high value for each characteristic), combine the quintiles into a single score, and assign that score a “yes” or “no” for social vulnerability.
- Demographic Change:** Displacement happens when a group of people are forced from an area. Demographic change calculates the change over time (e.g., 2010 to 2021) in the BIPOC share of the population and proportion of households with household incomes of less than 80% AMI and compares the level of change to the overall countywide change in those same characteristics. Based on the results and comparisons to the countywide measures, each area will receive a score based on the level and type of demographic change.
- Market Prices:** Measures the change over time (e.g., 2010 to 2021) in median rents in occupied rental units to identify high and low rent areas along with areas that have high, moderate, or low rental price appreciation. The model assigns a score that describes the market status based on the combined factors of rents in 2015 and the change in rents between 2010 and 2021 (e.g., stable, appreciated, or accelerating).

Exhibit 20. Displacement Risk Index Scoring Matrix

Displacement Risk	Social Vulnerability?	Demographic Change?	Market Prices?
Possible displacement	Yes or No	Gentrification	Appreciated
High	Yes	Gentrification	Accelerating or Stable
High	Yes	No	Accelerating
High	No	Gentrification	Accelerating
Moderate	Yes	No	Appreciated or Stable
Moderate	Yes	Disinvestment	Accelerating
Low	Yes	Disinvestment	Appreciated or Stable
Low	No	Gentrification	Stable
Low	No	No or Disinvestment	Appreciated, Accelerating, or stable

The results from these three elements are evaluated in **Exhibit 20**, which layers the iterations of each score to determine the displacement risk. For example, an area with social vulnerability, no demographic change, but accelerating market prices would have a high displacement risk. Alternatively, an area with low social vulnerability, existing gentrification, and stable market prices may have low displacement risk.

Exhibit 21 shows the results of a displacement risk analysis at the census tract level. SSHA^{3P} jurisdictions have various levels of displacement risk depending on local patterns of social vulnerability, changes in demographic characteristics, and market trends.

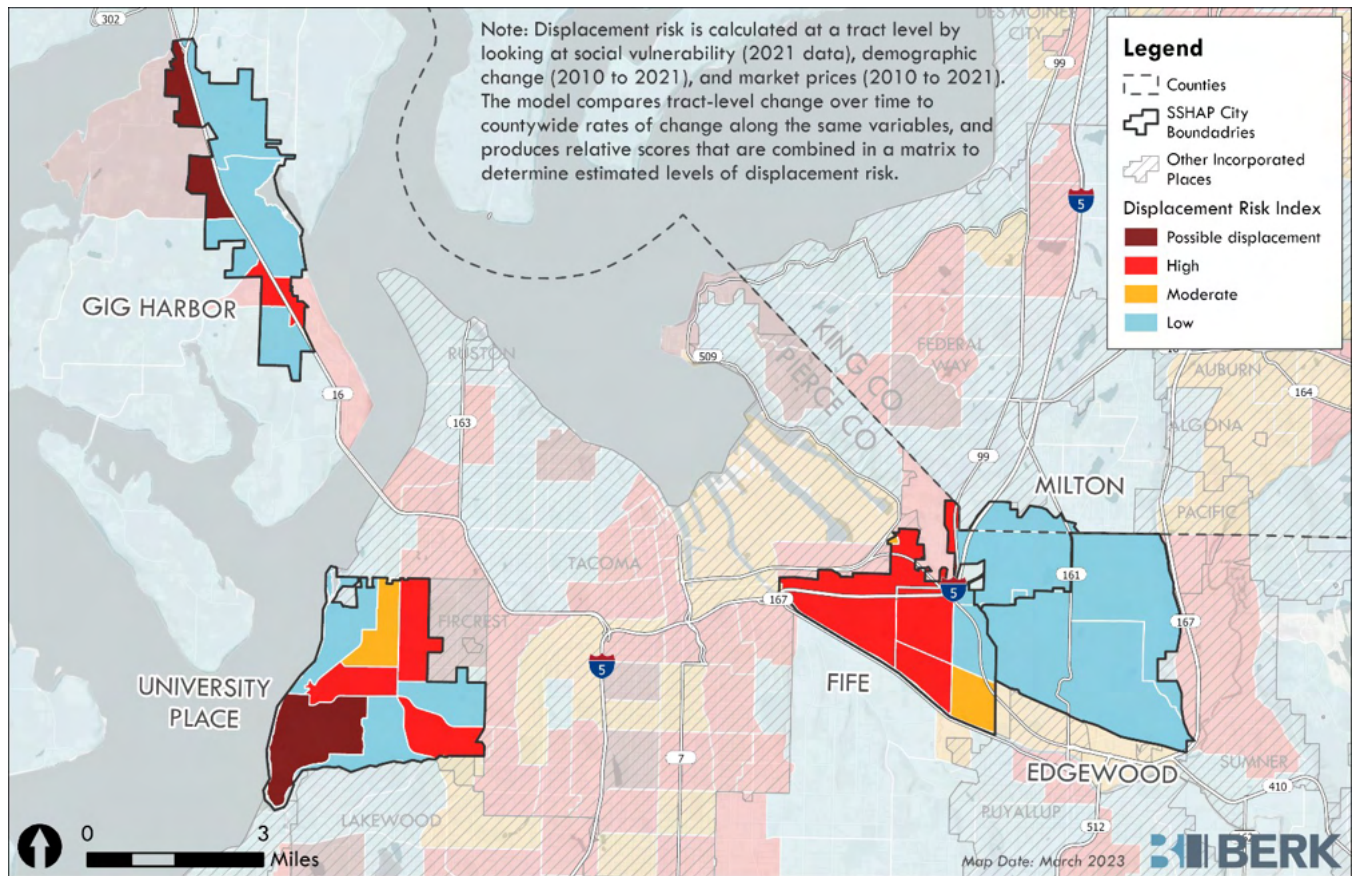
Fife and University Place show signs of moderate and high displacement risk across large sections of both cities. The higher-risk tracts in Fife and University Place tend to correlate with areas of greater racial and ethnic diversity, as seen in **Exhibit 3**. In Milton, however, neighborhoods with higher levels of diversity show relatively low displacement risk, indicating that these neighborhoods are not exhibiting signs of

gentrification and have market conditions that are either stable or appreciating at a slow or moderate pace.

Meanwhile, Edgewood exhibits low displacement risk across the city. It has a combination of low social vulnerability, a decreasing share of low-income households paired with a growing share of BIPOC residents, and relatively low rents that, while appreciating, are still lower than many other places in Pierce County.

Given the relatively low share of BIPOC residents and renters in Gig Harbor, and its relatively high median income compared to the rest of Pierce County, its areas of higher displacement risk are based on demographic changes and market conditions leading to rapidly rising rental prices. Most areas in Gig Harbor have high levels of rental price appreciation. The BIPOC population has been increasing in several areas since 2010, but is not increasing as quickly in areas where there is also a decline in low-income households, suggesting that gentrification could be in progress.

Exhibit 21. Displacement Risk Index at the Tract Level



Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

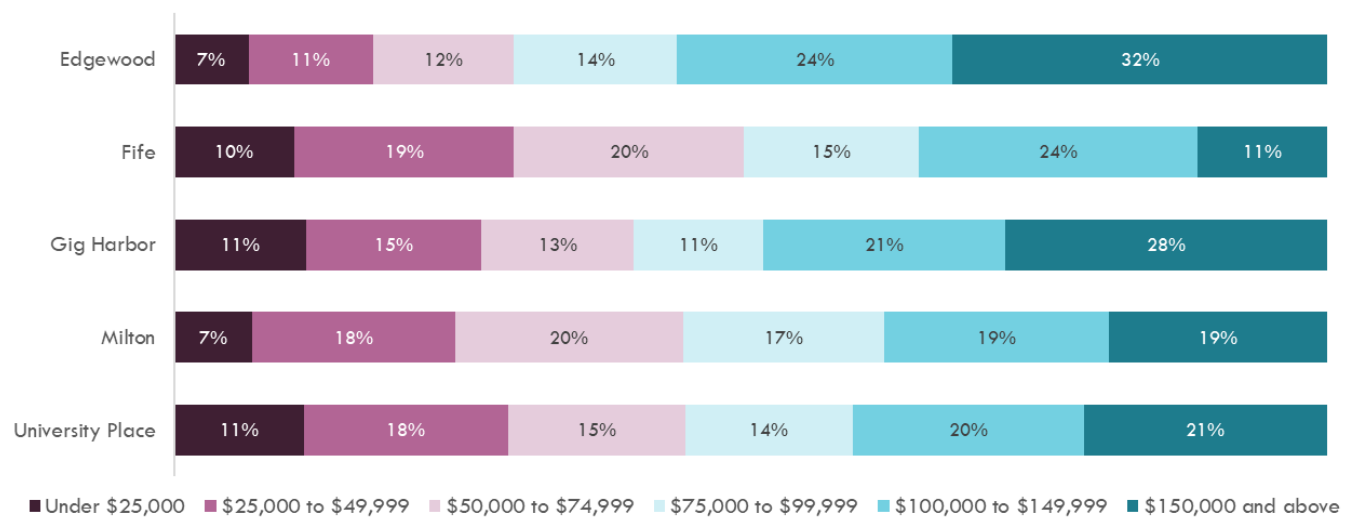
Part 2. City Profiles

The next two exhibits are provided to inform city-level analysis of racially disparate impacts and segregation.

Household income by Race and Ethnicity

Exhibit 22 presents the proportion of households within specific income ranges for each jurisdiction. Edgewood and Gig Harbor have larger populations with an income of \$150,000 or greater. In Edgewood 70% of households have an income of \$75,000 or above. On the other hand, Fife has the lowest number of people with an income of \$150,000 or more and has the highest number of people with an income of less than \$75,000.

Exhibit 22. Distribution of Household Income by Jurisdiction, 2021

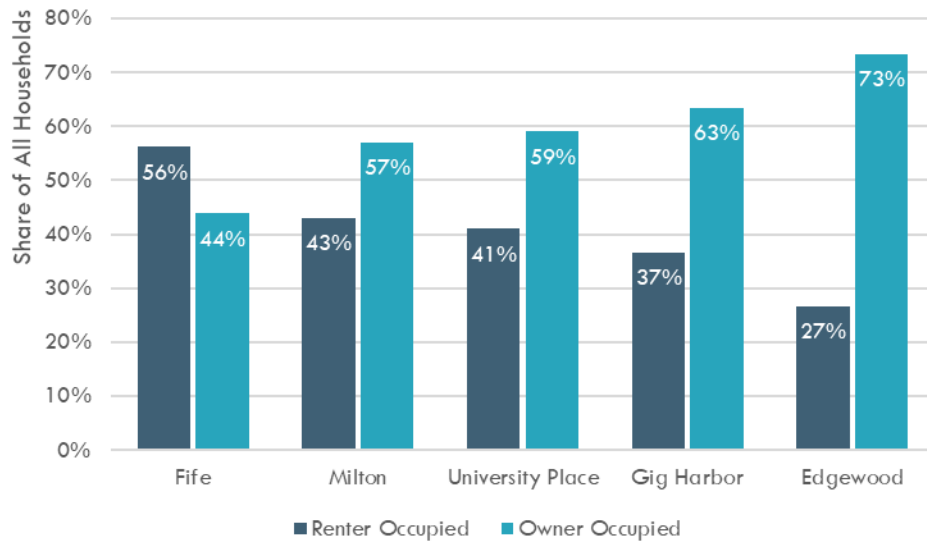


Sources: American Community Survey, 2017-2021 5-year estimates, Table B19001; BERK 2023

Tenure

Exhibit 23 summarizes renter/owner tenure by jurisdiction. Edgewood has the highest rate of owner-occupied units at 73%, and, inversely, has the smallest proportion of renter-occupied units at 27%. Fife has the smallest proportion of owner-occupied units at 44% and the largest proportion of renter-occupied units at 56%.

Exhibit 23. Tenure by Jurisdiction, 2021



Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003; BERK 2023

City of Edgewood

Discussion

Background

The City of Edgewood is located on an upland area along the north side of the Puyallup River Valley. Historically it was inhabited by the Puyallup Indian Tribe, which was displaced at first by trappers and traders, then homesteaders through the mid-1800s. Settlement increased with the federal Homestead Act in 1862, bringing homesteaders and farmers of varied descent, including Danish, Swedish, Norwegian, Scottish, German, Italian, and Canadian descent.³

Chinese and Japanese immigrants began arriving in the 1870s and working as laborers in timber harvesting, mining, railroading, and agriculture.⁴ While becoming established community members, the 1899 Washington State Constitution included a discriminatory statute that prohibited “aliens” – i.e., people who are not citizens of the United States – from owning land, and federal law prevented people from Asia becoming naturalized citizens. As a result, many Japanese farmers were prevented from owning land but continued to farm on land leased from White landowners or by putting the land in the name of their American-born children.⁵ Over the next few decades, Japanese farmers created many successful truck and berry farms in the region. In the Spring of 1942, community members of Japanese descent were forcibly removed from the area due to U.S. Presidential Executive Order 9066. Approximately 1,000 Tacoma and Fife Valley residents were evacuated, stopping at the Puyallup Assembly station on the Puyallup fairgrounds. Few Japanese farmers returned after their incarceration. Due to their incarceration, many were forced to sell their land and equipment for a fraction of their worth, and few returned to farming after the war.⁶

Demographic Profile

- Edgewood is primarily comprised of people who identify as White alone (not Hispanic or Latino) (**Exhibit 26**).
- In Pierce County, 62% of the population identifies as White alone (not Hispanic or Latino). A greater proportion of Edgewood’s population (74%) identifies as White than the countywide rate. People who identify as Black are less represented in Edgewood (2% compared to the

³ Givens, Linda Holden (2019) Edgewood Thumbnail History (Essay 20253). Historylink.org

⁴ Andrews, Mildred Tanner (1997) Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory. King County Landmarks and Heritage Program. <https://kingcounty.gov/~media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en>

⁵ Ibid.

⁶ Takami, David (1998). Japanese Farming. Historylink.org available at <https://www.historylink.org/file/298>.

county rate of 7%). Edgewood also has less representation of the Hispanic or Latino Community (8% compared to the county rate of 12%). The underrepresentation could be due to an **exclusionary effect for people who identify as Black or as Hispanic or Latino**. However, there was an increase in the proportion of people who identify as Hispanic or Latino between 2010 and 2020 (see **Exhibit 26**).

- Preliminary community input suggests that the underrepresentation of people who identify as Black or Hispanic or Latino may be due to cultural reasons rather than policy choices. One interviewee explained that Edgewood and Milton have historically been farming communities that pride themselves on being a “unique community surrounded by warehouses and cities,” which has led to resistance to allowing apartments and high-density housing.⁷ These narratives of the city’s history overlooks the historical facts related to the displacement of the Indigenous population, the contributions of people of color in the area’s agricultural history, and the role of policy in preventing people of color from owning land thus creating exclusionary effects.
- There is limited evidence of current racial segregation within Edgewood since the city’s predominantly White population is evenly distributed across the jurisdiction (see **Exhibit 25**). There are two notable clusters of people of color.
 - The first is a cluster of people who identify as Asian associated with the Westridge Community development. This area of new housing may have drawn Asian households to Edgewood and is contributing to the increase in the share of the population that identifies as Asian between 2010 and 2020 (see **Exhibit 26**). While only representing 6% of the population, Asian households have a median income of roughly \$182,761, which is higher than the city-wide median income of \$108,492 (see **Exhibit 29**) and the highest homeownership rate among all race and ethnic groups (92% homeownership, as shown in **Exhibit 28**). This suggests self-clustering based on a preferred housing option for Asian households rather than an exclusionary effect.
 - The second nodes of greater diversity (see areas **2** and **3** in **Exhibit 25**) are clusters of greater racial and ethnic integration associated with higher density, multifamily rental housing.

Population Change

- Following countywide patterns, between 2010 and 2020 Edgewood’s population has become more diverse (see **Exhibit 26**), with the White alone population decreasing 14 percentage points (from 88% in 2010 to 74% in 2020) compared to a range of 7 to 9 percentage points in the other study cities (see data table in **Exhibit 2**). Some of this decline represents people shifting their self-reported identity to the category of “two or more” races.⁸ Along with the

⁷ Interview with Mountain View Community Center

⁸ The 2020 decennial census reported a much higher share of the population self-identifying as two or more races. This national trend was also visible throughout Washington State, and many jurisdictions within Pierce County also saw significant increases in the “two or more” population. Given the corresponding decrease in self-identifying “White alone” residents (as a share of the total population), the rise in the population identifying as “two or more” races could in part reflect residents’

decrease in the proportion of the population that identifies as White, there are increasing proportions of people who identify as Hispanic or Latino (4 percentage point increase) and Asian (4 percentage point increase). While Edgewood had a higher share of the population identifying as White in 2020 compared to the county, this trend suggests that this difference is closing.

Housing

- In general, households in Edgewood are more likely to own their housing than rent their housing (see **Exhibit 28**), with the highest rates of homeownership among the Asian alone (92%), White alone (75%), Other alone (70%), and Black alone (65%) populations.
- There is an observed **disparity in the homeownership rate of Hispanic or Latino households**. The median household income of Hispanic or Latino households (\$106,989) is comparable to White alone (not Hispanic or Latino) households (\$107,388) (**Exhibit 29**). However, their homeownership rates were significantly lower: only 23% of Hispanic or Latino households own their home compared to 75% of White alone (not Hispanic or Latino) households (see **Exhibit 28**). Community input suggests that the White homeowner population has a larger proportion of older homeowners living on retirement incomes. As these households age and maintaining housing becomes more difficult, they may need more financial assistance or more affordable housing options. One interviewee noted that waitlists for low-income housing for seniors are long, indicating unmet need in the community.⁹ However, those who bought their homes decades ago are likely to benefit from increased land value when they sell. On the other hand, Hispanic or Latino households with similar incomes looking to purchase a home today are functionally priced out of homeownership. Strategies to ensure a diversity of homeownership opportunities can help provide more inclusive opportunities for homeownership.
- Nearly half (46%) of BIPOC households that rent are housing cost-burdened, compared to 24% of White alone households (see **Exhibit 30**). The BIPOC renter population is comprised mostly of Hispanic and Latino households, suggesting a **racial disparity in housing cost burden**. While Hispanic and Latino households have incomes similar to White alone (not Hispanic or Latino) households (see **Exhibit 29**), they have a much higher rate of rental housing cost burden. The lack of affordable rental housing likely contributes to the lack of homeownership opportunity for the Hispanic and Latino community. Without affordable rental housing saving enough to move into homeownership is difficult.
 - Community members provided additional insight into the challenges for renters in Edgewood. One interviewee shared that if they fall behind on rent, they are unable to renew their lease, forcing them to rent an apartment month-to-month at an additional cost. This makes it even more difficult to save.¹⁰

who selected “White alone” during previous census counts now choosing to answer census surveys in a manner that acknowledges additional racial identities.

⁹ Interview with Mountain View Community Center

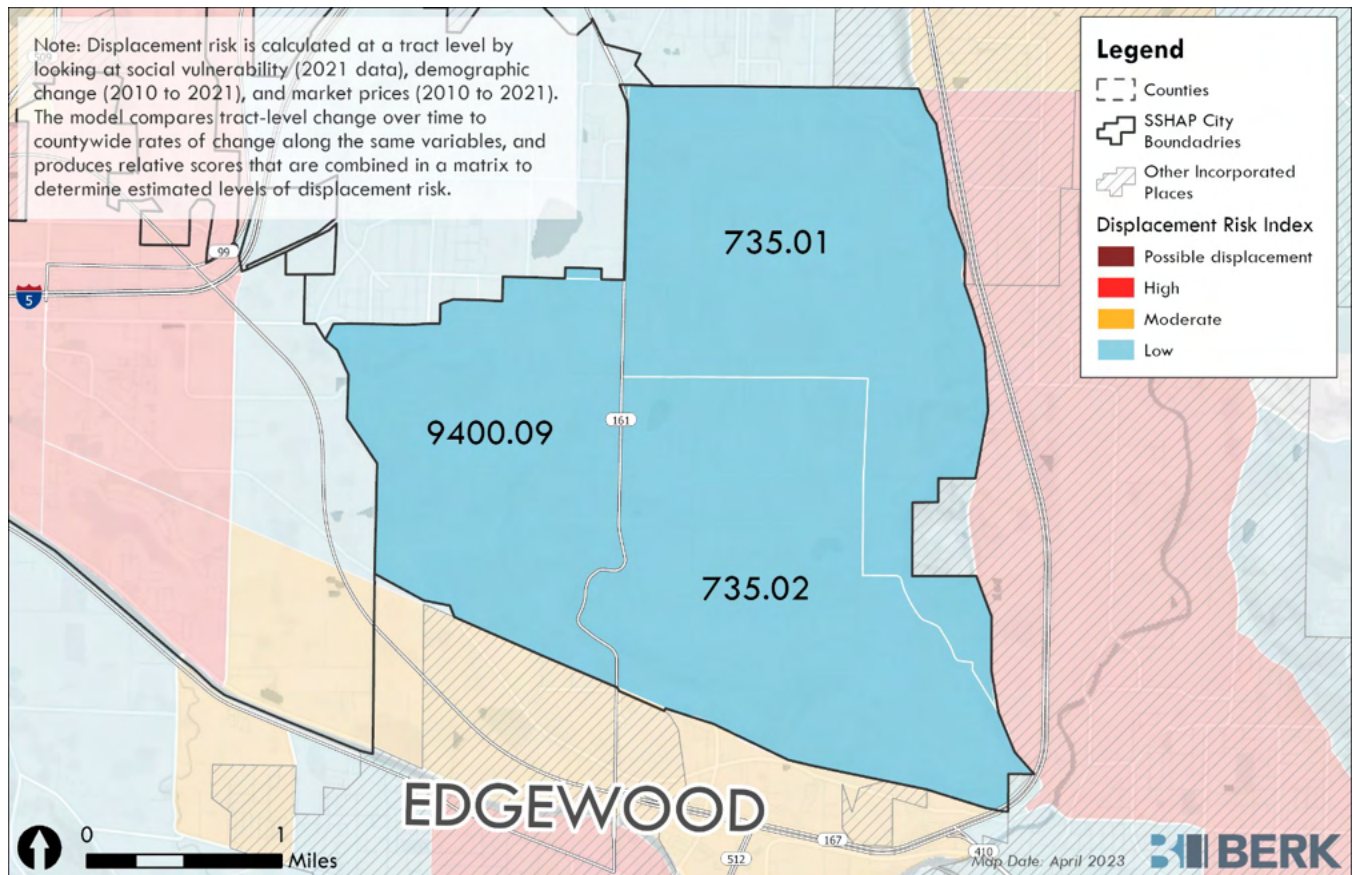
¹⁰ Ibid

Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

This analysis provides a neighborhood-scale index of the relative displacement risk within Edgewood. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

Exhibit 24. Edgewood Assessment of Displacement Risk, 2023



Edgewood Tracts	Social Vulnerability					Demographic Change			Market Prices			Final Displacement Risk
	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053073501	100%	3	2	1	6	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053073502	100%	4	1	1	6	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	Low or mod appreciation	Stable	Low
53053940009	85%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

This analysis provides a neighborhood-scale index of the relative displacement risk within Edgewood. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

Exhibit 24 presents the findings for census tracts associated with Edgewood.

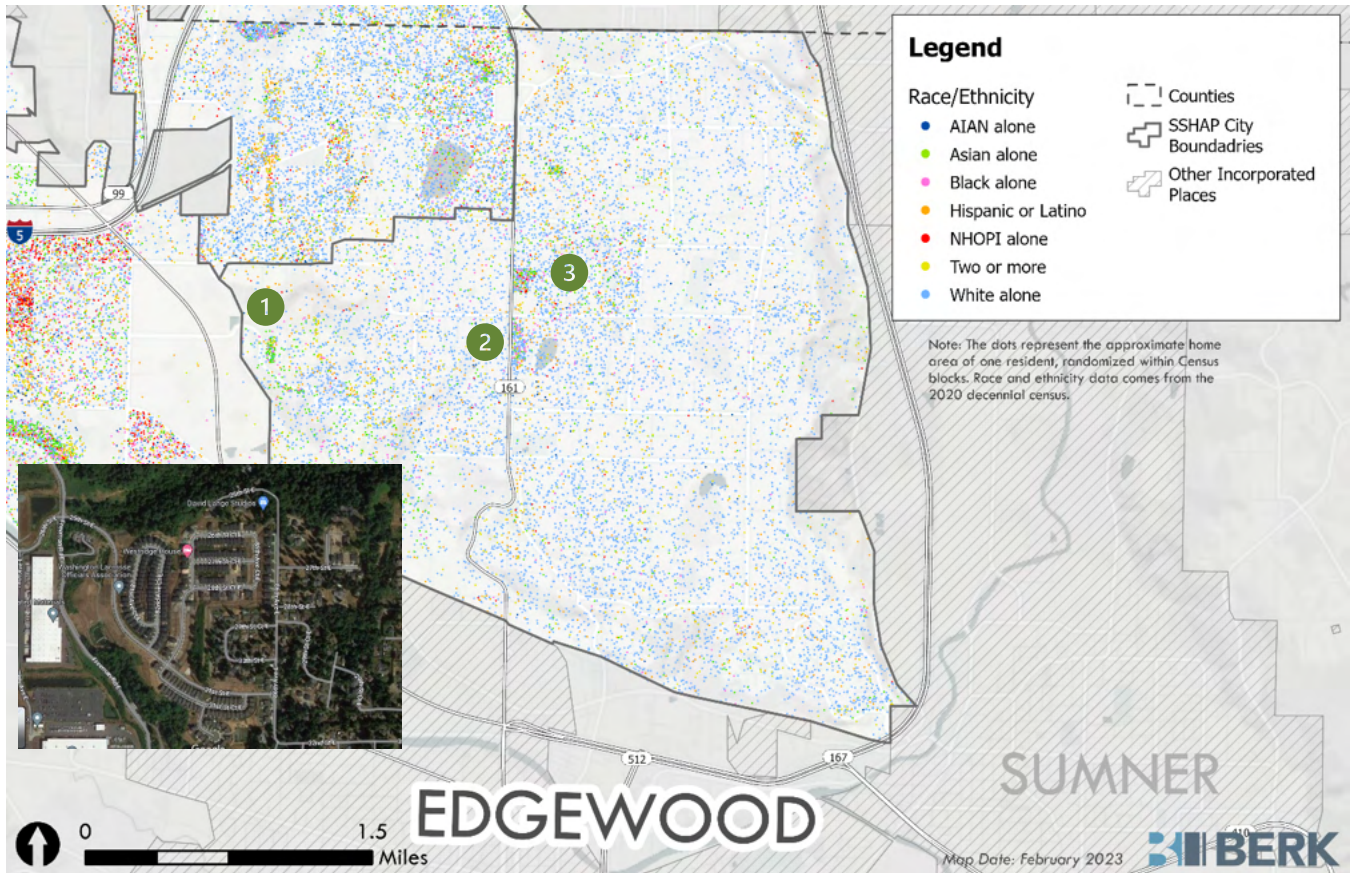
- The displacement risk analysis finds a rating of “Low displacement risk,” suggesting **no areas of higher displacement risk** in Edgewood.
 - The low rates of BIPOC households, low rates of renter households, and higher incomes relative to Pierce County did not indicate an area of concentrated social vulnerability relative to the County.
 - Overall household demographic change (including race and income) is limited across the city, although the displacement risk analysis shows increasing rates of BIPOC households and decreasing rates of low-income households.
 - While parts of Edgewood have seen housing costs rise sharply, this appears to be a matter of prices in Edgewood catching up to price increases seen in the more urban areas of Pierce County. Given the larger rates of owner-occupied housing, the price increases are less likely to trigger displacement. However, over time without introducing new housing to soften price acceleration, Edgewood could experience displacement of existing community members and exclusions related to housing costs.
 - A community representative reports that recent new high-density housing (with restaurants below and apartments above) are expensive and seems to be for middle to upper-class households.¹¹
 - Another interviewee said that the perception is that Edgewood has gotten expensive over the last five years.¹²
- An analysis of improvement to land ratios (ILR) on Edgewood’s underutilized tracts (see **Exhibit 27**) suggests widespread redevelopment potential, but existing lower densities suggest that Edgewood can absorb new development without the redevelopment of older housing that could cause displacement.

¹¹ Interview with Mountain View Community Center.

¹² Interview with Salvation Baptist Church

Exhibits

Exhibit 25. Dot density map of race and ethnicity in Edgewood, 2020



Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

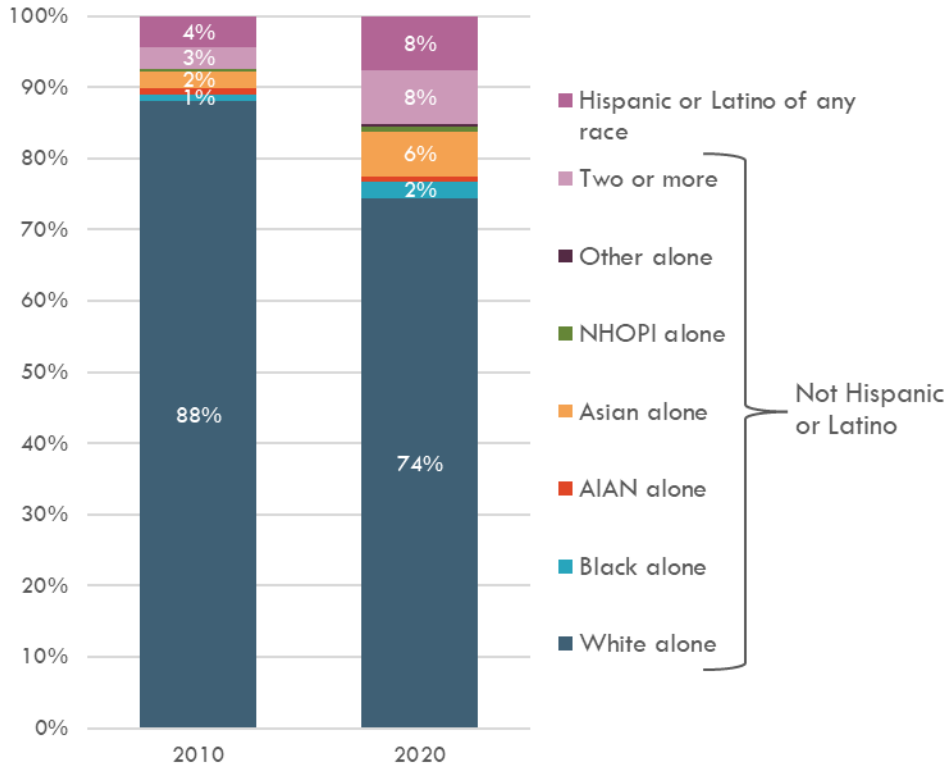
The White alone population is broadly distributed throughout the city. There are a couple of clusters of people of color:

- There is a small cluster of Asian alone households along the city’s western border (indicated with 1). The population appears to be associated with new housing stock in the Westridge Community development area, which includes the largest concentration of new for-sale housing in the area (interview). The housing is largely single-family detached housing in the \$600k - \$700k range.
- One realtor who used to work in the area said these homes have more bedrooms, which may be a reason they are more attractive to Asian households.¹³

¹³ Phone conversation with Alex Foraker, a realtor.

- Additional clusters of diversity (indicated with 2 and 3) are likely associated with higher density, renter-occupied multifamily housing at Edgewood Heights and The Arbors at Edgewood.

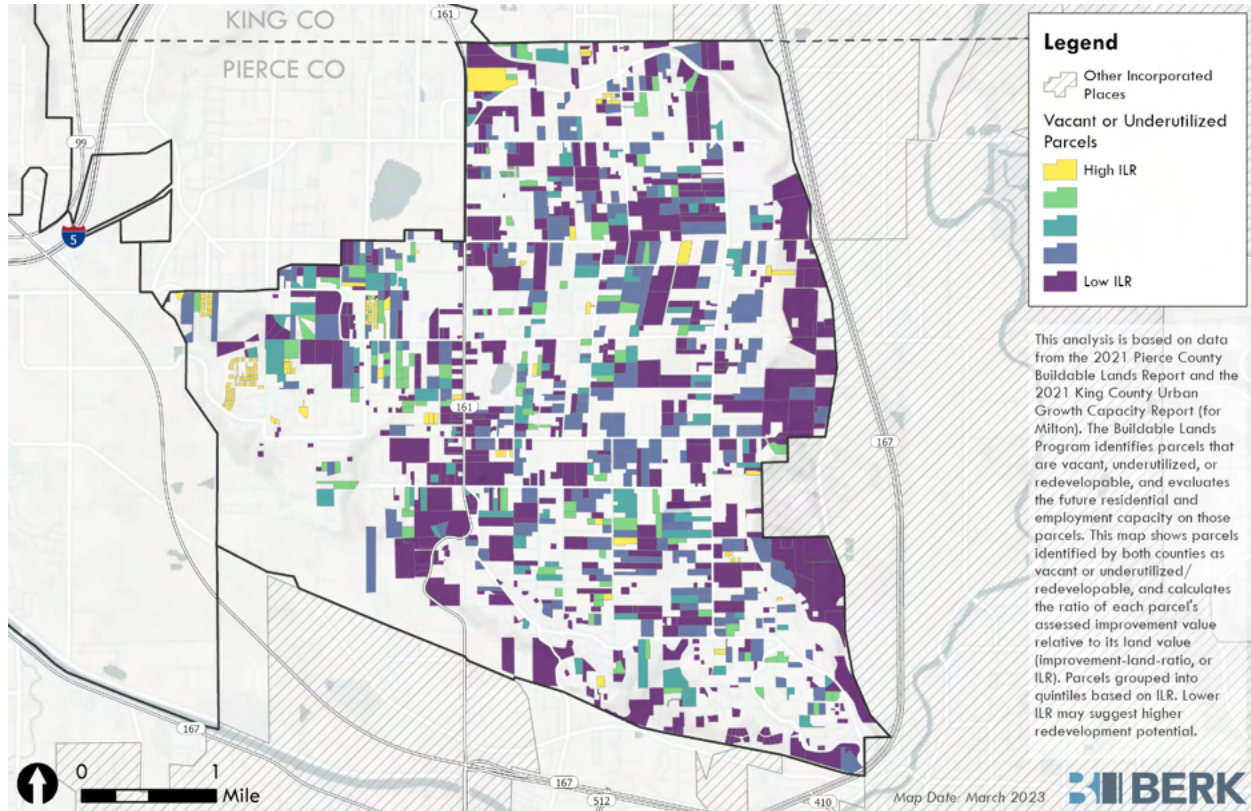
Exhibit 26. Change in the share of the Edgewood population by race and ethnicity, 2010-2020



Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

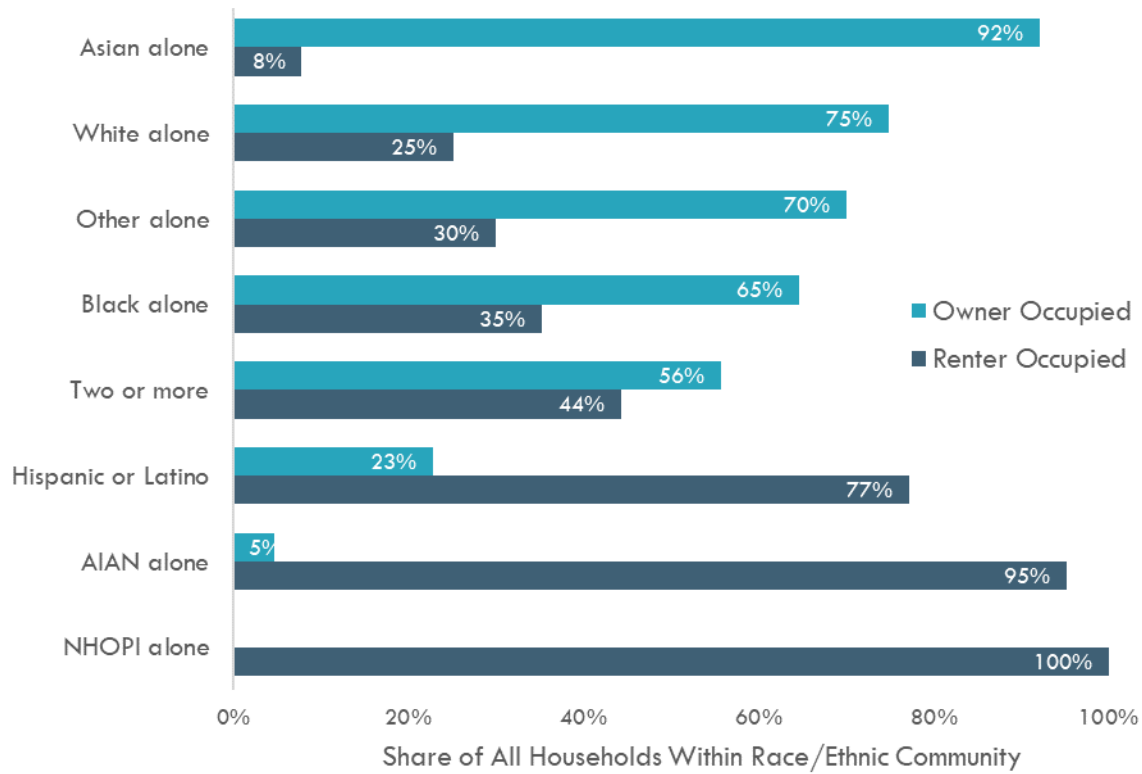
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 27. Improvement value to land value ratio of Edgewood's underutilized parcels, 2021



An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.

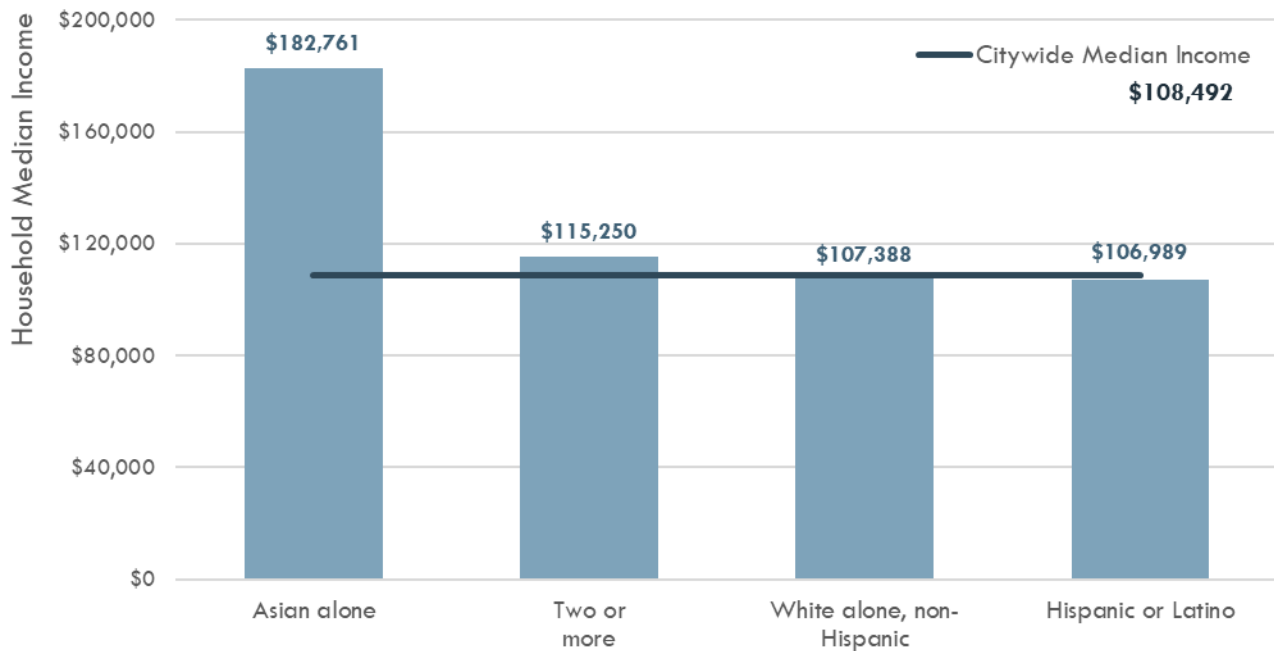
Exhibit 28. Edgewood households by tenure and race and ethnicity, 2021



Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022.

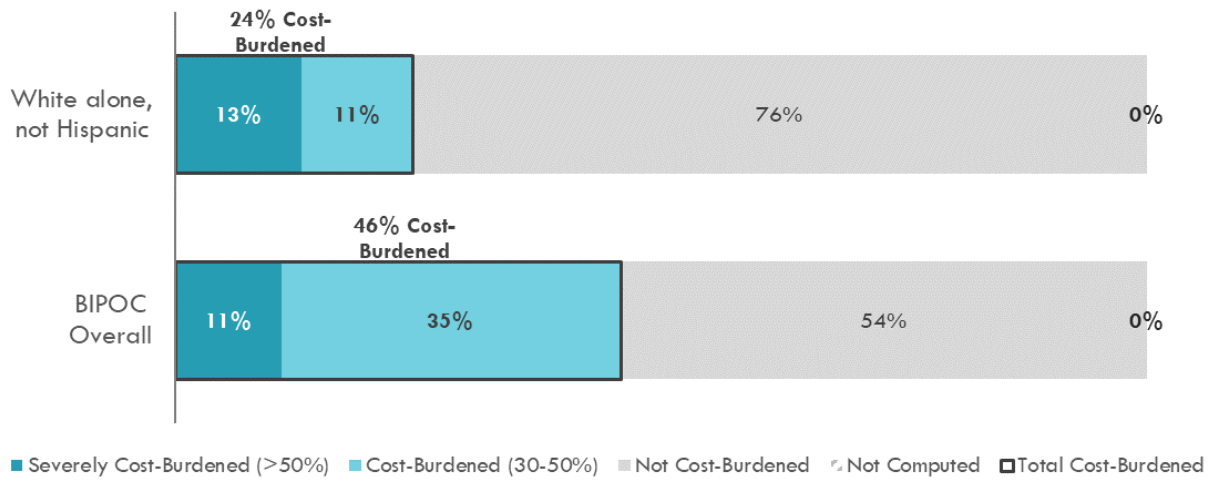
Exhibit 29. Median household income by race and ethnicity in Edgewood, 2021



Note: Data suppressed for Black alone, AIAN alone, NHOPI alone, and other alone.

Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022.

Exhibit 30. Cost-burdened status for renter households by White alone vs BIPOC households in Edgewood, 2019



Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of Fife

Discussion

Background

The City of Fife is located along the lower Puyallup basin and is the ancestral home of the Puyallup people. The Treaty of Medicine Creek (1854) ceded the majority of lands to the United States and set aside reservations for the Puyallup people. The Puyallup people objected to the reservations assigned to them: just 1,280 acres were located on rocky, thickly forested bluffs above the river delta without access to the river shorelines, bottomlands, or prairie necessary for farming and pasturing horses.¹⁴ In 1857, the reservation was expanded to include more than 18,000 acres along the Commencement Bay shoreline and up the Puyallup River. However, today much of the land within the reservation borders is owned by people who are not tribal members. Tribal members who were originally allotted parcels subsequently lost their land to non-tribal members through sale or illegal lease agreements.

According to historical records, Pacific Islanders were the first Asians in Washington, dating back to the 18th century. Many took jobs on the coast and supported important economic enterprises like the Hudson Bay Company. Today, more Native Hawaiians and Pacific Islanders live in Washington than anywhere else in the U.S, besides Hawaii.¹⁵ Chinese and Japanese immigrants began arriving in Western Washington in the 1870s and working as laborers in timber harvesting, mining, railroading, and agriculture.¹⁶ While becoming established community members, the 1899 Washington State Constitution included a discriminatory statute that prohibited “aliens” – i.e., people who are not citizens of the United States - from owning land, while federal law prevented people from Asia becoming citizens. Many Japanese farmers were able to work around these limitations by farming on land leased from White landowners or putting the land in the name of their American-born children.¹⁷ Over the next couple of decades, Japanese farmers created many successful truck and berry farms in the region. In the Spring of 1942, community members of Japanese descent were forcibly assembled and removed from the area due to Executive Order 9066. Approximately 1,000 residents of Tacoma and the Fife Valley were evacuated, making their first stop at the Puyallup Assembly station on the Puyallup fairgrounds. Few Japanese farmers returned after their incarceration. Due to their incarceration, many were forced to sell their land and equipment for a fraction of their worth, and few returned to farming after the war.¹⁸

¹⁴ Oldham, Kit (2022) South Puget Sound Tribes Sign Treaty of Medicine Creek on December 26, 1854.

¹⁵ *Who We Are* – PICA-WA. (n.d.). <https://www.picawa.org/who-we-are/>

¹⁶ Andrews, Mildred Tanner (1997) *Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory*. King County Landmarks and Heritage Program. <https://kingcounty.gov/~media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en>

¹⁷ *Ibid.*

¹⁸ Takami, David (1998). *Japanese Farming*. Historylink.org available at <https://www.historylink.org/file/298>.

Demographic Profile

- The racial composition of Fife departs from the countywide pattern, with a majority of the population identifying as a person of color (61%), see **Exhibit 33**. Fife has a greater representation of people who identify as Asian (16% compared to the county rate of 7%) as well as Native Hawaiian or Other Pacific Islanders (8% compared to the county rate of 2%). The top languages in Fife Public Schools include English, Spanish, Ukrainian, Russian, and Korean.¹⁹ Additional community input and analysis are necessary to determine if there is an exclusionary effect from neighboring jurisdictions or if other factors are making Fife the community of choice for communities of color.

Population Change

- Following countywide patterns, the share of Fife’s population that identify as persons of color grew between 2010 and 2020 (**Exhibit 33**), from 52% in 2010 to 61% in 2020. The change is largely driven by an increase in the Native Hawaiian or Other Pacific Islander group (representing 3% of the population in 2010 and 8% of the population in 2020) along with a three percentage point increase among those who identify as two or more races, the latter of which matches countywide patterns. All other racial and ethnic groups stayed within their 2010 population share. More recently, community representatives report an influx of Ukrainian and Russian people that are racially white.²⁰
 - When asked about the increase in the Pacific Islander diaspora, community representatives report that the Pacific Islander community will “cluster and follow each other.” The area in Fife is probably mostly Samoan, given that Pierce County has the state’s largest Samoan population per capita. The interviewee also noted that Polynesian people may have started settling in Fife because of their work in the trades (construction, factories, etc.) and the good access to I-5.²¹

Housing

- Compared to other cities in Pierce County, Fife has a relatively low proportion of homeowner households (44%) and are larger proportion of renter households (56%), see **Exhibit 23**.
- The White alone population has the highest rate of homeownership of all racial and ethnic groups (55%) and is the only group where a majority of households own their own home. This suggests **a racially disparate impact in homeownership for people of color**.
 - The median household income for households that identify as Asian alone is \$83,636, higher than the households that identify as White alone at \$80,887 (see **Exhibit 36**). Yet, the homeownership rate for White alone households is 18 percentage points higher than for Asian alone households, **indicating a racially disparate impact in homeownership for Asian households**. Considering the spatial association of the Asian alone population with

¹⁹ Interview with Fife Public Schools

²⁰ Interview with Fife Public Schools

²¹ Interview with Pacific Islander Community Association of WA

single-family homes (**Exhibit 32**), many Asian alone households may be renting housing that would otherwise be available for homeownership. Additional community input could help identify preferences for tenancy or barriers to homeownership for this population.

- Households with a householder that identifies as Black alone have a household median income of \$71,853, roughly \$9,000 less than White alone households, but a homeownership rate of 25%, a full 30 percentage points lower than the rate for Fife’s White alone households. This suggests a **racially disparate impact in homeownership for Black households**, consistent with disparities observed in other communities. Additional community input from renters who identify as Black can help identify preferences for tenancy and racialized barriers to homeownership.
- The Native Hawaiian or Other Pacific Islander group is experiencing the lowest rate of homeownership in Fife at 8%. This group also has the lowest median household income of all race or ethnic categories. Demographic changes suggest a larger portion of this population is new to Fife, and potentially new to Washington state. Additional community outreach can help identify the housing needs, preferences, and challenges experienced by Native Hawaiian or Other Pacific Islanders.
 - Community representatives report that many Pacific Islanders live in multigenerational households. It is a common goal of Pacific Islander community members to own a home and many would enjoy owning a duplex where they can have immediate or extended family on the other side. However, access to information on buying a home and financial institutions are barriers to homeownership. Financial responsibilities to care for elders may also prevent people from saving to buy a home.²²
- Following the relatively high share of renters in Fife (**Exhibit 23**) and greater representation of households with household income of less than \$75,000 (**Exhibit 22**), many households in Fife are experiencing housing cost burden. About two-fifths (40%) of households that identify as White alone and 48% of Fife’s BIPOC households are experiencing housing cost burden, a disparity of 8 percentage points (**Exhibit 37**). This suggests a **slight racially disparate impact in housing cost burden**.

Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

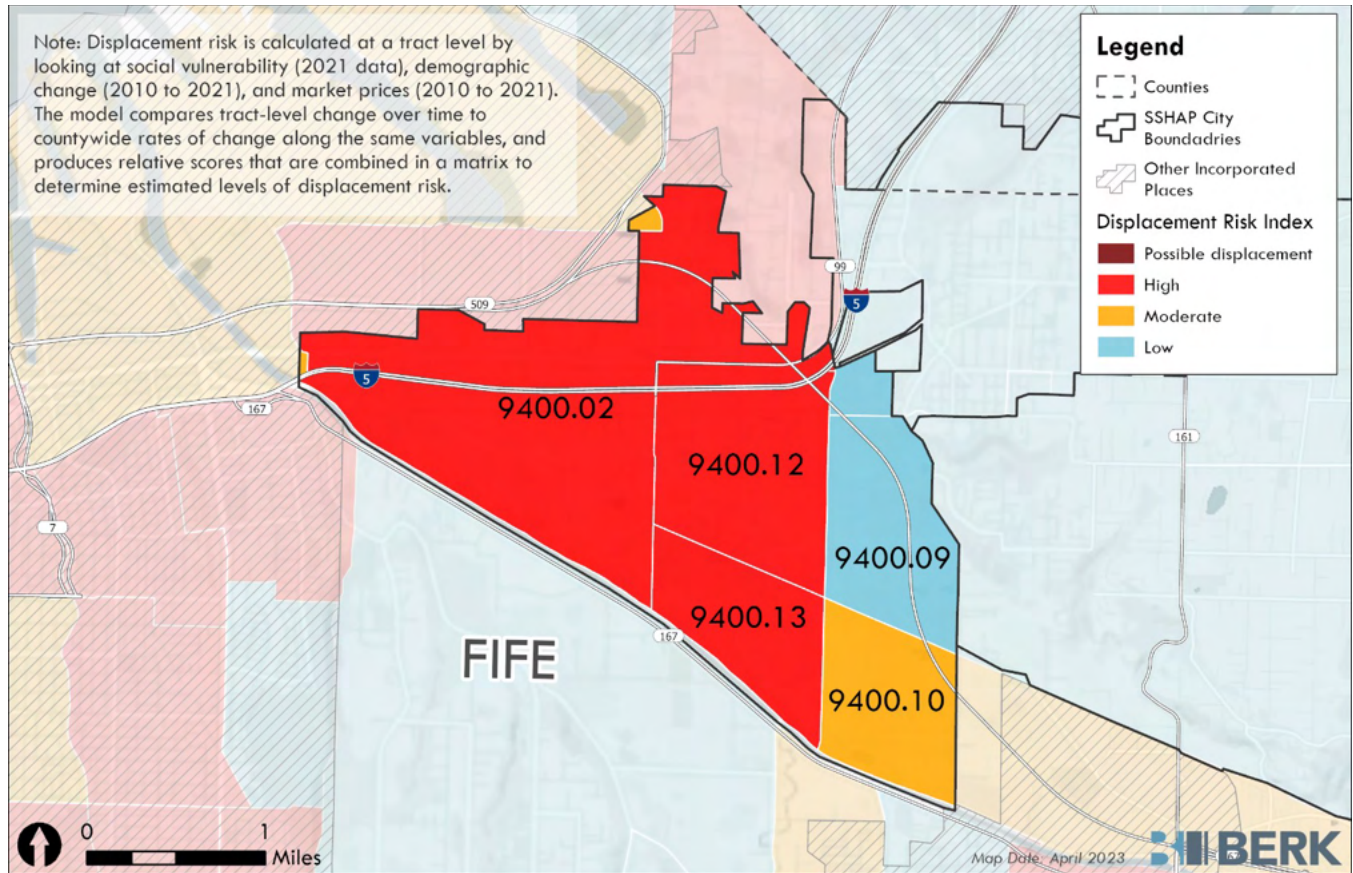
This analysis provides a neighborhood-scale index of the relative displacement risk within Fife. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes

²² Interview with the Pacific Islander Community Association of Washington

associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

Exhibit 31 presents the findings for census tracts associated with Fife.

Exhibit 31. Fife Assessment of Displacement Risk, 2023



Fife Tracts	Social Vulnerability				Social Vulnerability Score	Demographic Change			Market Prices			Final Displacement Risk
	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income		BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053940002	41%	4	4	3	11	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053940009	12%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low
53053940010	6%	4	3	3	10	Increasing BIPOC	Decreasing Low Income HHs	No	High rent area	Low or mod appreciation	Appreciated	Moderate
53053940012	100%	5	5	3	13	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	High
53053940013	100%	2	5	1	8	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

- The western portions of Fife (Census Tracts 9400.02, 9400.13, and 9400.12) indicate high displacement risk primarily driven by a higher share of people who identify as a person of color and high housing cost appreciation in an area that had relatively low rents in 2015. The demographic change from 2010 to 2021 is somewhat mixed for this area, with some evidence of gentrification and mixed outcomes related to racial composition.
- One group experiencing displacement pressure is Puyallup tribal members. Tribal representatives observe that the Puyallup Tribe’s land is valuable for real estate –

something noted as atypical for tribes – so tribal members are being displaced as families move to find housing that is affordable. Tribal families tend to be bigger and need larger units, which are more expensive. Tribal representatives report that cost most significant barrier for housing, and many people have moved to more affordable areas like Graham and Yelm.²³

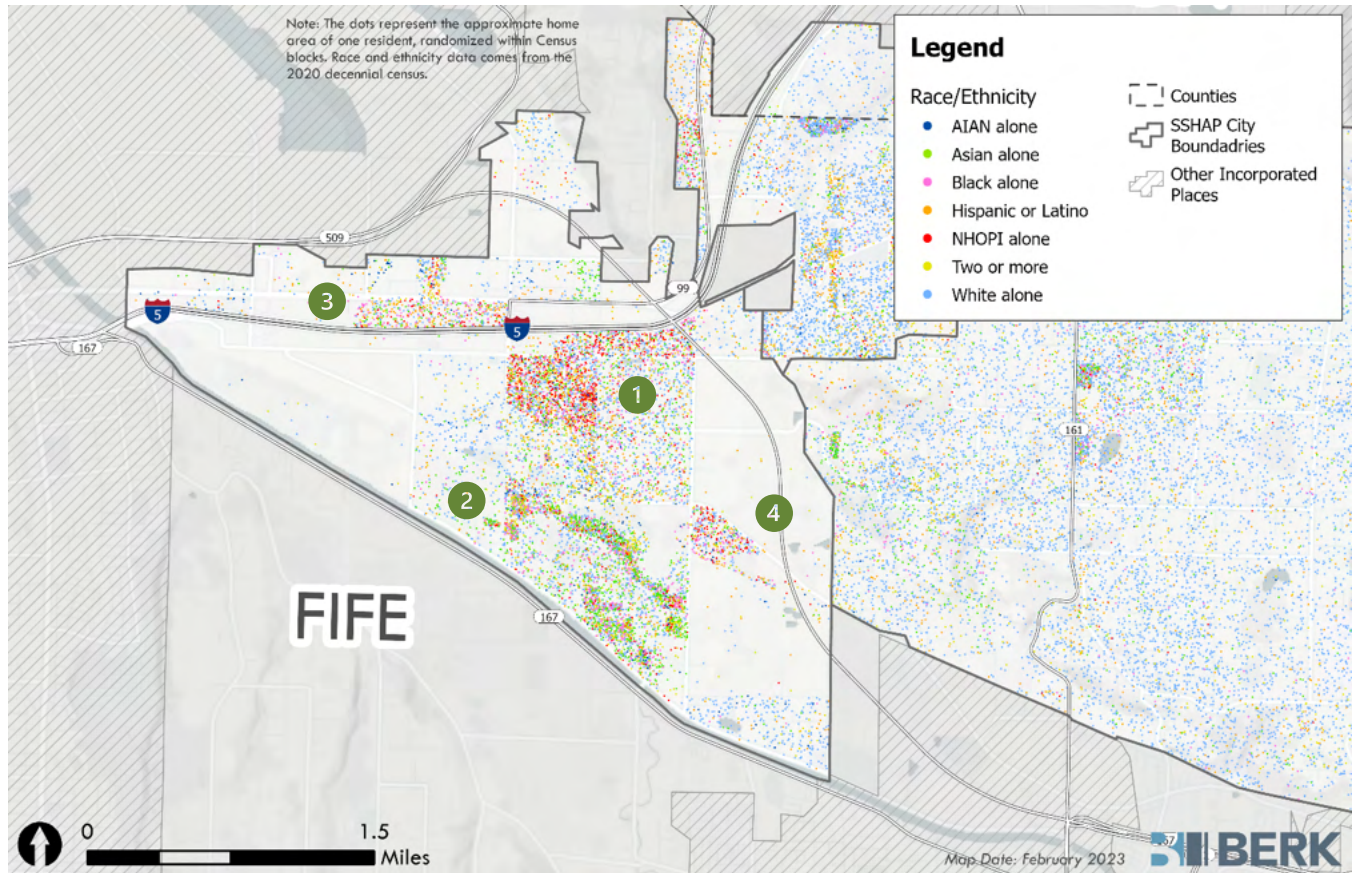
- Representatives of the Pacific Islander community report that homelessness in this community looks different than in other communities – individuals don't live on the streets but tend to double up with families or live in their cars close to family members. The area's Pacific Islander community members tend to have very low household incomes and are experiencing economic displacement pressure.²⁴
- The southeast area of Fife has moderate displacement risk, though this census tract includes a portion of North Puyallup (only 6% of the census tract 9400.10 is within Fife's borders). The area has more renters than the county average, with increasing racial diversity and higher income households compared to countywide trends. However, the area has had relatively lower price appreciation given that prices were already relatively high in 2015.
- The eastern area of Fife (Census Tract 9400.09) has low displacement risk due to a relatively low proportion of households that rent their housing and relatively higher income households. While prices have appreciated more than the countywide rate, the area already had relatively higher prices in 2015.
- There are large areas with higher redevelopment feasibility (lower improvement to land ratios) along the southern border of Fife (north of SR 167). This somewhat overlaps with areas of higher displacement risk (comparing **Exhibit 31** and **Exhibit 34**). Some formerly agricultural or industrial lands may be converted to residential uses depending on development restrictions. The southeastern area of Fife is of particular interest for displacement risk given that more intensive residential developments have not yet come to this area, the presence of more agricultural uses, and potential market impacts from the development of the new municipal park.

²³ Interview with the Puyallup Tribe.

²⁴ Interview with the Pacific Islander Community Association of Washington.

Exhibits

Exhibit 32. Dot density map of race and ethnicity in Fife, 2020



Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

- Diverse communities are observed throughout Fife.
- There is a cluster of higher diversity, including greater representation of people who identify as Native Hawaiian or Pacific Islander, Black, and Asian just south of I-5. (1). This area includes more multifamily housing, including The Lakes at Fife Apartments, Astoria Apartments, Revive Apartments, Pointe East Apartments, and Sherwood Park Apartments, extending to the north side of 20th Ste E with Rainier Pointe apartments.
 - This area includes a large representation of people identifying as Native Hawaiian or Other Pacific, particularly of Samoan descent. Potential community anchors of the Samoan community include Steven and Sons Food Restaurant (1506 54th Ave E), Kamu Ink (1518 54th Ave E),²⁵ and the New Life Samoan Church (in Tacoma).

²⁵ The owner of Kamu Ink said he tattoos primarily White people and is not very connected to the Samoan population. Interview with Kamu Ink.

- There is an observed cluster of people who identify as Asian north of the Puyallup River, predominately comprised of people with Filipino or Korean ancestry (2). This area includes the newer subdivisions of Saddle Creek (built in 2005, mostly single-family homes selling in the \$530K - \$630K range) and the Radiance subdivision (built in 2006, mostly single-family units selling in the \$500K - \$600K range). Community anchors may include a Korean congregation that meets in a local church.
- North of I-5, there is a small cluster of people that identify as Native Hawaiian or Pacific Islander, Black, or Hispanic or Latino (3). This area includes some larger car dealerships, so the residential population is likely associated with the Chateau Rainier Apartments, a property managed by the Pierce County Housing Authority offering 1- to 3-bedroom units between \$1,050 - \$1,900 per month (February 2023). There may be some residential uses of older hotel/motel stock in the area.
- Reflecting a diverse cluster like 1, the area east of 70th Ave E and north of the railroad tracts is another node of multifamily housing (4).
- The one area that is largely comprised of people who identify as White alone is in the city's southeast corner. This area includes large tracts of land still in agricultural use (including Firwood Farm Alpacas) and some warehousing uses. In a recent community meeting, city staff report participants had neighborhood tenures between 20 and 50 years.

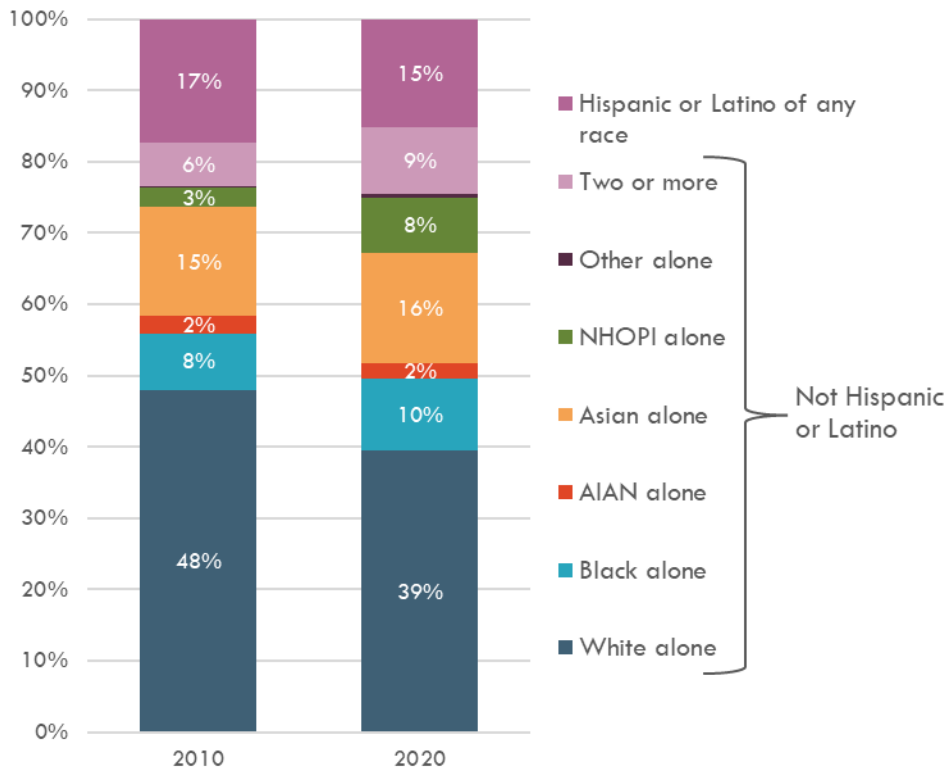
▪ The area includes an older manufactured home park (MHP) (listed as Ardena Gale Manufactured Home Park)²⁶ located north of Levee Pond Park with approximately 70 units.²⁷ There are plans for a new park to the south and east of the MHP, which could put redevelopment pressure on the existing, older housing stock. Given the disassociation of ownership between the land and the structures, the park could be at risk of redevelopment.



²⁶ Parcel number 0420202035. See <https://atip.piercecountywa.gov/app/propertyDetail/0420202035/summary>.

²⁷ Parcel data states 61 units but does not include permanent RVs or Park Models. Actual home count may be closer to 70 units based on aerial view.

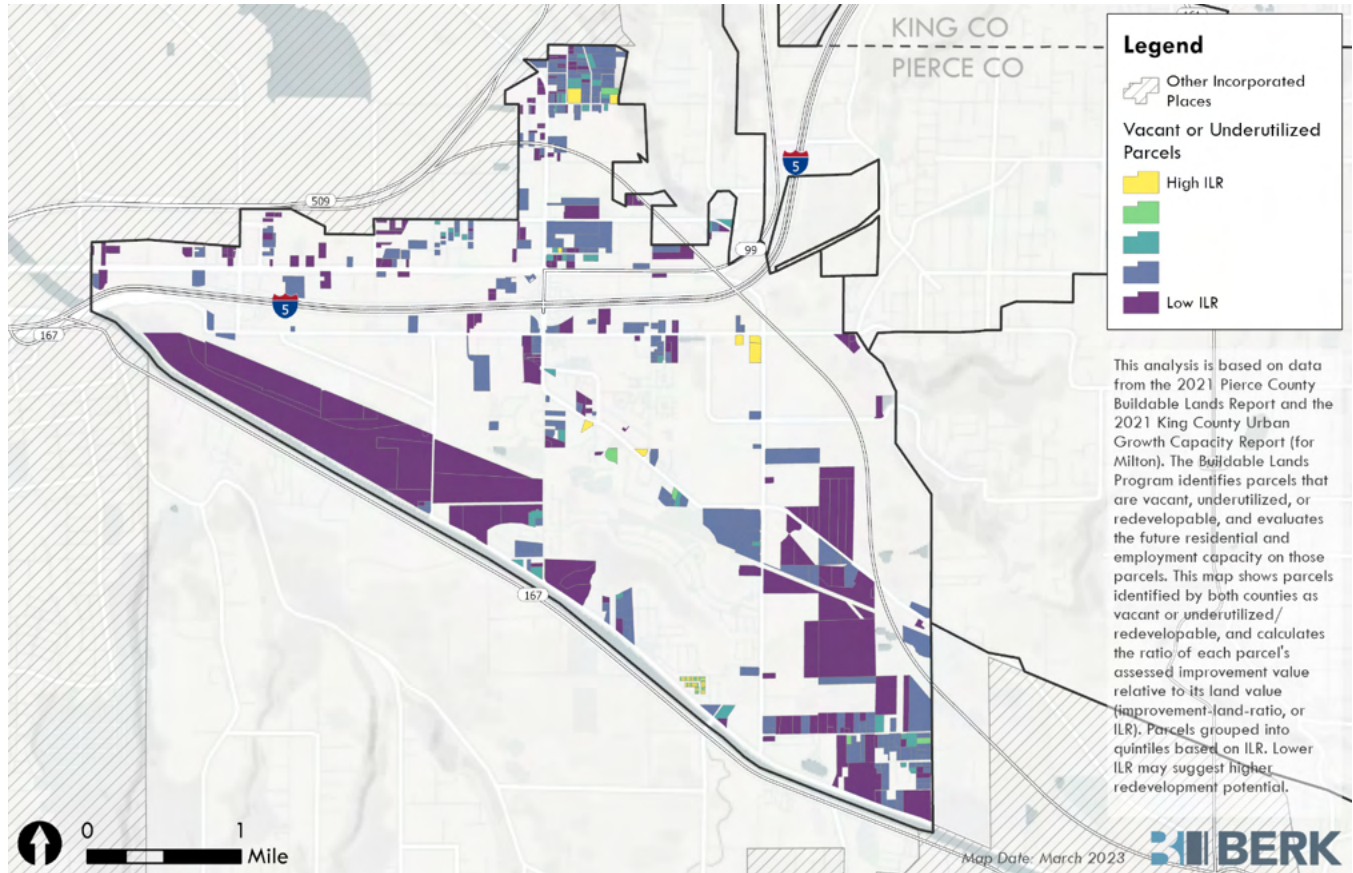
Exhibit 33. Change in the share of the Fife population by race and ethnicity, 2010-2020



Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

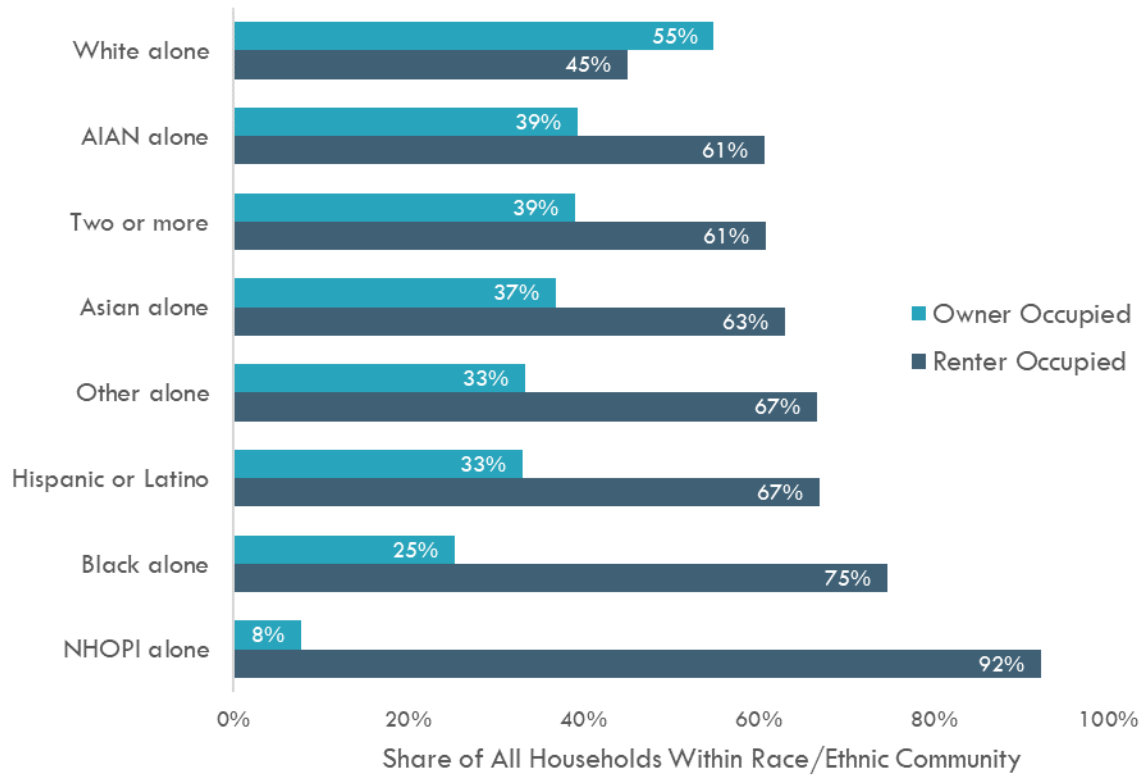
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 34. Improvement value to land value ratio of Fife's underutilized parcels, 2021



An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.

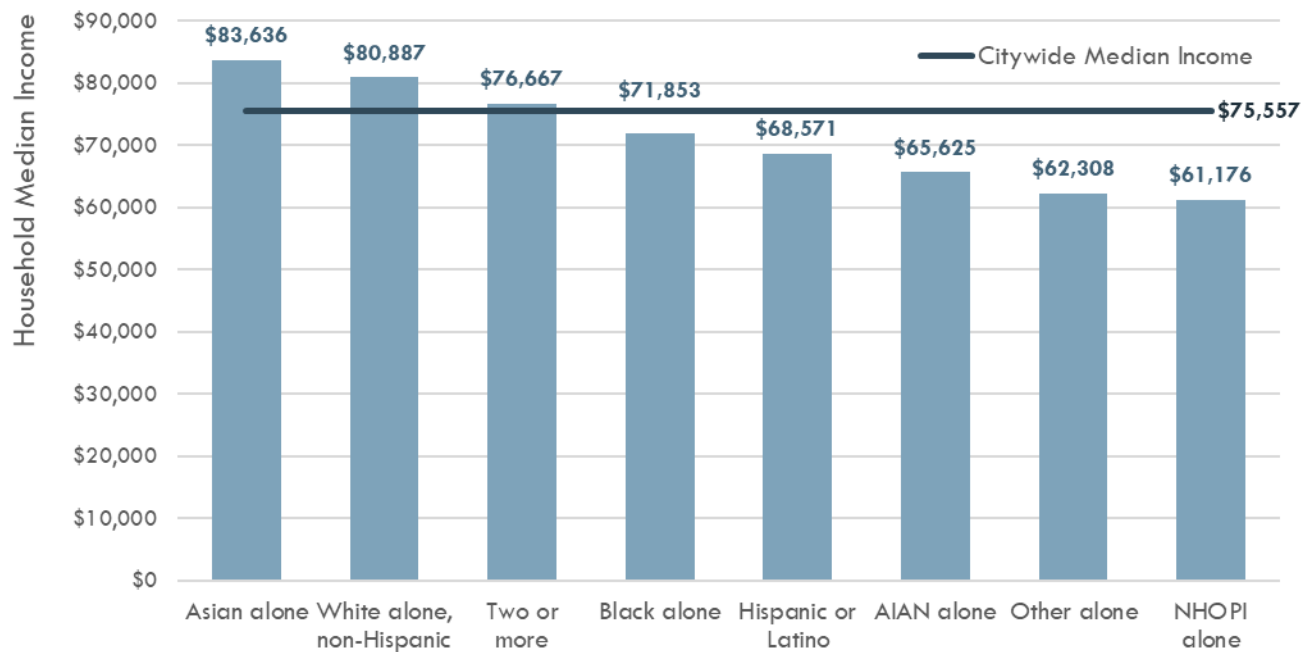
Exhibit 35. Fife households by tenure and race and ethnicity, 2021



Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-1; BERK 2022

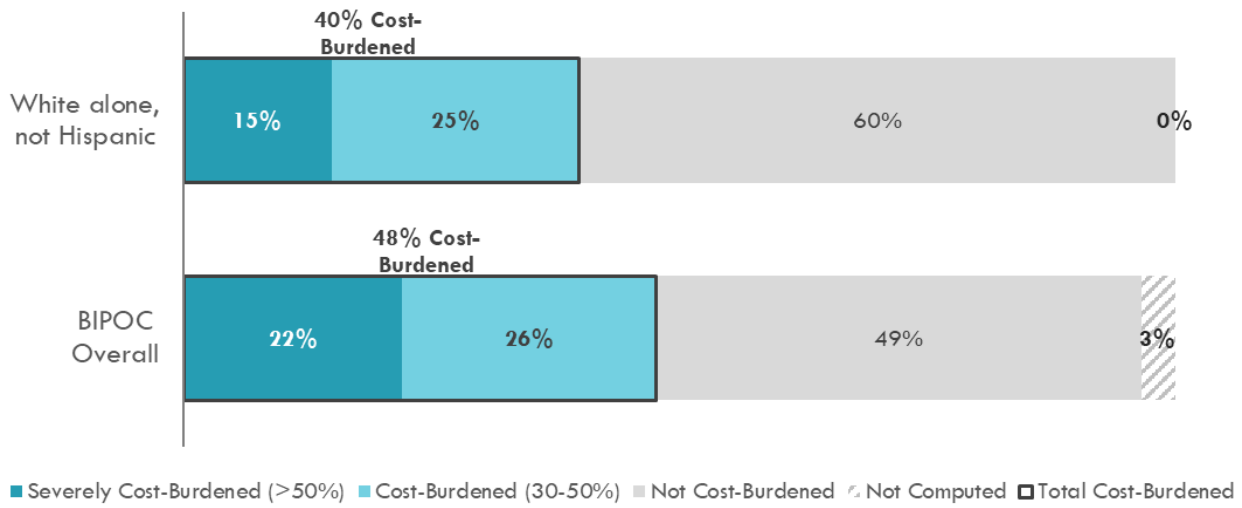
Exhibit 36. Median household income by race and ethnicity in Fife, 2021



Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-1; BERK 2022

Exhibit 37. Cost-burdened status for renter households by White alone vs BIPOC households in Fife, 2019



Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of Gig Harbor

Discussion

Background

Gig Harbor, located on Puget Sound, was the ancestral home of the Twa-Wal-Kut band of the Puyallup Tribe.²⁸ They enjoyed the region's abundant natural resources, including fish, shellfish, and timber. While previous explorers missed the hard-to-spot entrance to the bay, Lieutenant Charles Wilkes's expedition found the hidden harbor in 1841, naming it Gig Harbor because the expedition entered the bay in a small gig.

The U.S. Federal Government took control of a large amount of the natives' lands through the Treaty of Medicine Creek in 1854. The first permanent settlement by non-native peoples dates to 1867 when a small fishing village was established.²⁹ During this era, the communities were predominantly Croatian and Scandinavian, and the economy focused on timber, boatbuilding, and fishing. Further settlement by Scandinavian and American settlers from Minnesota in the 1880s brought further timber clearing and the establishment of farms growing berries, fruits, and vegetables.

The establishment of a ferry system in 1918 further connected Gig Harbor to the cities across the bay. The community grew slowly – the 1950 census lists only 803 residents – but the population began to grow quickly after a new, more stable Tacoma Narrows Bridge was built.³⁰

Demographic Profile

- A greater proportion of Gig Harbor (79%) identifies as White alone than Pierce County as a whole (62%) (see **Exhibit 2**). Compared to countywide shares, Gig Harbor has less representation of Hispanic or Latino people (7% compared to the countywide rate of 12%) and Black residents (1% compared to the countywide proportion of 7%). This suggests **a potential exclusionary effect on Hispanic and Latino and Black communities**. Additional community engagement can help identify specific barriers to inclusion for these populations in Gig Harbor.

Population Change

- Similar to countywide patterns, Gig Harbor grew more diverse between 2010 (86% White alone) to 2020 (79% White alone). Similar to other jurisdictions, the proportion of the population that identifies as two or more races increased (3 percentage points). The most significant increase was in the population that identifies as Asian alone, growing three percentage points between 2010 and 2020 from 2% to 5% of the population (see **Exhibit 40**).

²⁸ Gig Harbor Thumbnail History by Jim Kershner (2012). Historylink.org <https://www.historylink.org/file/10271>

²⁹ Ibid.

³⁰ Gig Harbor "The Maritime City" Harbor History. <https://www.visitgigharborwa.com/history>

Housing

- Gig Harbor has a city-wide homeownership rate of 63% (see **Exhibit 23**), though the rate varies by race and ethnic group. An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.
- **Exhibit 42** provides estimates of the housing tenure for seven racial and ethnic groups, though some estimates are unreliable due to sampling error associated with small populations. White alone households have a homeownership rate of 64%, 11 percentage points less than the Asian alone household rate of 75% and 14 points less than the Hispanic or Latino homeownership rate.
- Asian alone households have a median household income approximately \$5,200 higher than White alone households (\$105,282 compared to \$100,083) (**Exhibit 43**).
 - The higher rate of homeownership for the Hispanic or Latino population is unexpected given the population's lower household median income (\$100,083 for White alone households compared to \$77,857 for Hispanic or Latino households). This unexpected finding could be related to higher tenure in Manufactured Home Parks in which residents own their homes but not the land underneath. Small sample sizes and larger margins of error could also contribute to this finding.
- Rates of housing cost burden are relatively high in Gig Harbor, particularly for BIPOC households of which 45% are housing cost burdened inclusive of renter and owner households (**Exhibit 10**). The household income distribution in Gig Harbor does not indicate an over-representation of lower-income households compared to other Pierce County cities (**Exhibit 22**), so higher housing costs likely drive the higher rates of housing cost burden. In 2021, the median monthly rent in Gig Harbor was \$1,477, higher than Edgewood (\$1,295), Fife (\$1,432), Milton (\$1,438) and University Place (\$1,250) (**Exhibit 11**).
- **Exhibit 44** compares housing cost burden for Gig Harbor's renter households, broken out by White alone households and BIPOC households. For White alone renting households, 46% of households are housing cost burdened, with 27% falling into the severely cost-burdened category. For BIPOC households, the cost burden rate jumps to 67%, a full 19 percentage points higher. This indicates **a racially disparate impact in housing cost burden**.
 - Community representatives report struggling to afford housing. Interviewees note limited affordable multifamily housing in Gig Harbor and observe that new multifamily options are outside the city with an "easy commute in." One representative said that the "new housing

we see is gentrified stuff. It's for the wealthy people. They're building for people who aren't struggling.”³¹

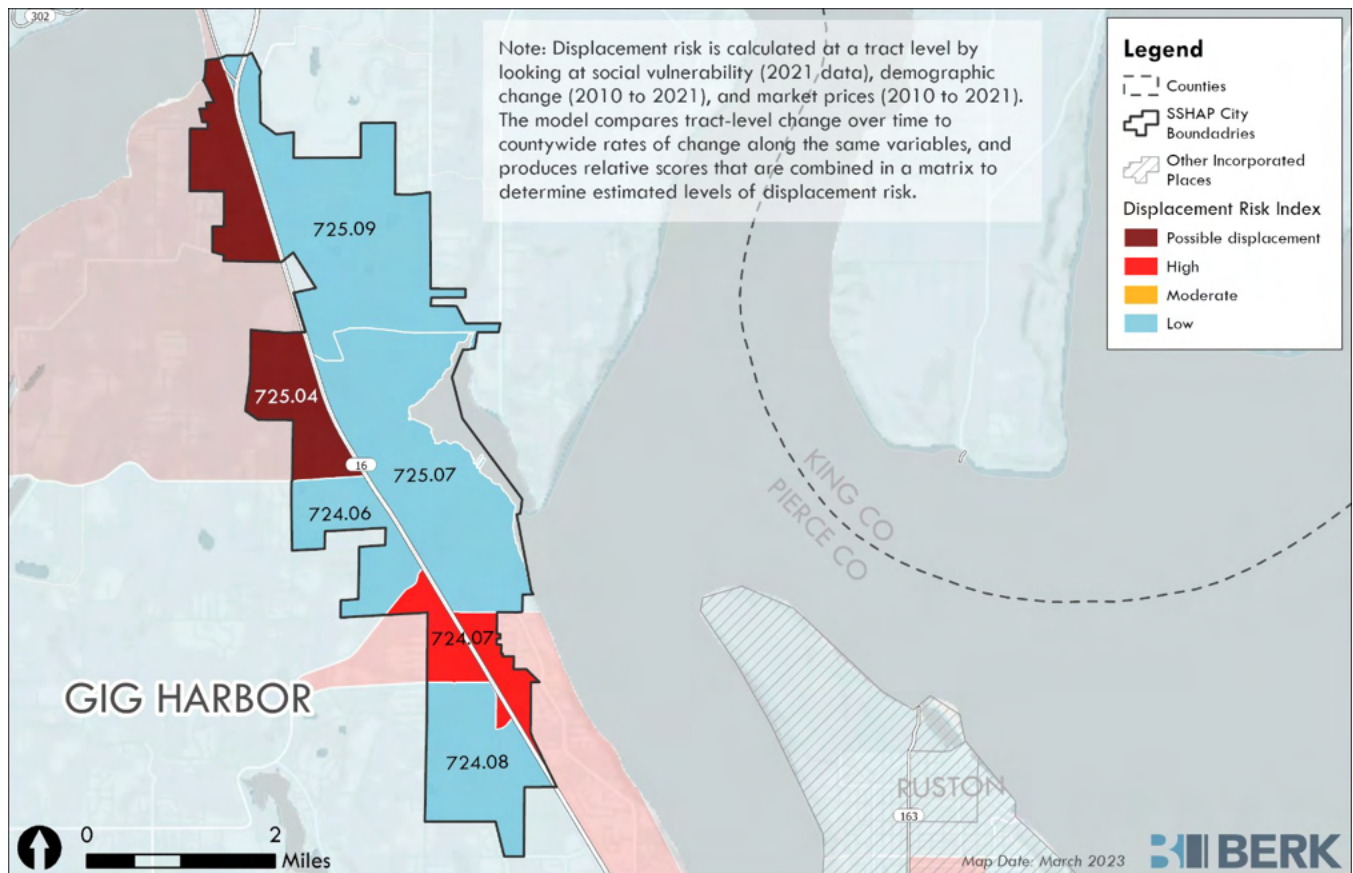
Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

This analysis provides a neighborhood-scale index of the relative displacement risk within Gig Harbor. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

Exhibit 38 presents the findings for census tracts associated with Gig Harbor.

Exhibit 38. Gig Harbor Assessment of Displacement Risk, 2023




³¹ Interview with Gig Harbor FISH Food Bank

Gig Harbor Tracts	Social Vulnerability					Demographic Change			Market Prices			Final Displacement Risk
	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053072406	18%	1	1	1	3	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	High appreciation	Appreciated	Low
53053072407	21%	4	1	2	7	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072408	31%	3	1	1	5	Tracking county change	Tracking county change	No	High rent area	Low or mod appreciation	Appreciated	Low
53053072504	8%	2	1	1	4	Tracking county change	Decreasing Low Income HHs	Gentrification	High rent area	High appreciation	Appreciated	Possible displacement
53053072507	100%	4	1	2	7	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	Low rent area	High appreciation	Accelerating	Low
53053072509	64%	2	1	1	4	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	High appreciation	Appreciated	Low

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

Most of Gig Harbor’s residential areas are in census tracts with low displacement risk relative to the county (census tracts 725.07, 725.09, 724.06, and 724.09). Low displacement risk is due to lower rates of social vulnerability and an increasing share of people of color and households with incomes less than 80% of AMI. Market prices suggest rental cost appreciation higher than countywide trends.

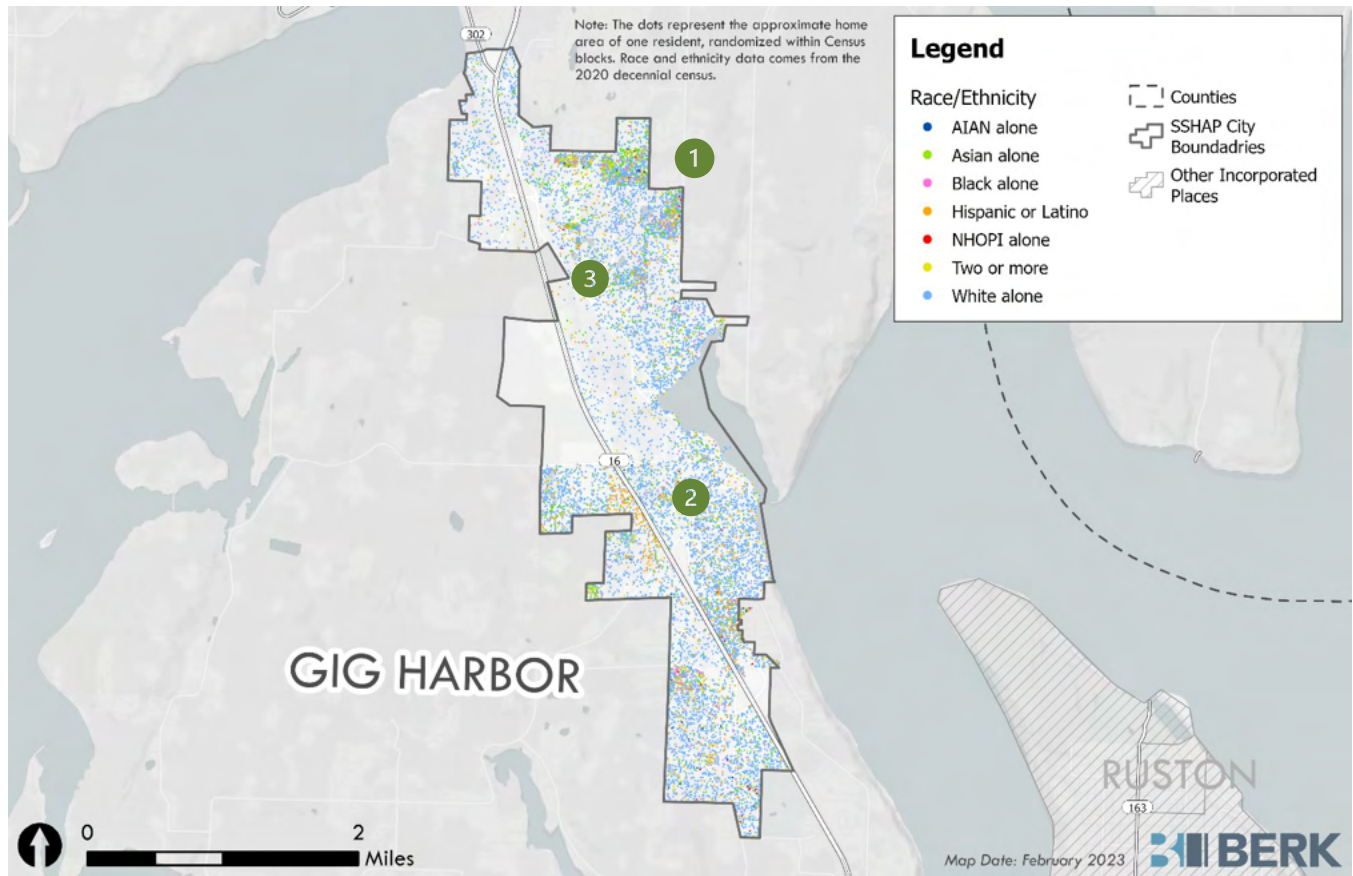
- The analysis indicates one area with evidence of possible displacement (census tract 725.04 in the northwest area of the city limits). This census tract is comprised mainly of McCormick Forest Park and McCormick Creek. This area had more expensive housing that has continued to appreciate. A new subdivision on 61st Ave Ct makes it appear like a proportionally large influx of higher-earning households and a loss of households earning less than 80% of AMI.
- 
- The analysis indicates an **area of higher displacement risk in census tract 724.07**, approximately 21% of which falls within Gig Harbor’s city limits. Most of this census tract lies south of Gig Harbor between Highway 16 and the shoreline of the Tacoma Narrows. The area has relatively higher rates of renter households than the countywide mean (fourth quintile) and evidence of fewer households in 2020 than 2010 with incomes less than 80% of AMI. Relative to other parts of Pierce County, the area had lower rents in 2015 that have seen high appreciation between 2010 and 2020.
 - In this area the underutilized parcels with low improvement to land ratios are largely dispersed (see **Exhibit 41**).
 - One interviewee who supports tenants in unlawful detainer cases said they see a lot of intent to sell or to occupy cases in Gig Harbor. While this is a lawful cause for eviction, tenants probably won’t be able to find another affordable place to live in Gig Harbor. Moving could also add additional expenses, like paying the toll for the Tacoma Narrows Bridge. The interviewee said they see a lot of these cases in middle housing typologies.³²

³² Interview with Tacoma Pro Bono

- Another interviewee noted that renters in Gig Harbor are vulnerable to displacement because a new owner will buy the building and raise the rent. They noted seniors and people with disabilities were particularly vulnerable because they live on a fixed income.³³

Exhibits

Exhibit 39. Dot density map of race and ethnicity in Gig Harbor, 2020



Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

- There is an area of higher population density with a small cluster of Asian alone population in the northeastern area of Gig Harbor (1), representing more than twice the city rate (location quotients of more than 2, see Exhibit 4). The Asian alone population in Gig Harbor is predominately Filipino, Chinese, and Japanese. The higher population density may be associated with the Bracera Apartments at 11400 Olympus Way. Bracera Apartments has apartments at market rate (\$1,900 for 1 bedroom, \$2,200 for 2 bedroom, \$2,400 for 3

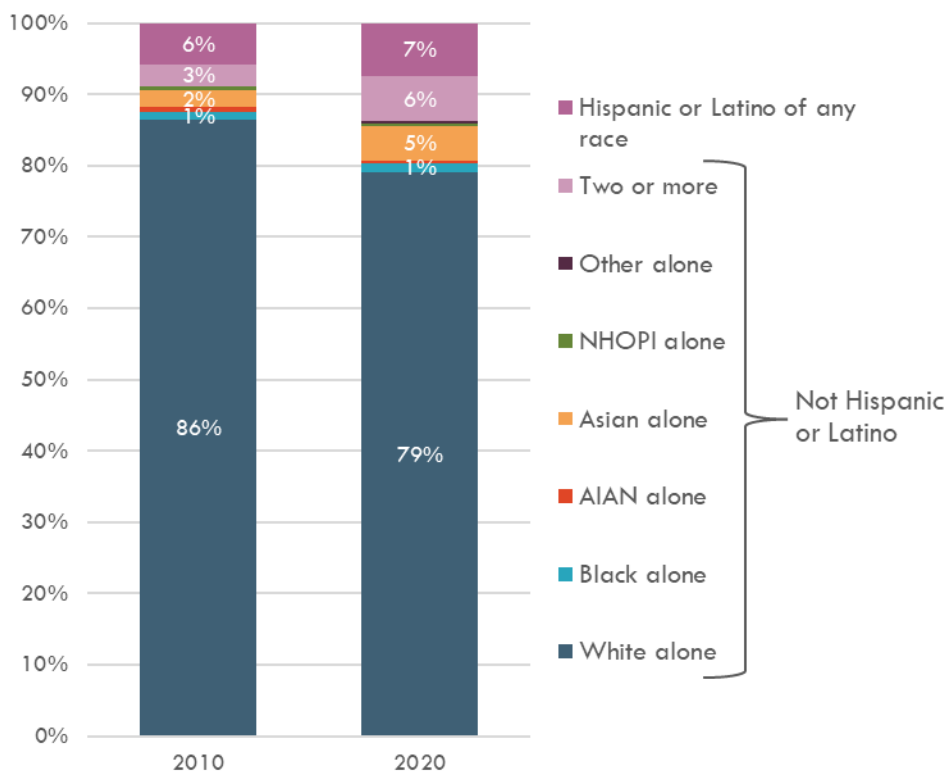
³³ Interview with Gig Harbor FISH Food Bank

bedroom); it may be the larger units attracting larger numbers of people.³⁴ This may include populations associated with the military as well as the fishing industry. Bracera Apartments requires that an applicant make three times the rent and will refer lower-income people to other apartments in the area, including Forest Grove.

- There is a slight concentration of Hispanic or Latino people along Highway 16 (2). There may be some new development in the area and it is unclear if the Hispanic and Latino population recently moved to the area. Another possibility is recent displacement since 2020 from other areas of Gig Harbor as well as cities outside of Gig Harbor has instigated an influx of Hispanic and Latino people. Additional community engagement can clarify recent population composition and potential shifting. Forest Grove Apartments is in this area and offers apartments at a lower rate than Bracera Apartments. They have 1 bedroom units (\$1,700 or \$1,800), 2 bedroom units (\$1,900-\$2,500), and 3 bedroom apartments (\$2,100-\$2,200).
- There is a slightly higher housing density at 3 which could be associated with the Hillcrest Mobile Home Park.



Exhibit 40. Change in the share of the Gig Harbor population by race and ethnicity, 2010-2020

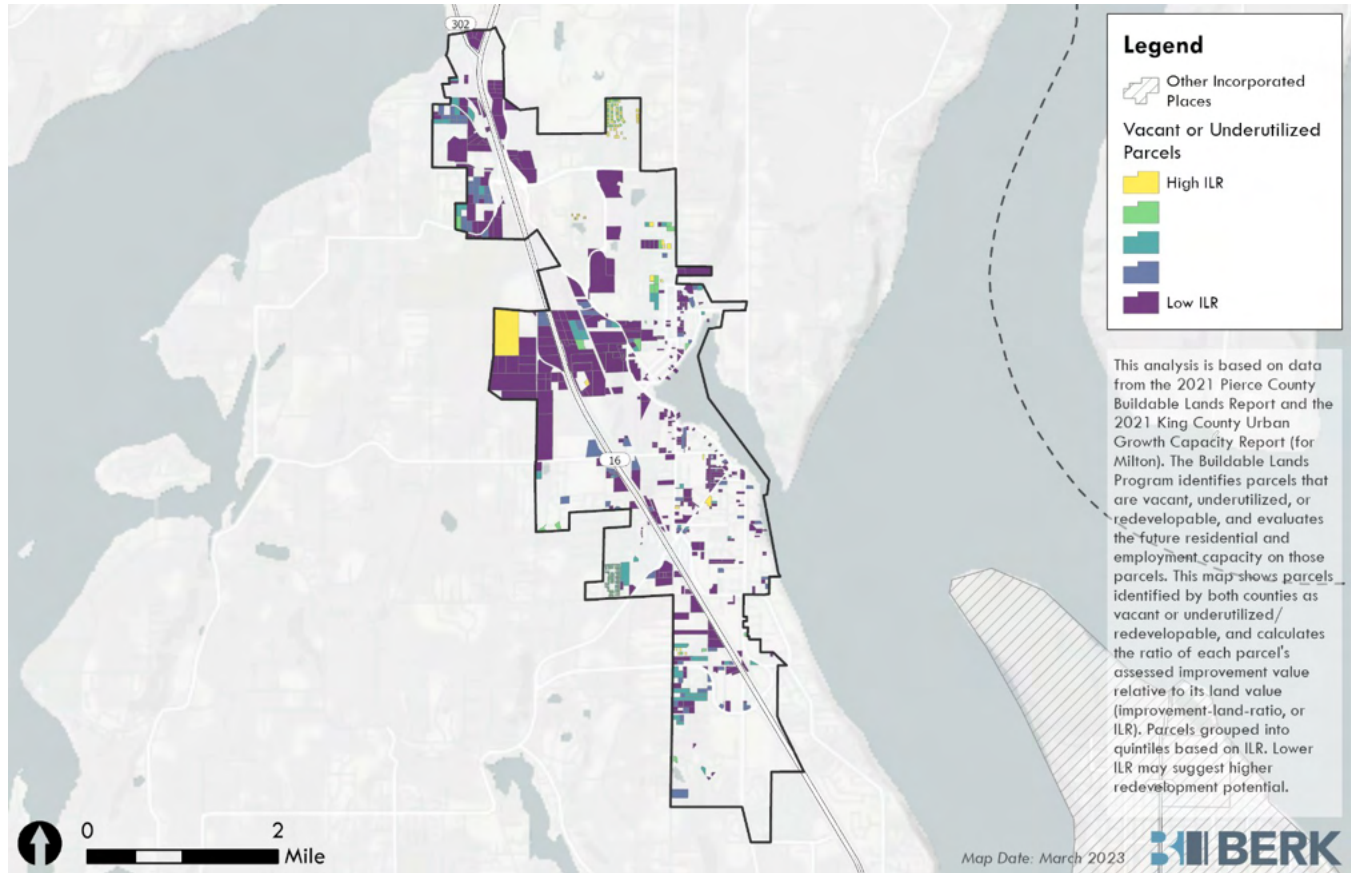


Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

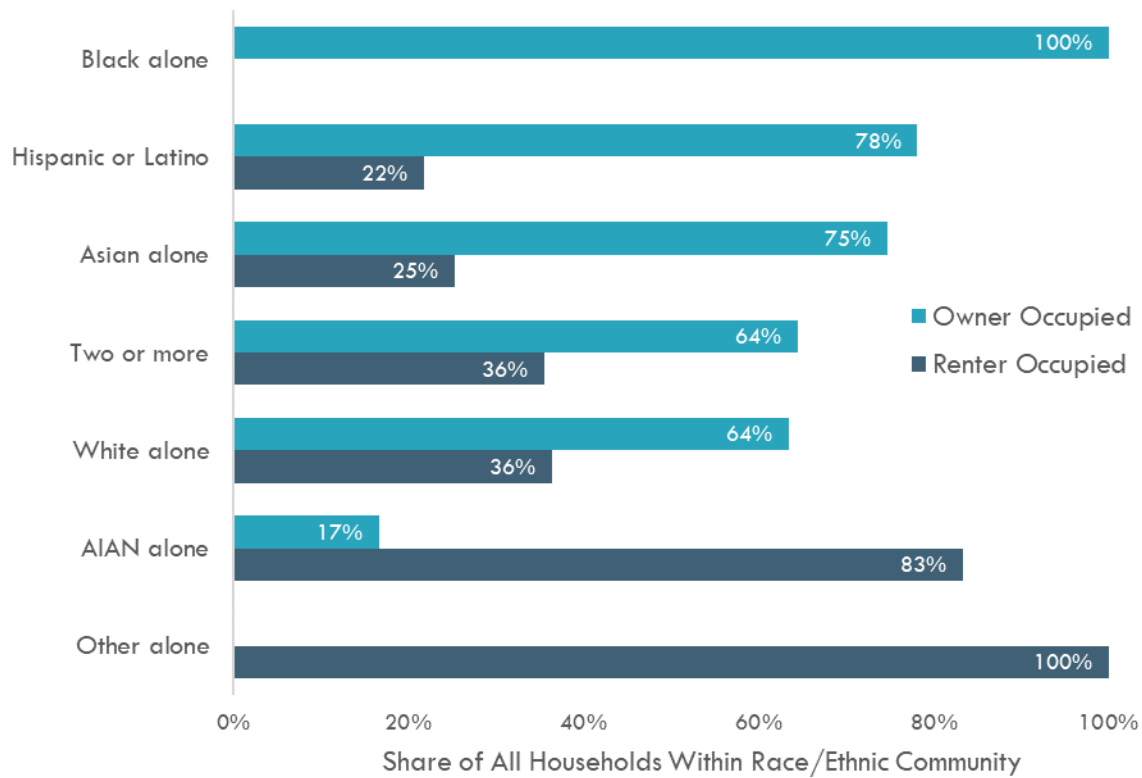
³⁴ Interview with Bracera Apartments

Exhibit 41. Improvement value to land value ration of Gig Harbor’s underutilized parcels, 2021



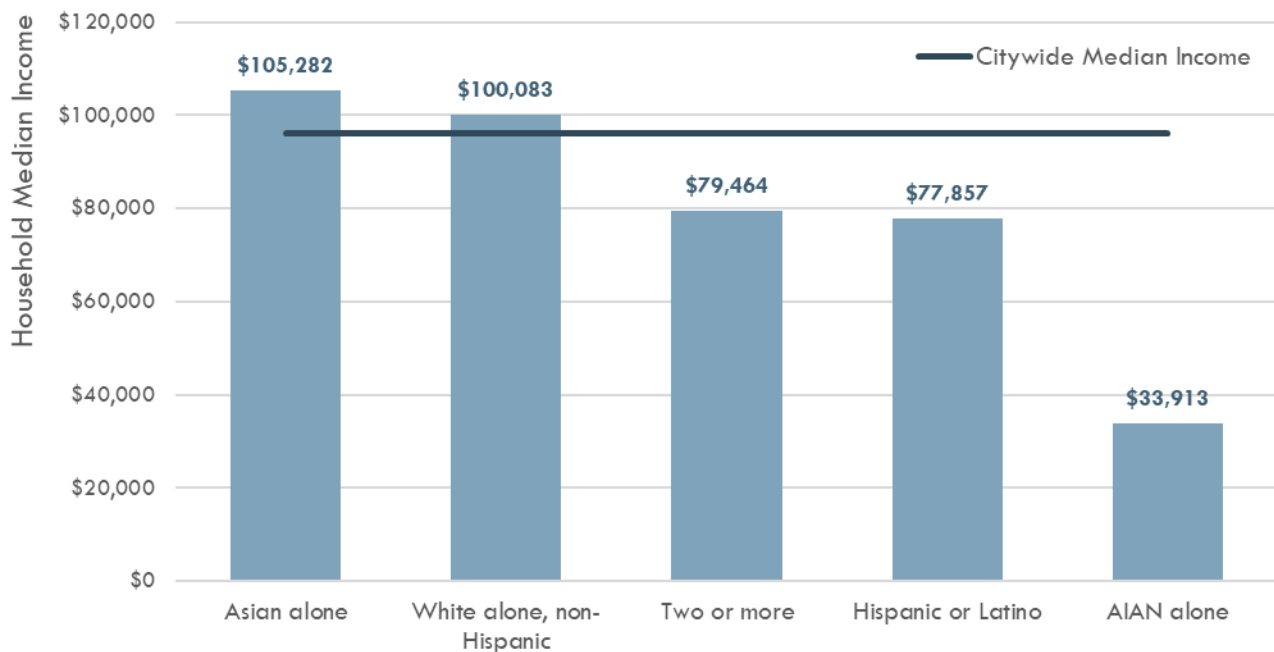
An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.

Exhibit 42. Gig Harbor households by tenure and race and ethnicity, 2021



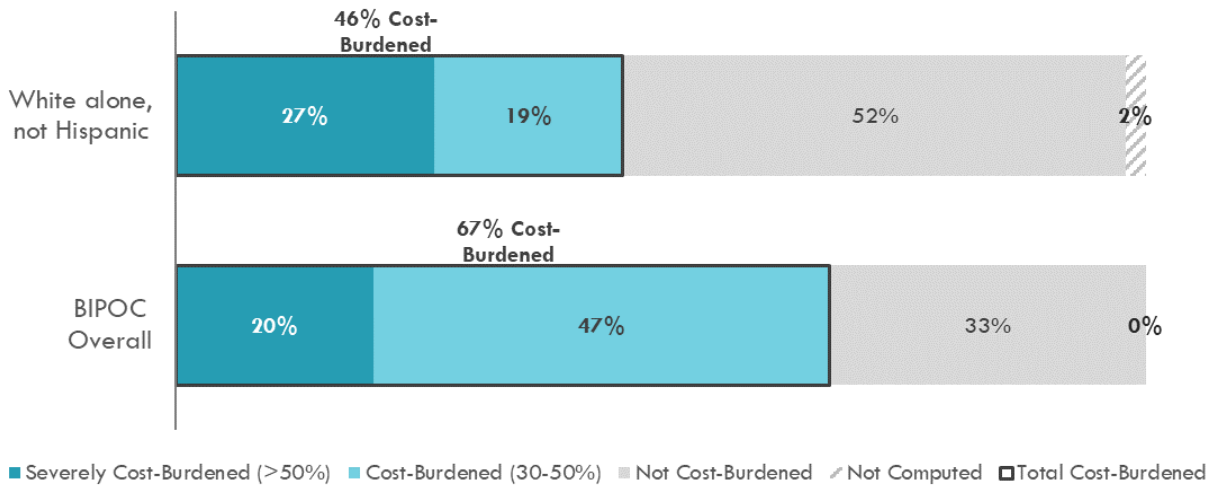
Note: AIAN = American Indian or Alaskan Native
 Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022

Exhibit 43. Median household income by race and ethnicity in Gig Harbor, 2021



Note: AIAN = American Indian or Alaskan Native; data suppressed for Black alone, NHOPI alone, and other alone.
 Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022

Exhibit 44. Cost-burdened status for renter households by White alone vs BIPOC households in Gig Harbor, 2019



Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of Milton

Discussion

Background

The City of Milton is located on an upland area north of Edgewood on the northern side of the Puyallup River Valley. Prior to the mid-1800s, the area was part of the historical lands of the Puyallup Indian Tribe. In the late 19th century, mills and lumber camps were established followed by an increasing number of homesteaders.³⁵ Settlement increased with the federal Homestead Act in 1862, bringing homesteaders and farmers of various descent, including Germans, Canadians, Finnish, and Swedes. The area was known for raspberry and cranberry farms. Milton was incorporated as a city in 1907, with a 1910 census population of 448.

The interurban railway (1902 – 1929) connected Milton to the employment centers and markets for agricultural products in the more urban area of Tacoma, later replaced with modern highways and bus service.³⁶ The war effort brought many new families to the area seeking work in the shipyards, leading to a housing shortage.³⁷

Chinese and Japanese immigrants began arriving in Western Washington in the 1870s working as laborers in timber harvesting, mining, railroading, and agriculture.³⁸ While becoming established members of the community, the 1899 Washington State Constitution included a discriminatory statute that prohibited “aliens” – i.e., people how are not citizens of the United States – from owning land, while federal law prevented people from Asia from becoming citizens. Many Japanese farmers were able to work around these limitations by farming on land leased from White landowners or putting the land in the name of their American-born children.³⁹ Over the next couple of decades, Japanese farmers created many successful truck and berry farms in the region. In the Spring of 1942, Executive Order 9066 forcibly assembled and removed community members of Japanese descent from the area. Approximately 1,000 Tacoma and Fife Valley residents were evacuated, making their first stop at the Puyallup Assembly station on the Puyallup fairgrounds. Many were forced to sell their land and equipment for a fraction of their worth due to their incarceration, and few returned to farming after the war.⁴⁰

³⁵ Milton, Washington website (2023). History of Milton. <https://www.cityofmilton.net/189/History-of-Milton>

³⁶ U.S. Census. 1910 Supplement for Washington. <https://www2.census.gov/library/publications/decennial/1910/abstract/supplement-wa.pdf>

³⁷ Johnson, Kay. Milton History. Available on the City of Milton website: <https://www.cityofmilton.net/DocumentCenter/View/147/Milton-History---Kay-Johnsons-Historical-Account>

³⁸ Andrews, Mildred Tanner (1997). Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory. King County Landmarks and Heritage Program. <https://kingcounty.gov/~media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en>

³⁹ Ibid.

⁴⁰ Takami, David (1998). Japanese Farming. Historylink.org available at <https://www.historylink.org/file/298>.

Demographic Profile

- A greater proportion of Milton (67%) identifies as White than the countywide rate of 62% (see **Exhibit 2**). Milton’s racial composition falls between its neighbors of Edgewood (74%) and Fife (39%), though the people of color proportion of Milton grew 14 percentage points between 2010 and 2020, a slightly larger shift compared to the countywide change of 12 percentage points. In 2020, people who identify as Black alone are less represented in Milton (4%) compared to the countywide rate of 7%, **suggesting a slight exclusionary effect for the Black community**. The other racial ethnic groups largely reflect county proportions.
 - Preliminary community input suggests that the underrepresentation of people who identify as Black or Hispanic or Latino may be due to cultural reasons rather than policy choices. One interviewee explained that Edgewood and Milton have historically been farming communities that pride themselves on being a “unique community surrounded by warehouses and cities,” which has led to resistance to allowing apartments and high-density housing.⁴¹ These narratives of the city’s history overlooks the historical facts related to the displacement of the Indigenous population, the contributions of people of color in the area’s agricultural history, and the role of policy in preventing people of color from owning land thus creating exclusionary effects.

Population Change

- Between 2010 and 2020, the largest shifts in population include growth in the Hispanic or Latino population (an increase of 6 percentage points) and, consistent with other jurisdictions, an increase in the number of people identifying as two or more races (an increase of 4 percentage points).
 - One interviewee noted a large influx of Slavic immigrants to the area from the former Soviet Union republics in the 1990s and early 2000s. The Salvation Baptist Church is building its new church in Milton and expects more people may move to Milton because “the church is there,” combined with the perception that Edgewood is a high-value, attractive place to live. Since the war in Ukraine, the Salvation Baptist Church has gained an additional 50 members as people in the area try to sponsor their family members. Early waves of Russian and Ukrainian immigrants settled in Seattle (Ballard had the first Russian-speaking church in Seattle in the late 1880s, though the church no longer exists). Then people moved north (to Lynnwood, Everett, and some to Mukilteo) or south (to Tacoma, Federal Way, Kent, and Auburn) to find more affordable housing. Community representatives report that households tend to be religious and moved to be closer to churches established north or south of Seattle.

Housing

- There are some departures from county norms in homeownership in Milton, likely driven by sampling anomalies related to small populations (see **Exhibit 49**). The homeownership estimate for households led by a person identifying as American Indian or Alaska Native is 100%,

⁴¹ Interview with Mountain View Community Center

though the margin of error exceeds the population estimate for this group. Similarly, households identifying as Asian alone have an estimated homeownership rate of 93% as well as the lowest estimated median household income of \$62,036 (see **Exhibit 50**). These are likely unreliable estimates due to common sampling error for small populations.

- The White alone households have a median income of \$84,339 and a homeownership rate of 61%. The Hispanic and Latino group has a median income that is more than \$4,000 higher at \$88,813, but a homeownership rate that is 16 percentage points lower (45%). This suggests **a disparate impact in ownership for households that identify as Hispanic or Latino**.
- While there are high rates of housing cost burden in Milton, the overall rate for White alone households is higher (48%) compared to BIPOC households (39%) (see **Exhibit 51**).

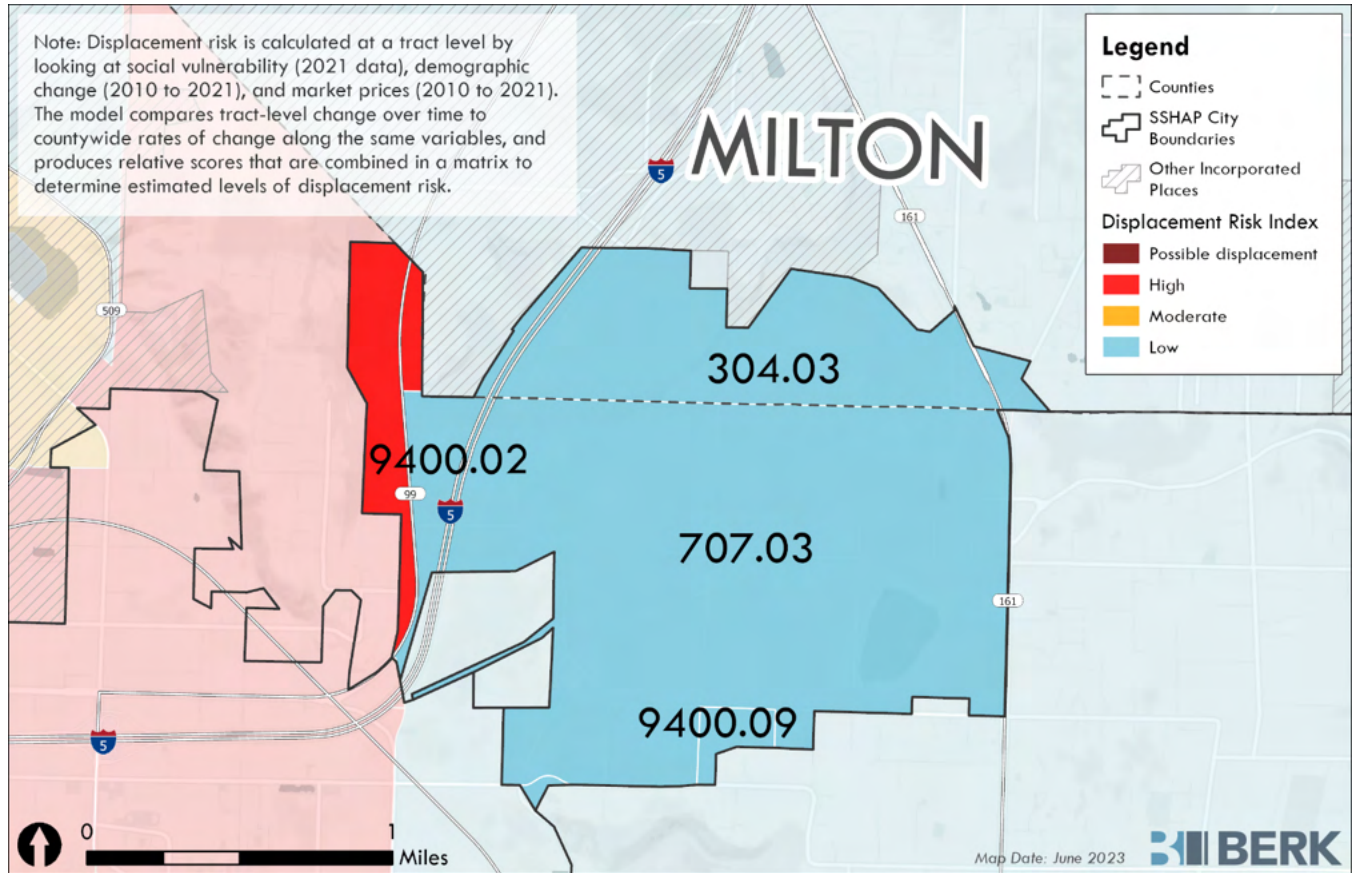
Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

This analysis provides a neighborhood-scale index of the relative displacement risk within Milton. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

Exhibit 45 presents the findings for census tracts associated with Milton. The majority of Milton falls in census tracts with low rates of displacement risk, except the area in the far northwest corner that overlaps with census tracts in the Fife Heights area. This area has **a high rate of displacement risk relative to other areas in Pierce County**.

Exhibit 45. Milton Assessment of Displacement Risk, 2023



Milton Tracts	Social Vulnerability					Demographic Change			Market Prices			Final Displacement Risk
	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53033030403	35%	2	2	3	7	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053070703	98%	4	2	3	9	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053940002	11%	4	4	3	11	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053940009	2%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low

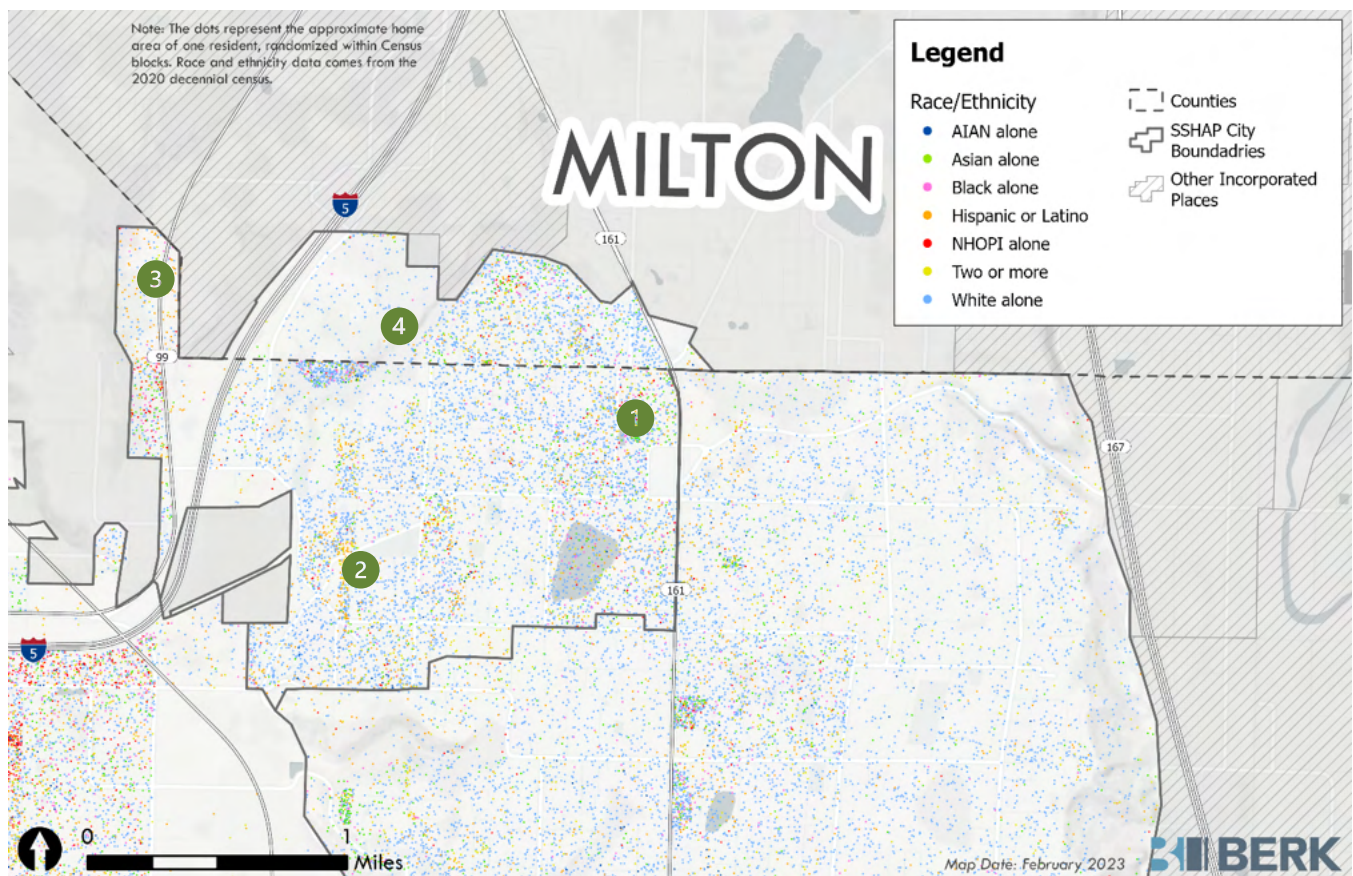
Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

- The majority of Milton falls within census tract 707.03. The area has moderate social vulnerability due to relatively high rates of renter tenancy (44%), landing in the 4th quintile of the county distribution. The market price dynamics suggest decreased affordability. The area had relatively low rents in 2015 and prices have appreciated faster than the countywide rate. However, the final assessment of displacement risk was lessened due to an increase in the share of the population that identifies as people of color. Between 2010 and 2020, the census tract has a decreasing share of households with incomes less than 80% of AMI that is greater than the county decrease and an increasing share of households of color at a rate higher than the countywide rate. The Milton share of people of color grew approximately 70% compared to the countywide rate of 49%.
- The analysis indicates high displacement risk in the northwest area of Milton adjacent to the Fife Heights area. Only 11% of the census tract falls within Milton’s city boundaries. The higher social

vulnerability is driven by slightly higher rates of renter occupancy than countywide patterns and a higher share of people of color (census tract 9400.02 with 37% renter occupancy and 50% people of color). This area also has larger lots of land with low improvement-to-land ratios that are zoned B – Business or RM – Residential Multi-Family. Residents renting housing on parcels with low improvement values zoned for non-residential use are particularly vulnerable to displacement. Given this area's zoning and intended use, displacement may not be preventable. In this case, the city should consider harm reduction strategies based on the specific relocation needs of the residents in this area. Future planning and community engagement activities should seek to understand residents' housing and relocation needs if they could be displaced due to changing land use.

Exhibits

Exhibit 46. Dot density map of race and ethnicity in Milton, 2020



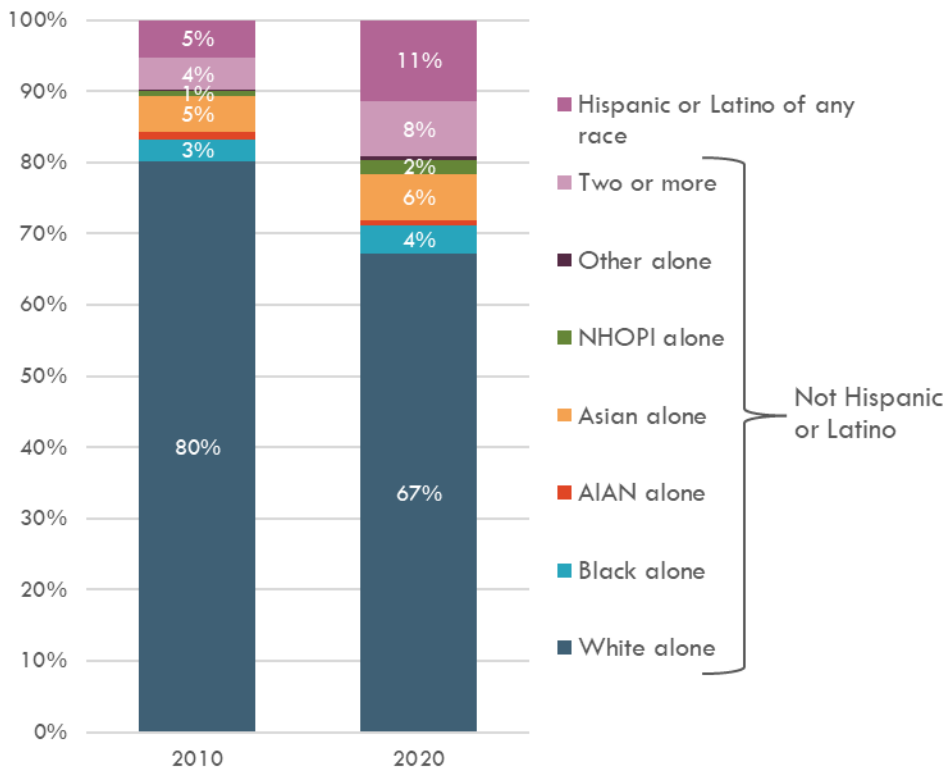
Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

- The majority of Milton's population identifies as White alone (see [Exhibit 47](#)), though the population has become more diverse between 2010 and 2020. There are some clusters of people of color that can be observed in Milton.

- There is a potential area of clustering, particularly of people that identify as Asian alone indicated with ①. This clustering may be associated with condominium townhouses built in 2002 on Diamon Loop Road valued in the \$350K to \$420K range.
- Milton has a higher concentration of people that identify as Hispanic (②) along 11th Avenue. This area has a mix of older and newer housing.
- The section of Milton that lies to the West of Highway 99 includes greater racial integration and with a slightly higher representation of people that identify as Native Hawaiian or other Pacific Islander (③). This area of Milton includes a combination of commercial and older single-family residential land uses, some multifamily housing and manufactured home parks (Spring Valley Mobile Home Park with 44 units and Cedar Rivers RV Park with 35 units).
- There is a cluster of higher population density along the Pierce County and King County border (④) likely associated with the Copper Creek Apartments with 1-to-3-bedroom units ranging from \$1,650 to \$2,400 per month.

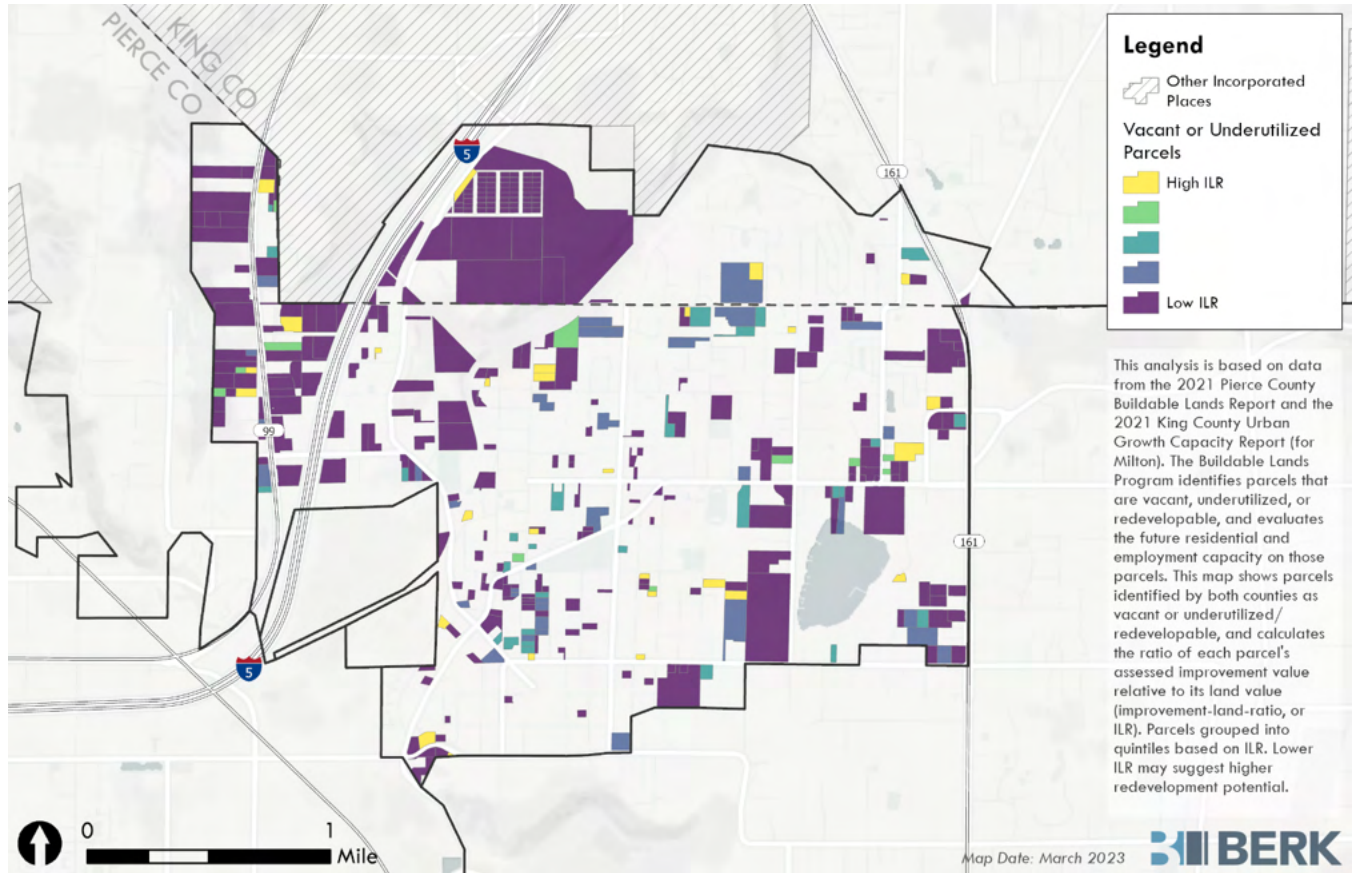
Exhibit 47. Change in the share of the Milton population by race and ethnicity, 2010-2020



Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

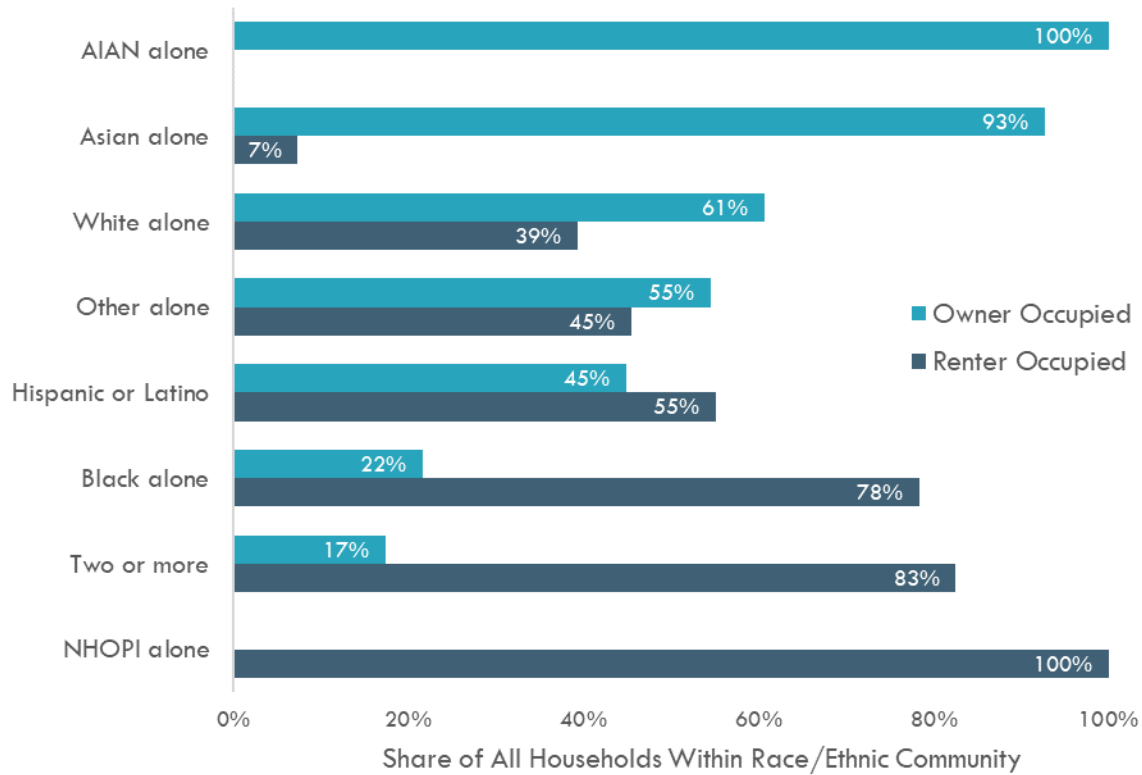
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 48. Improvement value to land value ration of Milton's underutilized parcels, 2021



An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.

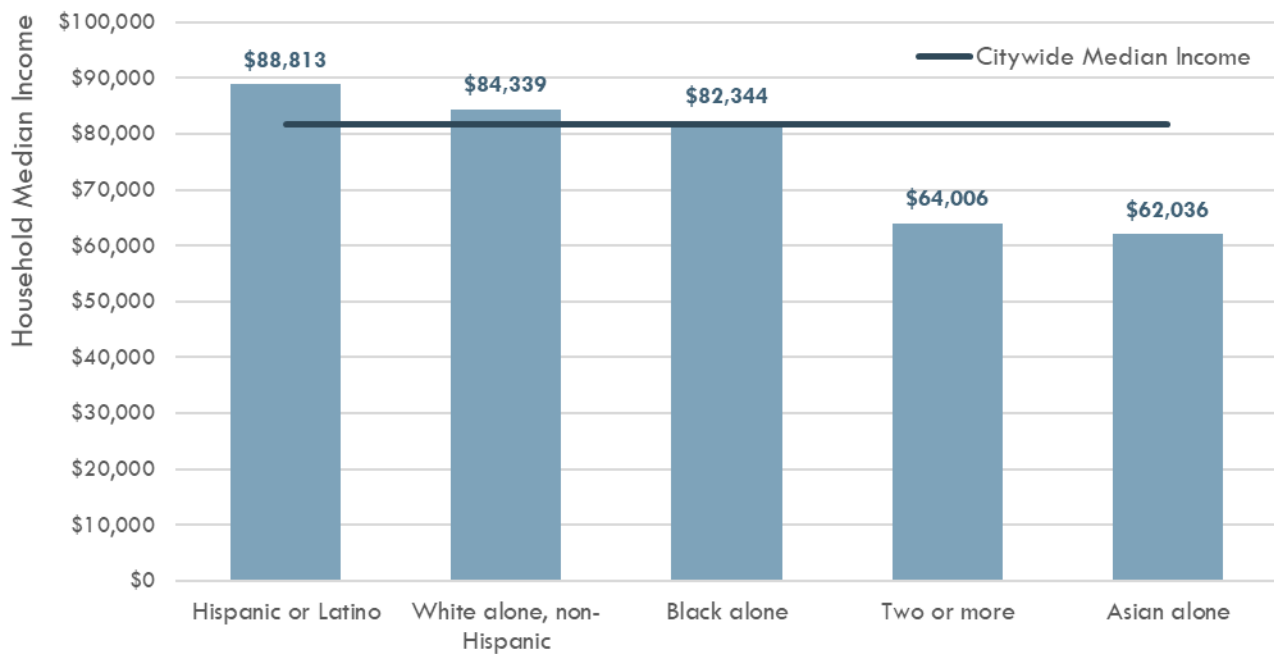
Exhibit 49. Milton households by tenure and race and ethnicity, 2021



Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-1; BERK 2022

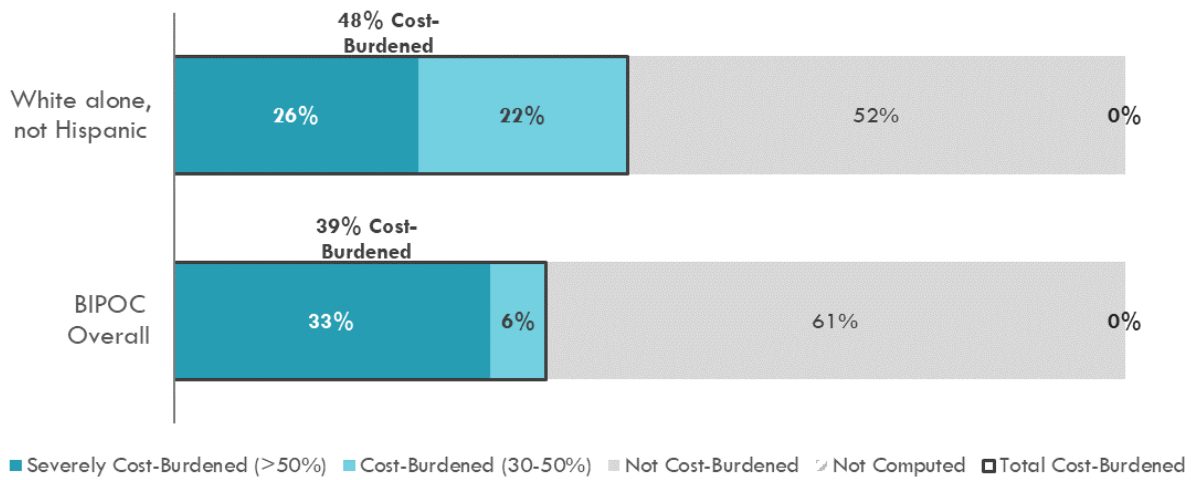
Exhibit 50. Median household income by race and ethnicity in Milton, 2021



Note: Data suppressed for AIAN alone, NHOPI alone, and other alone.

Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-1; BERK 2022

Exhibit 51. Cost-burdened status for renter households by White alone vs BIPOC households in Milton, 2019



Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of University Place

Discussion

Background

Historically the area associated with University Place was part of the native lands associated with of many Indigenous peoples including the Nisqually, Steilacoom, Squaxin, Puyallup, and Muckleshoot members of the Puyallup Tribe. For centuries, the tribal members used the area primarily for fishing, hunting, and gathering before European settlers arrived in the mid-1800s.⁴²

The Puyallup people were forcibly removed from their lands in 1854 by the Treaty of Medicine Creek, which ceded much of their land to the U.S. government. Many tribal members were relocated to reservations in the region, including the Puyallup Indian Reservation, which is in Eastern Tacoma, Fife, Waller, and Northeast Tacoma.⁴³

University Place got its name in the early 1890s when the area was chosen as a location for the University of Puget Sound. The school initially purchased 420 acres for the campus, but financial troubles forced the university to give up the land before the campus was established. Despite this, the area retained its name and is still known as University Place despite its lack of a university.⁴⁴

During the post-World War II era, University Place experienced significant growth due to the expansion of nearby Joint Base Lewis-McChord and the demand for housing in the area. The city's population continued to grow throughout the latter half of the 20th century, with the development of new neighborhoods, shopping centers, and community facilities. In the early 1990s the community started pushing for incorporation and in 1994 the City of University Place was formally established.

Demographic Profile

- The distribution of racial and ethnic groups in University Place reflects the countywide distribution, suggesting that University Place does not have an exclusionary effect based on race. Pierce County is 62% White alone and University Place is 60% White alone (see **Exhibit 2**). University Place has a slightly larger share of the population that is Asian alone (11% compared to the county rate of 7%) and smaller proportion that is Hispanic or Latino (9% compared to the county rate of 12%).

⁴² Native American Tribes & the Indian History in University Place, Washington. <https://americanindiancoc.org/native-american-tribes-the-indian-history-in-university-place-washington/>

⁴³ Governor's Office of Indian Affairs – Treaty of Medicine Creek, 1854. <https://goia.wa.gov/tribal-government/treaty-medicine-creek-1854>

⁴⁴ University Place, Washington – History. <https://www.cityofup.com/276/History>

Population Change

- Similar to countywide trends, the share of people that identify as a person of color in University Place grew from 32% in 2010 to 40% in 2020 (**Exhibit 54**). The increases were distributed across all race and ethnic categories.

Housing

- The homeownership rate for all University Place households is 59%, which is in the mid-range of other study cities (see **Exhibit 23**). However, the homeownership rate varies significantly between racial and ethnic groups (see **Exhibit 56**).
 - White alone households have a homeownership rate of 64%, followed closely by Asian alone households with a homeownership rate of 63%. These two populations also have roughly similar household incomes (Asian alone median household income is \$86,563 and White alone median household income is \$84,242, show in **Exhibit 57**).
 - The Hispanic and Latino median household income is slightly higher than the citywide median of \$84,673 (**Exhibit 57**). However, the homeownership rate lags behind the White alone and Asian alone household rate. The Hispanic or Latino homeownership rate is 44%, 20 percentage points less than the White alone homeownership rate. This indicates a **disparate impact in homeownership access for Hispanic or Latino households**.
 - Black alone households, which comprise 9% of the population, have a median household income of \$64,350, approximately \$20,000 less than the citywide median of \$84,673 (**Exhibit 57**). Income constraints are likely driving low homeownership among Black alone households. The homeownership rate is 16%, 48 percentage points less than the homeownership rate for White alone households. This indicates a **disparate impact in homeownership access for Black households**.
 - In addition to barriers to homeownership, community representatives report homeowners being at risk of losing their homes. One interviewee noted that their organization tries to provide resources to people, especially people of color, who are targeted by investors that notice an unmaintained home and offers to buy it, sometimes below what it's worth.⁴⁵
- Given sampling error related to small populations, the tenancy and income estimates for the Native Hawaiian and Pacific Islander along group, American Indian and Alaska Native along group, Two or more, and Other racial groups are unreliable.

Displacement Risk

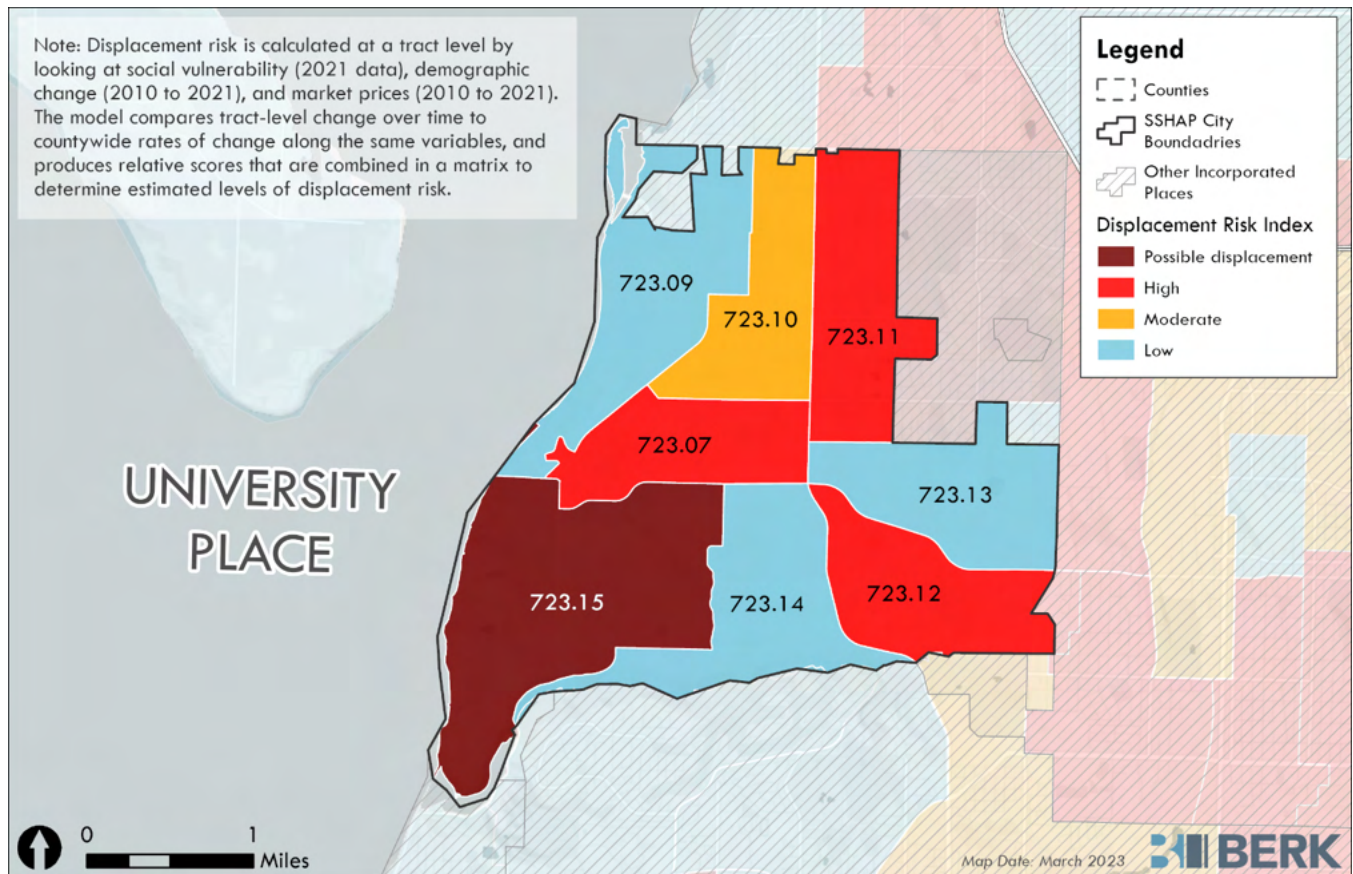
This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement.

⁴⁵ Interview with Tacoma Urban League

This analysis provides a neighborhood-scale index of the relative displacement risk within University Place. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. These findings should be corroborated with and augmented by community input.

The analysis finds varying degrees of displacement risk in University Place, presented in **Exhibit 52**.

Exhibit 52. University Place Assessment of Displacement Risk, 2023

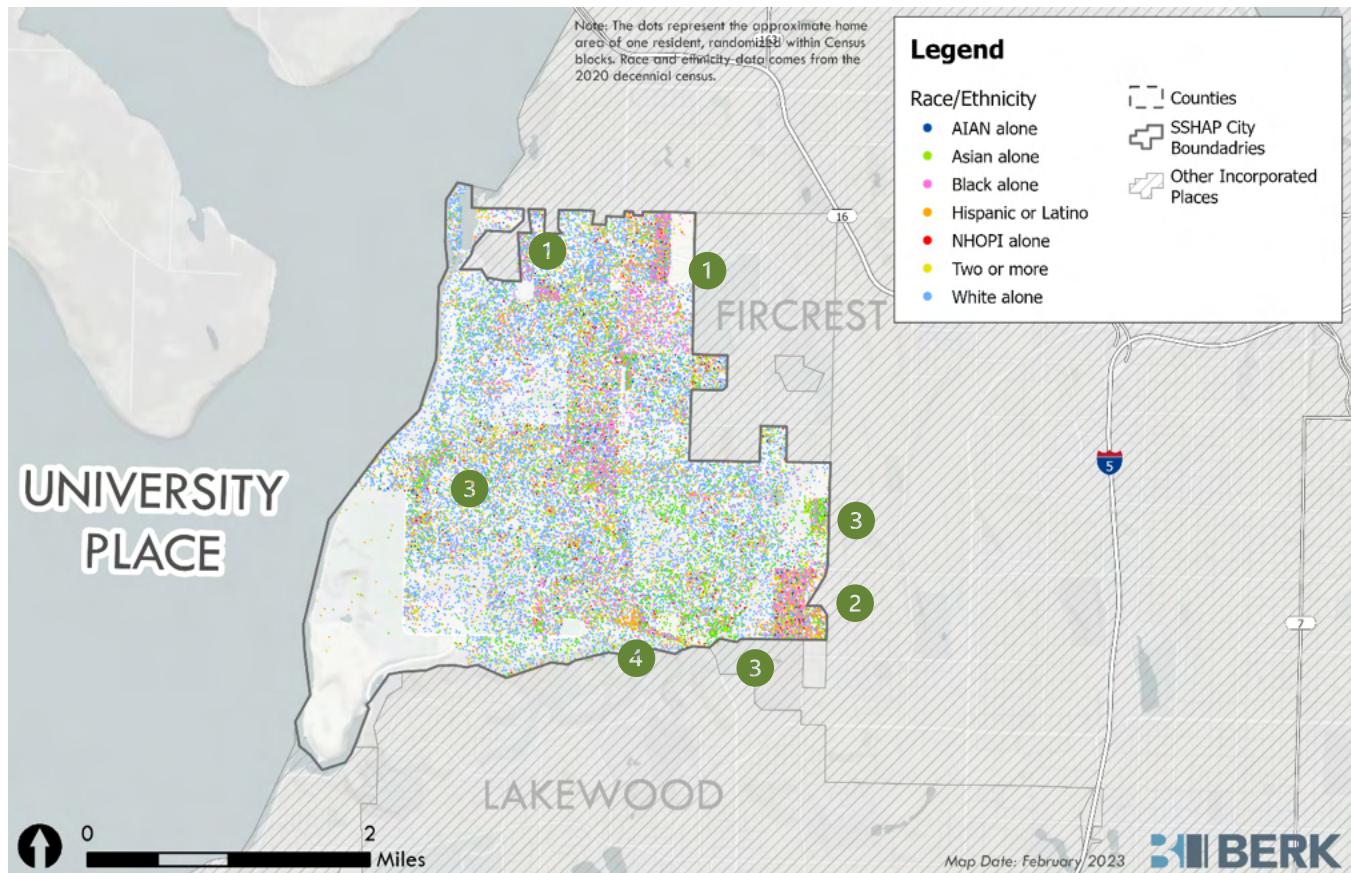


University Place Tracts	Social Vulnerability					Demographic Change			Market Prices			Final Displacement Risk
	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053072307	100%	4	3	3	10	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072309	74%	4	3	1	8	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	Low
53053072310	97%	4	3	3	10	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	Low or mod appreciation	Stable	Moderate
53053072311	100%	5	3	4	12	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072312	81%	4	5	3	12	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053072313	84%	2	4	1	7	Tracking county change	Increasing Low Income HHs	Disinvestment	Low rent area	Low or mod appreciation	Stable	Low
53053072314	100%	4	4	2	10	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	Low or mod appreciation	Appreciated	Low
53053072315	100%	1	3	2	6	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	High rent area	Low or mod appreciation	Appreciated	Possible displacement

- The analysis suggests that displacement may have already occurred in the southwest portions of the community (census tract 723.15). This area is comprised mainly of Chambers Bay Golf Course, catching some of the residential areas to the east. This area is characterized as having low social vulnerability and population change associated with gentrification (a decreasing share of people of color and decreasing share of low-income households). However, the area’s property values were already relatively high in 2015 and have followed price increases observed in other areas of the county. Together these factors suggest that this area has been relatively unaffordable since at least 2015.
- Census tract 723.10 in the north-central part of University Place is found to have “moderate displacement risk.” The relatively higher rates of renter households and moderate shares of people of color and low-income households indicate it is an area of social vulnerability. The area’s share of the population that identifies as a person of color has decreased, but the proportion households with low incomes has increased, either due to the in-migration of lower-income households or softer income accumulation relative to households in other parts of the county. The market dynamics suggest that it was an area with relatively low rents in 2015 without remarkable price acceleration between 2010 and 2021. The area is relatively affordable relative to the county but could start to experience increased displacement risk if land use policies significantly change the redevelopment potential of parcels.
- **Three census tracts in University Place have high displacement risk** (census tracts 723.07, 723.11, and 723.12). Each of these census tracts has higher scores of social vulnerability, primarily driven by high rates of renter households and moderate to high proportions of people of color and low income households relative to the county. All these areas saw a decrease in the share of households earning less 80% of countywide AMI between 2010 and 2021. Additionally, rents in both the northeastern areas (census tract 723.11) and central University Place (census tract 723.07) have increased faster than countywide patterns.

Exhibits

Exhibit 53. Dot density map of race and ethnicity in University Place, 2020



Sources: U.S. Decennial Census, 2020; BERK 2023

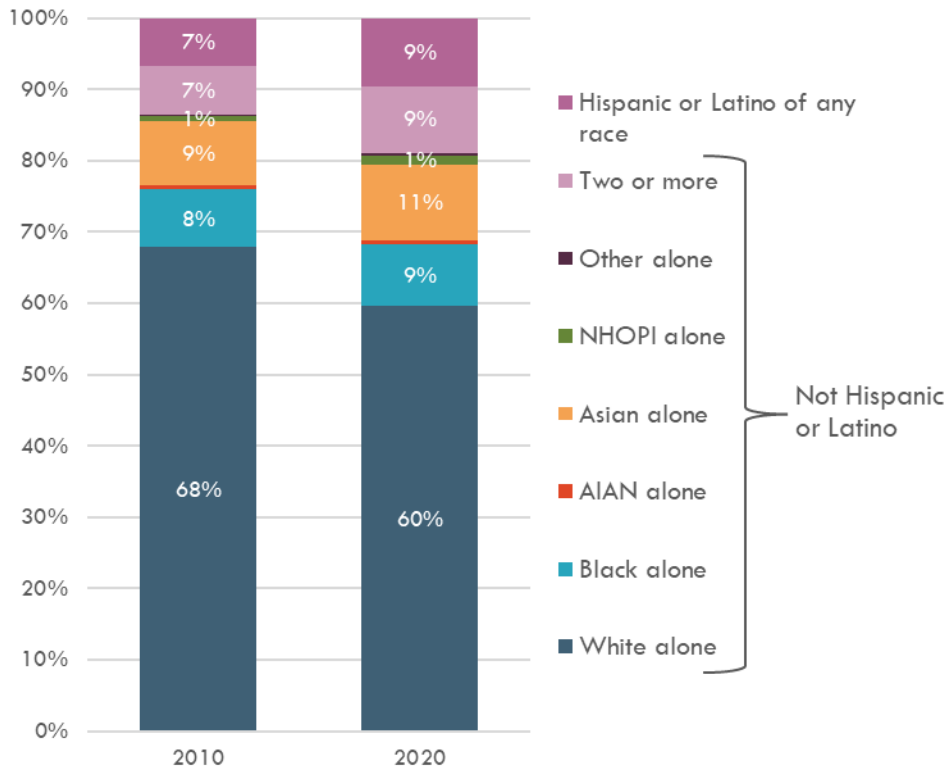
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

- University Place is a relatively diverse community with evidence of some racial and ethnic clustering. There are a couple of clusters of the population that identify as Black alone (1). These clusters are likely associated with areas of multifamily housing (Southwest Townhomes near University Place Primary School, apartment communities along 70th Ave W in the northeast area of town) and in the southeastern corner of the city. This observation aligned with the understanding of the area from representatives at University Place School District.
- Similarly, the area of greater ethnic diversity indicated with 2 has greater representation of Native Hawaiian and Other Pacific Islander alone, Black alone, and Hispanic or Latino populations that are likely associated with clusters of multifamily housing in the city’s southeastern corner.
- There are a few areas with slightly higher representations of people who identify as Asian alone 3. These areas include the Brookridge South subdivision (single unit homes built in 2001 in the \$600K - \$700K range), the Knolls in University Place (single unit homes built in 2017 in the \$515K - \$840 range), and townhouses near Chambers Creek Regional Park in the \$250K -

\$400K range). **Exhibit 4** demonstrates an overrepresentation of Asian alone households based on the overall composition of University Place.

- There is a Hispanic and Latino cluster in the south end, potentially associated with the Manufactured Home Park Sunrise Terrace (55 units).

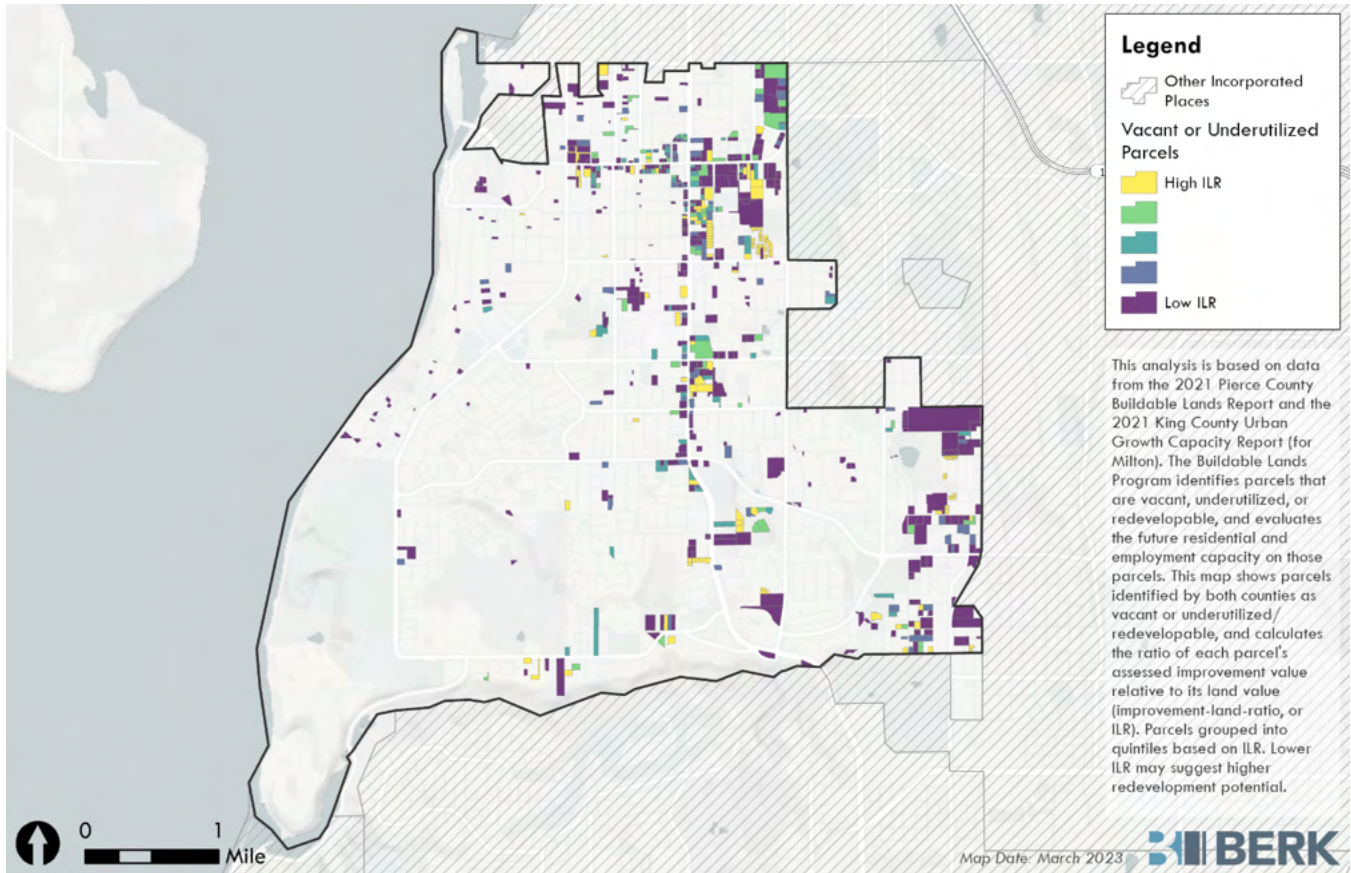
Exhibit 54. Change in the share of the University Place population by race and ethnicity, 2010-2020



Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

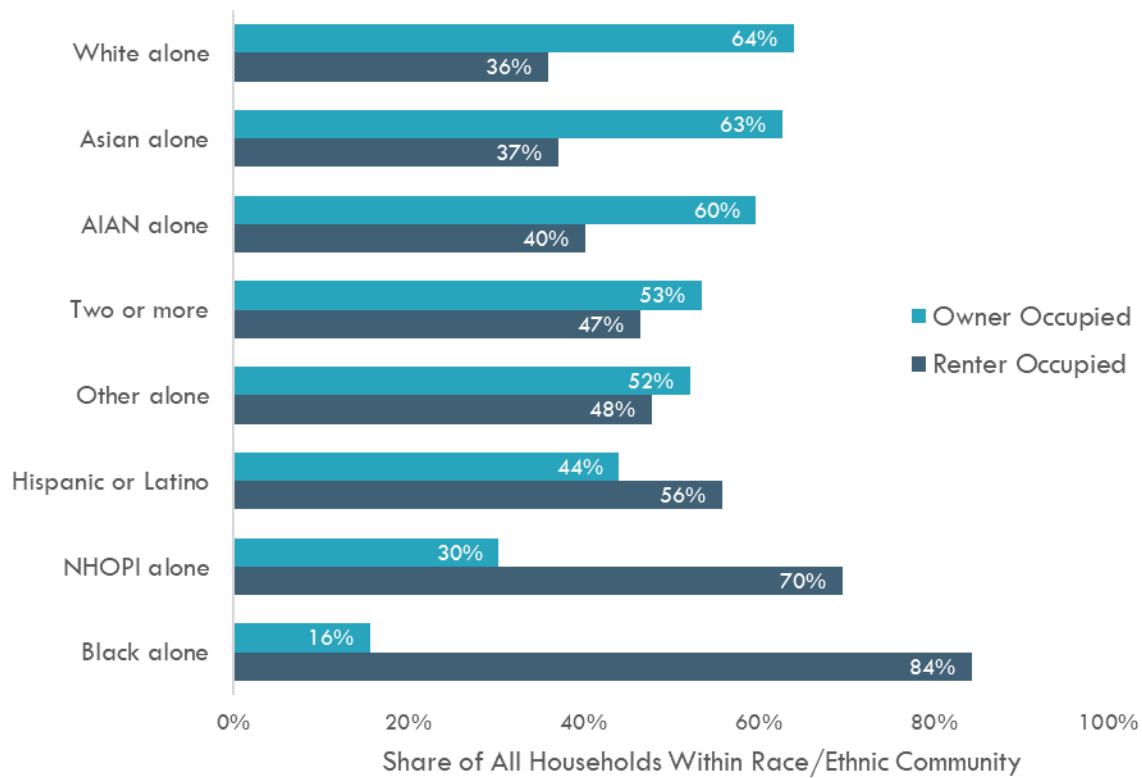
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

Exhibit 55. Improvement value to land value ratio of University Place’s underutilized parcels, 2021



An improvement-to-land value analysis estimates the relative development potential of parcels based on the ratio of the parcel's assessed value and built structure(s). Parcels with greater improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the parcel's value enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than an adjacent lot with an older, smaller home (lower improvement value). Parcels with relatively low improvement values, such as vacant lots or lots with structures at the end of their useful lives or no longer meeting current market needs, often provide more profitable opportunities for redevelopment.

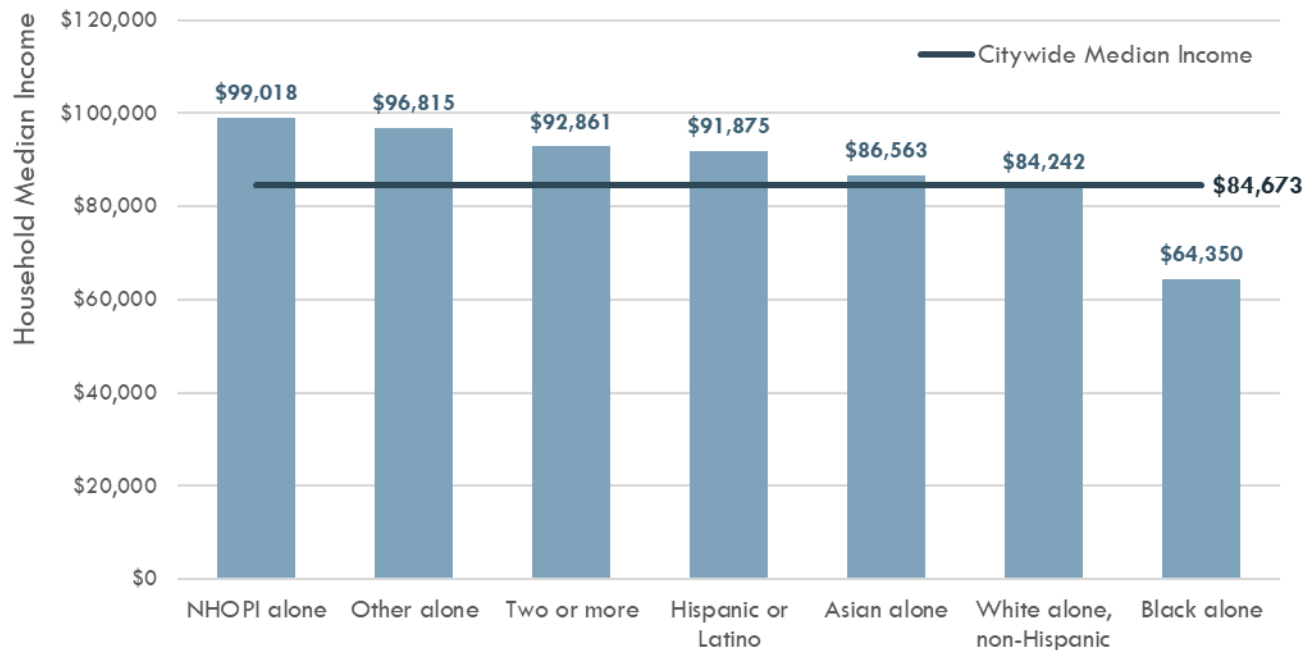
Exhibit 56. University Place households by tenure and race and ethnicity, 2021



Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-1; BERK 2022

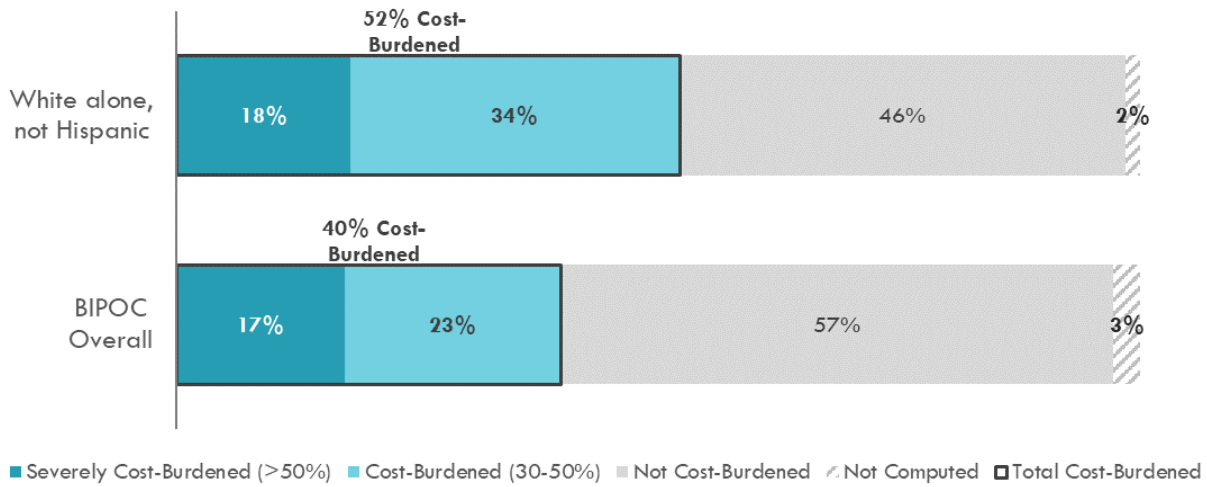
Exhibit 57. Median household income by race and ethnicity in University Place, 2021



Note: NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories); data suppressed for AIAN alone.

Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-1; BERK 2022

Exhibit 58. Cost-burdened status for renter households by White alone vs BIPOC households in University Place, 2019



Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

South Sound Housing Affordability Partners Middle Housing Project

POLICY RECOMMENDATIONS

A collaboration among **SSHAP** & The cities of Edgewood, Fife, Gig Harbor, Milton, and University Place



June 2023



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Oliver Hirn · Analyst

Introduction

Context and Background

Cities in Pierce County will complete a required update to their comprehensive plans in 2024 to meet their obligations established in Washington’s Growth Management Act. There have been significant shifts in the housing landscape of Pierce County since the last major comprehensive plan update:¹

- Growing population in the region has outpaced housing development leading to an undersupply of housing and rising housing prices. Over the last decade, housing prices have risen faster than household income.
- It is increasingly difficult for households to find housing that is affordable. Meeting the need for affordable housing will most likely require public incentives to ensure that housing is available for households earning less than the median income.
- There are disparities in housing access between White alone and person of color households, demonstrating the persistence of impacts of systemic racism in housing.
- The makeup of Pierce County households is changing: fewer households have children and seniors comprise a growing population segment.
- In the last three years there have been numerous changes to state law regarding planning that will guide cities’ periodic review of their comprehensive plans.² The following are key changes related to land use and housing:
 - Jurisdictions must plan for and demonstrate capacity sufficient to accommodate housing for all economic segments or make adequate provisions to meet the need for housing for all economic segments.
 - Housing elements must now include moderate density housing in urban growth areas.
 - Jurisdictions must consider housing locations in relation to employment locations and the role of accessory dwelling units (ADUs).
 - Jurisdictions must demonstrate the capacity to accommodate transitional housing, permanent supportive housing, and indoor emergency shelters.

¹ Summary drawn from the Puget Sound Regional Council’s (2022) [Regional Housing Needs Assessment](#).

² See the Washington State Department of Commerce’s summary of [Growth Management Act Amendments](#) for amendments made between 1995 and 2020. For a comprehensive list of changes to comprehensive plan requirements see Washington State Department of Commerce’s [Periodic Update Checklist for Fully-Planning Cities](#).

- Jurisdictions must identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and adopt policies to reduce and remedy disparate impacts.
 - Jurisdictions must establish policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions.
 - Jurisdictions must identify areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments and establish anti-displacement policies.
- Cities of certain sizes and locations must allow multiple dwelling units per lot in a middle housing type of form.
- Cities with a population of more than 20,000 have new rules for ADUs:
 - Jurisdictions must allow at least two ADUs on all lots within the urban growth area (UGA) that allow single-family homes and ADUs for short-term rentals.
 - Jurisdictions may not require impacts fees greater than 50% of the impacts fees that would be imposed on the principal unit, owner-occupancy, a maximum gross floor area that is less than 1,000 SF, roof height of less than 24 feet, setback and other requirements that are more restrictive than those for principal units.
- Cities must now include climate planning in their comprehensive plans.

South Sound Housing Affordability Partners Middle Housing Project

In preparation for the required comprehensive plan updates, the South Sound Housing Affordability Partners (SSHA³P) and the cities of Edgewood, Fife, Milton, University Place, and Gig Harbor participated in a grant from the Washington Department of Commerce’s Middle Housing Grant Program. Established in 2021, SSHA³P is an intergovernmental collaboration between the jurisdictions of Auburn, DuPont, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Puyallup, Sumner, Steilacoom, Tacoma, and University Place, Pierce County, and the Puyallup Tribe. SSHA³P members collaborate to create and preserve affordable, attainable, and accessible housing throughout their communities.

The grant provides funds to conduct research and community engagement activities necessary to make policy and regulation changes to allow middle housing types in existing single-family neighborhoods.

About this report

The recommendations in this report are based on findings from the preceding analysis detailed in the Racial Equity Analysis Report, Public Engagement Report, and the attached Policy Review (Attachment A). This report presents the findings of the middle housing suitability analysis. Policy and strategy recommendations were selected to address each city’s challenges concerning middle housing development and racially disparate impacts, displacement, and exclusion in housing. The recommendations aim to:

- Begin to undo the impacts of local policies and regulations that may contribute to racially disparate impacts, displacement, and exclusion in housing;
- Minimize displacement of low-income residents resulting from redevelopment; and
- Increase the supply of middle housing types.

State guidance provides more details on many of the selected strategies. See the following for more information and examples:

- Washington State Department of Commerce: [Guidance for Developing a Housing Action Plan \(2020\)](#)
- Washington State Department of Commerce: [Guidance to Address Racially Disparate Impacts \(2023\)](#)
- Washington State Department of Commerce: Projected Housing Needs Guidance - Adequate Provisions (2023)

Other resources include:

- [White Paper on Anti-Displacement Strategy Effectiveness](#) by Karen Chapple and Anastasia Loukaitou-Sideris – California Air Resources Board (2021)
- [Middle Housing Placetype Atlas](#) (Washington Department of Commerce)
- [Local Housing Solutions](#)

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Suitability Assessment Approach

The SSHA³P Middle Housing suitability assessment identifies areas of each participating city that are most suitable for middle housing. Suitability for specific forms of housing depends on a range of factors, including characteristics intrinsic to the specific location and regulatory conditions established by local governments. To account for this, BERK evaluated middle housing suitability by developing two indices: one based on site-specific characteristics and location, and another based on current land use and regulatory conditions. This dual-index approach allows the assessment to distinguish between site conditions that are fixed or difficult for local governments to change and land use regulations that local governments can alter.

Topics and Criteria Considered

The suitability assessment aggregates spatial data across the study areas. BERK aggregated data from participating jurisdictions as well as county and state-level public data sources on the following topics:

Site Characteristics and Location

- Natural Hazards and Environmentally Critical Areas
 - Flood hazard areas
 - Wetlands
 - Geologic hazards/steep slope areas
- Wastewater infrastructure availability
- Transit service proximity and frequency
- Access to public assets and amenities
 - Walking distance to park and recreation facilities
 - Proximity to public and civic institutions including schools, public libraries, police or fire stations, medical facilities, and others.

Land Use and Regulatory Conditions

- Residential Zoning
 - Permitted middle housing types (duplexes, triplexes, fourplexes, townhomes, cottage housing, courtyard apartments)
 - Allowed residential densities and intended purpose of the zone (single-family versus mixed-use or transit-oriented development (TOD))

Approach

Data Collection and Standardization

BERK performed the following data processing steps:

- **Data Conversion and Consolidation:** Datasets were consolidated from multiple sources (e.g., local wetland inventories from cities and regional wetland data from Pierce County or the State of Washington) to ensure maximum coverage of the study area and create a unified dataset for each topic area.
- **Intersect Consolidated Source Data with Analysis Grid:** BERK established a standard analysis grid to provide a uniform geographic unit of analysis across jurisdictions. The maximum diameter of each hexagonal grid cell is 500 feet, resulting in an area coverage of approximately 3.72 acres per cell.

Criteria Measurement and Normalization

After initial data collection and standardization, BERK applied specific criteria that indicate suitability for middle housing development. The specific criteria and measurement methods were developed in partnership with city and SSHA³P staff in a series of working group meetings. The measurement method for each criterion is summarized below:

- **Environmental Hazards and Critical Areas:** Percentage of the grid cell covered by the hazard area.
- **Wastewater Infrastructure Availability:** Distance to the nearest public sewer main (up to 1,000 feet).
- **Transit Availability:** Average weekday morning headway at the nearest transit stop (within ½-mile walking distance).
- **Park and Recreation Facility Access:** Walking distance to the nearest public park or recreation facility (up to 1 mile).
- **Access to Public Facilities:** Number of public facilities or amenities including schools, libraries, police or fire stations, medical facilities, among others, within a 5-mile driving distance.
- **Zoning:** Percent of the grid cell covered by residential zones that allow/restrict/prohibit middle housing (the next section describes the relative weighting of zoning types).

After applying the criteria, the measured values for all grid cells were normalized to provide a consistent range of values between 0.0 and 1.0 for each criterion. Values were normalized in each city to prevent conditions in one community from influencing the suitability findings in others.

Suitability Score Calculation

The individual criterion datasets were combined to generate Site Suitability and Land Use Suitability scores for each grid cell. Each suitability score was calculated by summing the component criteria values; weighting factors were applied to each criterion to indicate relative importance.

- **Environmental Hazards and Critical Areas:** High negative weighting reflects that these areas are not suitable for future development due to health and safety risks.

- **Utilities, Transit, and Public Amenities:** Moderate positive weighting indicates that these features are favorable for middle housing development.
- **Zoning:** A range of weighting values were applied based on how the zoning addressed middle housing types:
 - Allowed (Weight +2): The zone allows most of the identified middle housing types by right with no special restrictions.
 - Prohibited (Weight -2): The zone does not allow any of the identified middle housing types by right; all types are either prohibited or only allowed as a conditional use.
 - Restricted (Weight +1): The zone allows some middle housing types by right, but significant restrictions apply that may be a barrier to development (e.g., special requirements for lot size, location, or building design).
 - Secondary (Weight -1): The zone allows middle housing types, but it may not be appropriate to focus middle housing development in these areas based on the stated purpose of the zone or other types of development permitted. Depending on local planning goals, this may include zones intended for higher-density housing, mixed-use districts, or town center subareas.

Exhibit 1: Suitability Assessment Criteria and Weights

Criteria	Metric	Weighting Factor
Natural Environment and Hazards		
Presence of regulated Environmentally Critical Areas (wetlands, geologic/slope hazards, etc.)	Percent of grid cell impacted	-1.0
Presence of regulated flood hazard areas	Percent of grid cell impacted	-2.0
PSRC Opportunity Mapping – Health and Environment Index score indicating high levels of impact associated with lack of parks and open space, proximity to environmental health hazards, or a lack of access to healthy food.	Grid cell is within (based on centroid position) a Census Tract assigned a Health and Environment Index score of “Low” or “Very Low.”	-0.5
Utilities		
Wastewater Infrastructure Availability	Inverse of distance to nearest public wastewater main line, up to 1,000 feet.	+1.0
Transportation/Mobility		
Average weekday transit frequency	Minimum average headway at transit stops within ½-mile walking distance during weekday morning commute hours.	+1.0
Public Assets and Amenities		
Access to park and recreation facilities	Inverse walking distance to nearest park or recreation facility, up to 1 mile.	+1.0
Access to public/civic institutions (schools, public libraries, city/county offices, police/fire stations, hospitals/medical clinics)	Number of facilities within 5-mile driving distance.	+0.5
Economic Health – PSRC Opportunity Index indicates healthy economic opportunities, including access to living wage jobs.	Grid cell is within (based on centroid position) a Census Tract assigned an Economic Index score of “High” or “Very High.”	+0.5 (Very High) +0.25 (High)
Land Use/Zoning – Allowed Uses		
<u>Allowed</u> : Zone allows Middle Housing types by right. (Zone allows at least 3 of the following 5 types with no special restrictions: duplex, triplex, fourplex, townhome, courtyard apartment/cottage housing.)	Grid cell is within zone (based on centroid position).	+2.0
<u>Prohibited</u> : Zone prohibits Middle Housing types. (No middle housing types are permitted by right – all types are either prohibited or conditionally permitted.)	Grid cell is within zone (based on centroid position).	-2.0
<u>Restricted</u> : Zone allows some Middle Housing types but applies significant restrictions. (Fewer than 3 of the 5 middle housing types are allowed by right or are allowed subject to development code conditions that could pose a barrier to development.)	Grid cell is within zone (based on centroid position).	+1.0
<u>Secondary</u> : Zone allows Middle Housing Types, but the zone is primarily intended for other development types. (The stated purpose of the zone is to either provide mixed-use development or trends indicate that development in the zone is mostly at densities higher than Middle Housing.)	Grid cell is within zone (based on centroid position).	-1.0

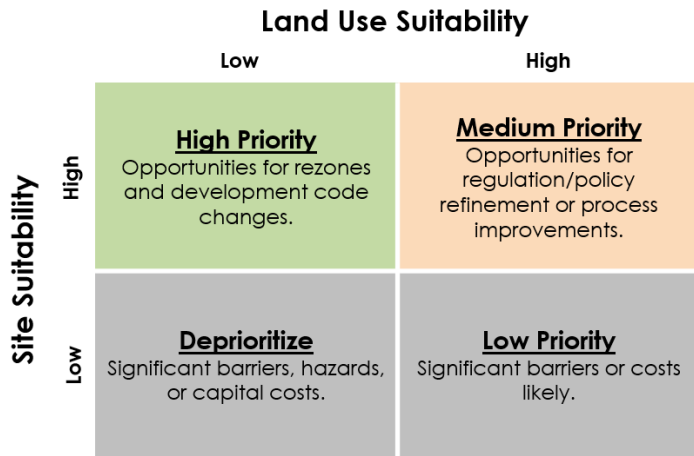
Source: BERK (2023)

The raw scores generated by these calculations were normalized by jurisdiction to create a standard range of values between 0.0 and 1.0.

Identifying Areas of Opportunity

A comparison of the Site Suitability and Land Use Suitability indices scores can identify areas of opportunity for policy and regulation changes and help each community prioritize implementation strategies. For example, areas that exhibit high site suitability and low land use suitability indicate opportunities for rezoning or changes to development regulations to allow greater development of middle housing. Locations where both site suitability and land use suitability are high may require additional study to determine whether other barriers exist to middle housing production such as permitting process requirements, economic factors, or other barriers to development. Areas with low site suitability scores indicate either the presence of significant hazards or a lack of infrastructure. These areas would be a lower priority for implementation, though some barriers can be addressed through long-term capital planning.

Exhibit 2: Suitability Assessment Prioritization

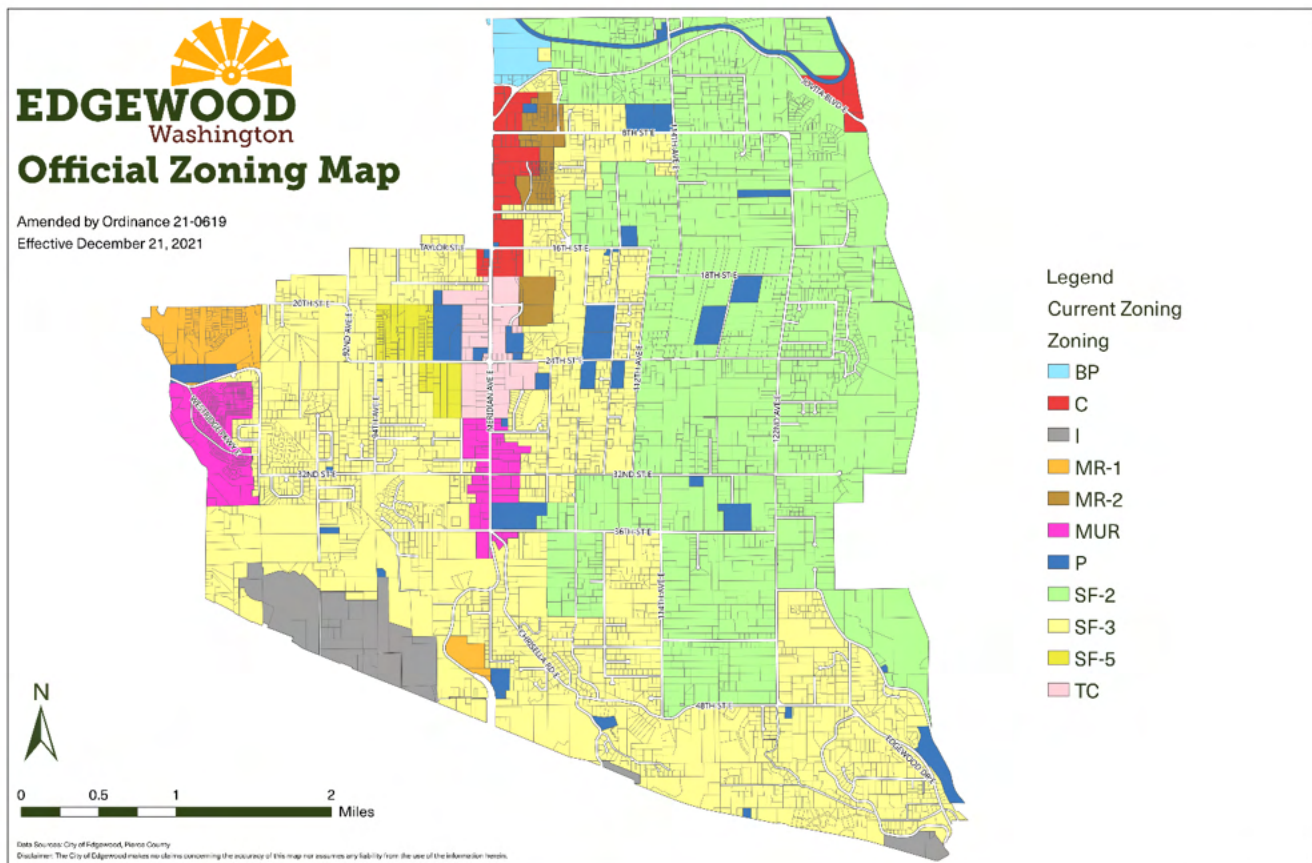


Source: BERK (2022).

Policy Recommendations

Edgewood

Exhibit 3: Edgewood Zoning Map (Updated 2021)



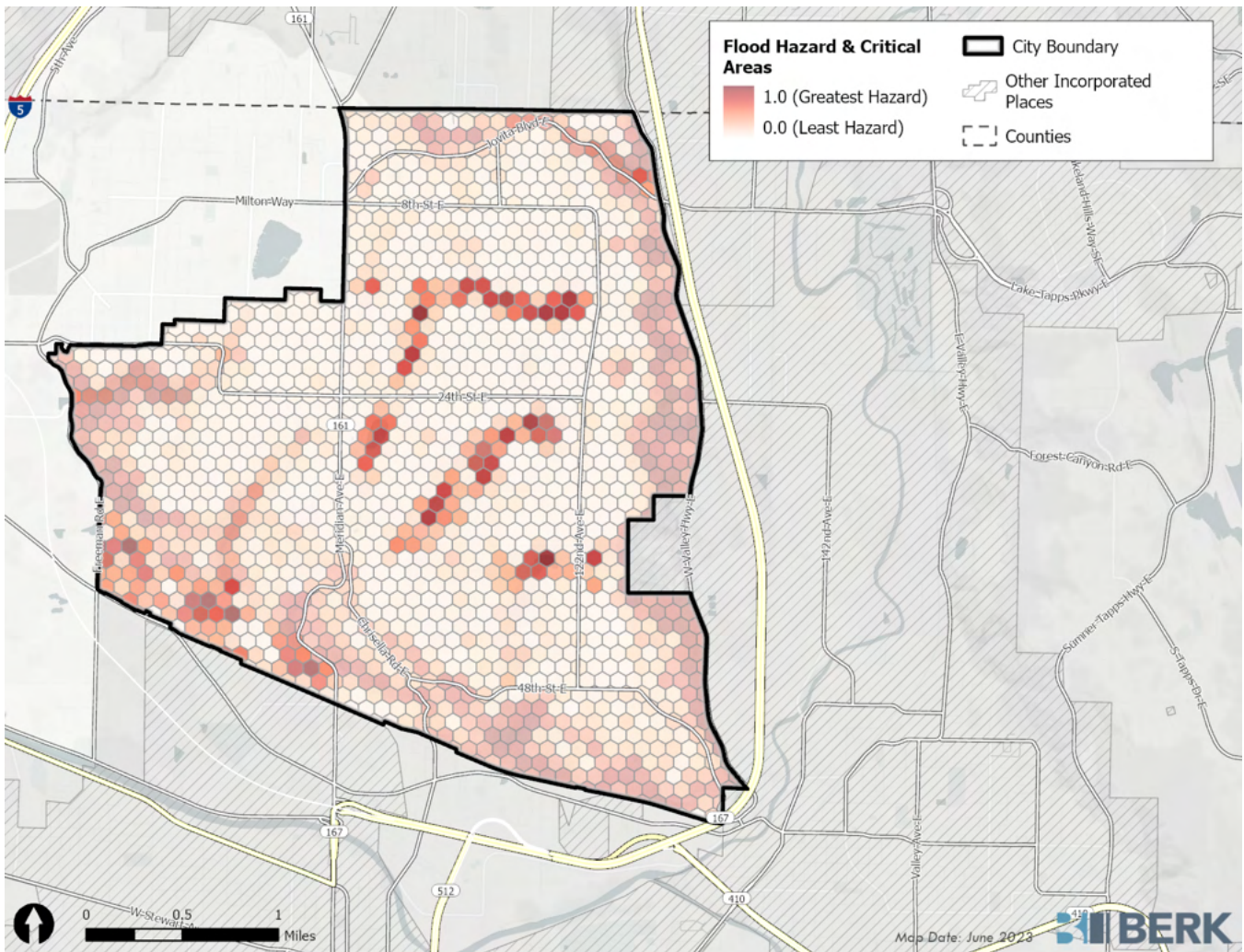
Suitability Assessment

Site Suitability

The following maps illustrate several components of the Site Suitability Index for the City of Edgewood, as well as the combined Suitability Index. Areas of high site suitability in Edgewood are concentrated near the intersection of Meridian Avenue (SR 161) and 24th Street East. This area (including the Meridian corridor north to the city boundary) contains most of the city's sewer infrastructure. Most areas outside this

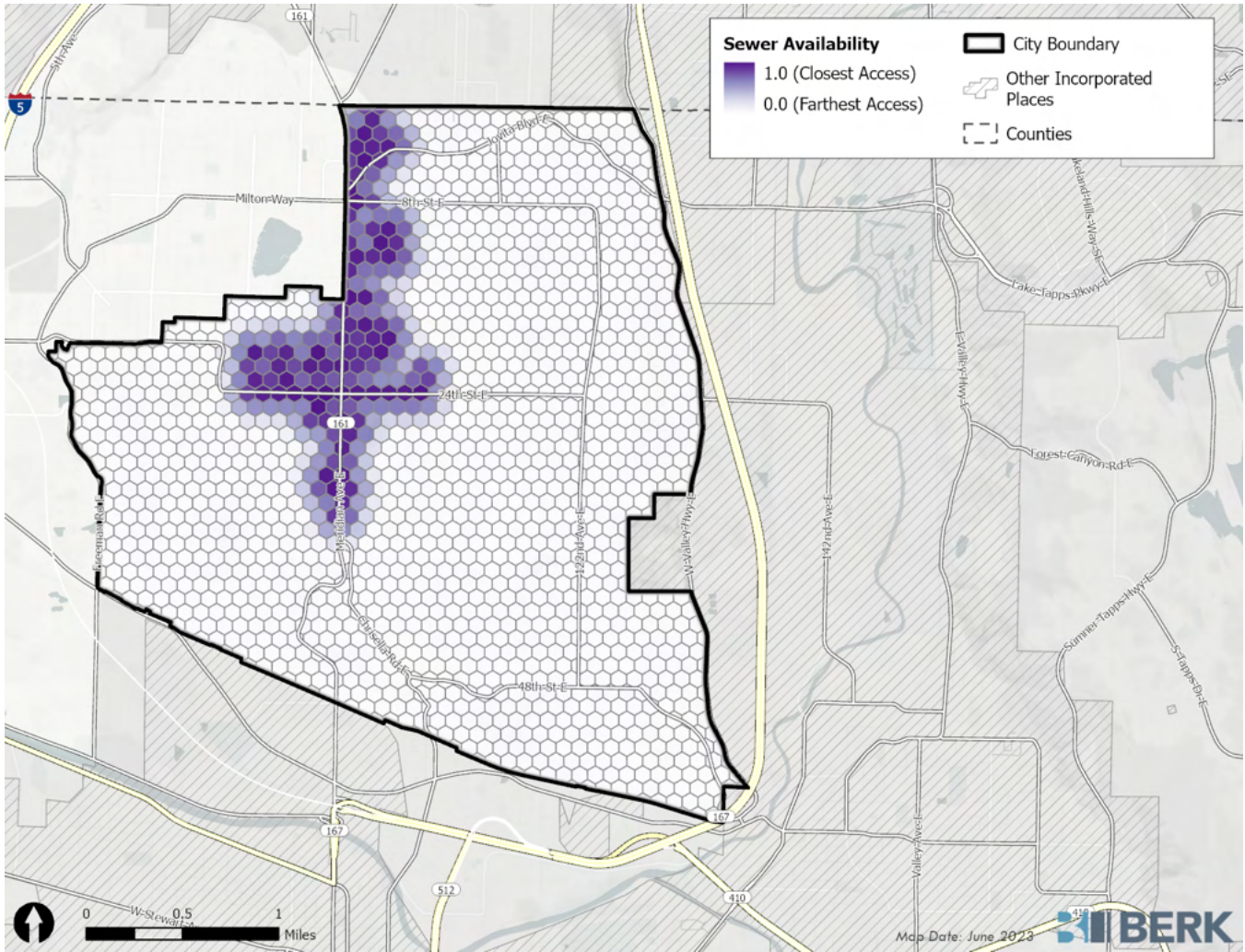
corridor are not served by transit. Areas on the southern and eastern edges of the city contain concentrations of environmental hazards and critical areas.

Exhibit 4: Edgewood Site Suitability – Environmental Hazards



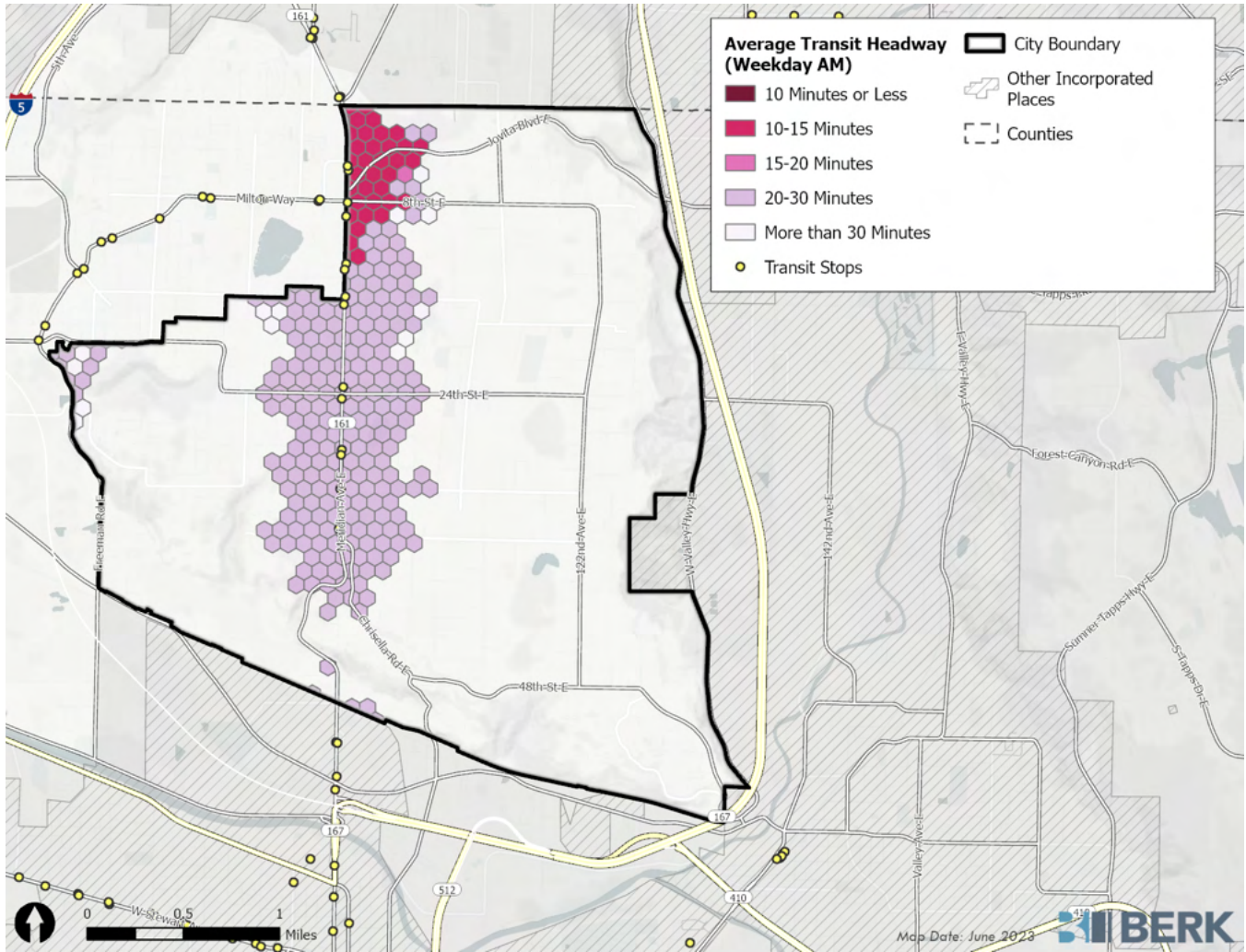
Sources: City of Edgewood, Pierce County, Washington Department of Natural Resources, BERK (2022-23).

Exhibit 5: Edgewood Site Suitability – Wastewater Infrastructure Availability



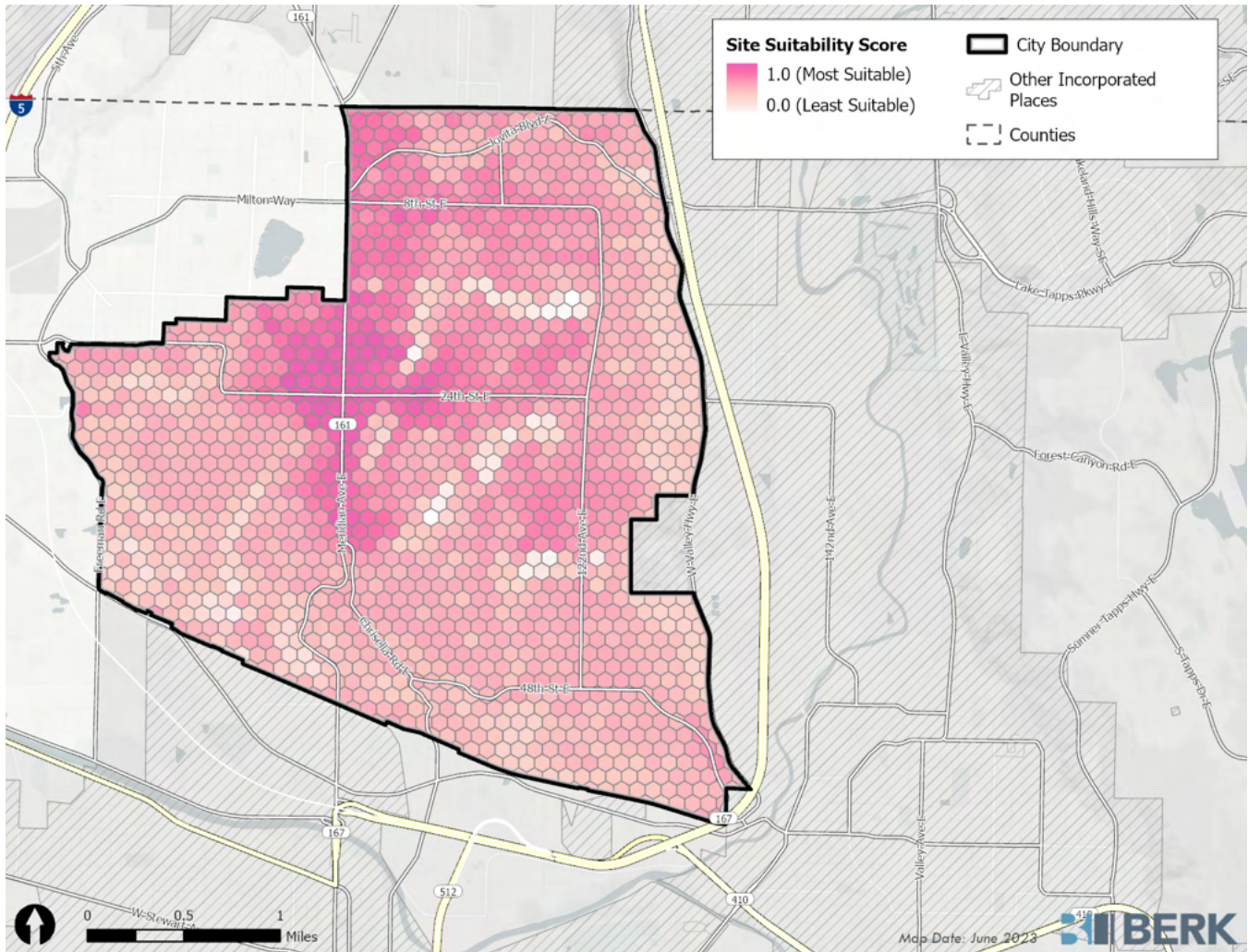
Sources: City of Edgewood, Pierce County, BERK (2022-23).

Exhibit 6: Edgewood Site Suitability – Transit Service Availability



Sources: City of Edgewood, Pierce County, MobilityData, BERK (2022-23).

Exhibit 7: Edgewood Site Suitability Index

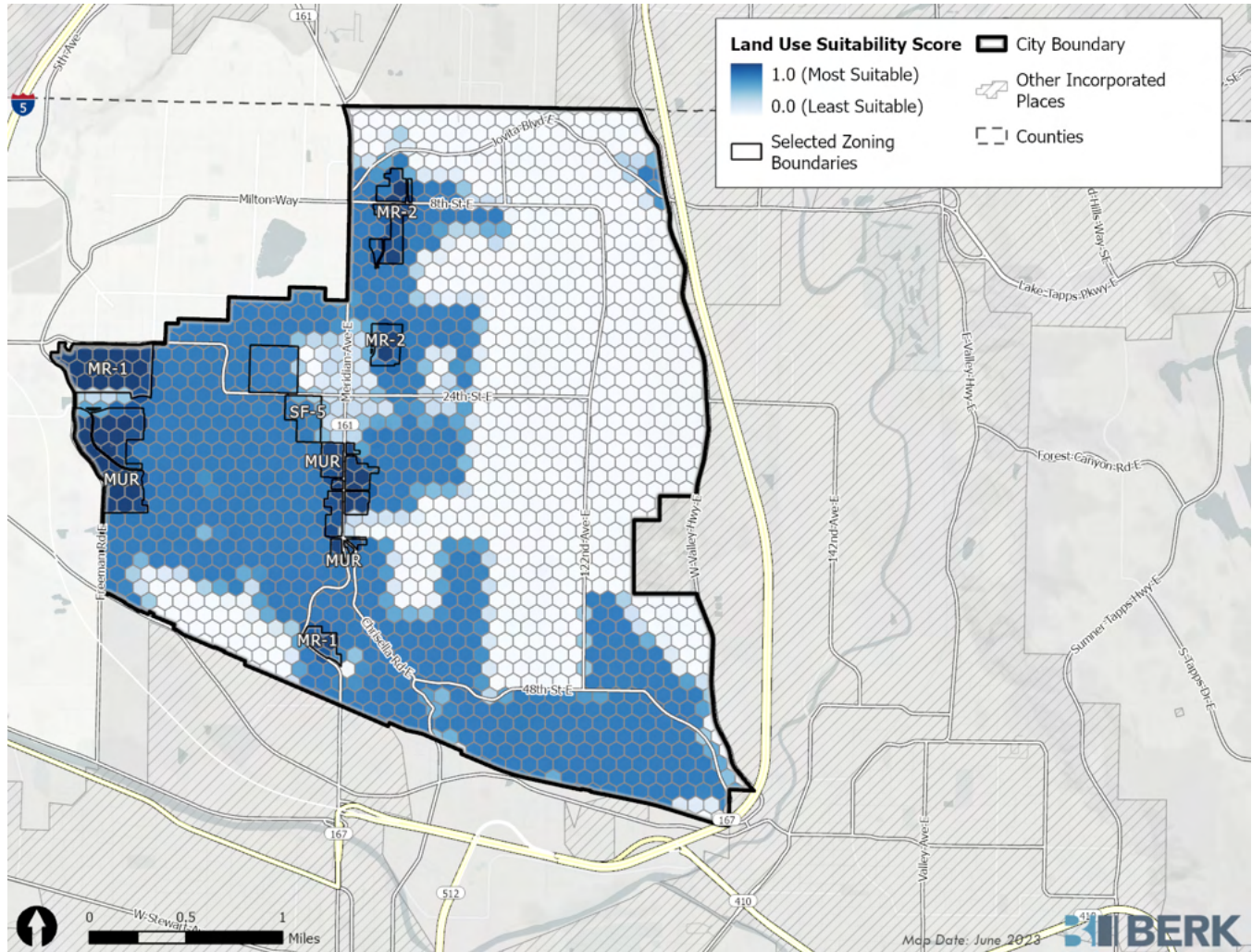


Source: BERK (2023)

Land Use Suitability

Areas with higher land use suitability in Edgewood are concentrated in the western and southern areas of the city, as well as neighborhoods surrounding Edgewood's Town Center at the intersection of Meridian Avenue (SR 161) and 24th Street East. The Town Center is primarily intended for higher-density housing and mixed-use development, but several zoning districts currently support middle housing including the Mixed Residential (MR-1 and MR-2) and Mixed Use Residential (MUR). The Single Family 5 (SF-5) zone adjacent to the west side of the Town Center currently allows some middle housing types (duplexes only). Middle housing types are prohibited in the SF-2 zone, which covers much of eastern Edgewood.

Exhibit 8: Edgewood Land Use Suitability Index



Sources: City of Edgewood, BERK (2023)

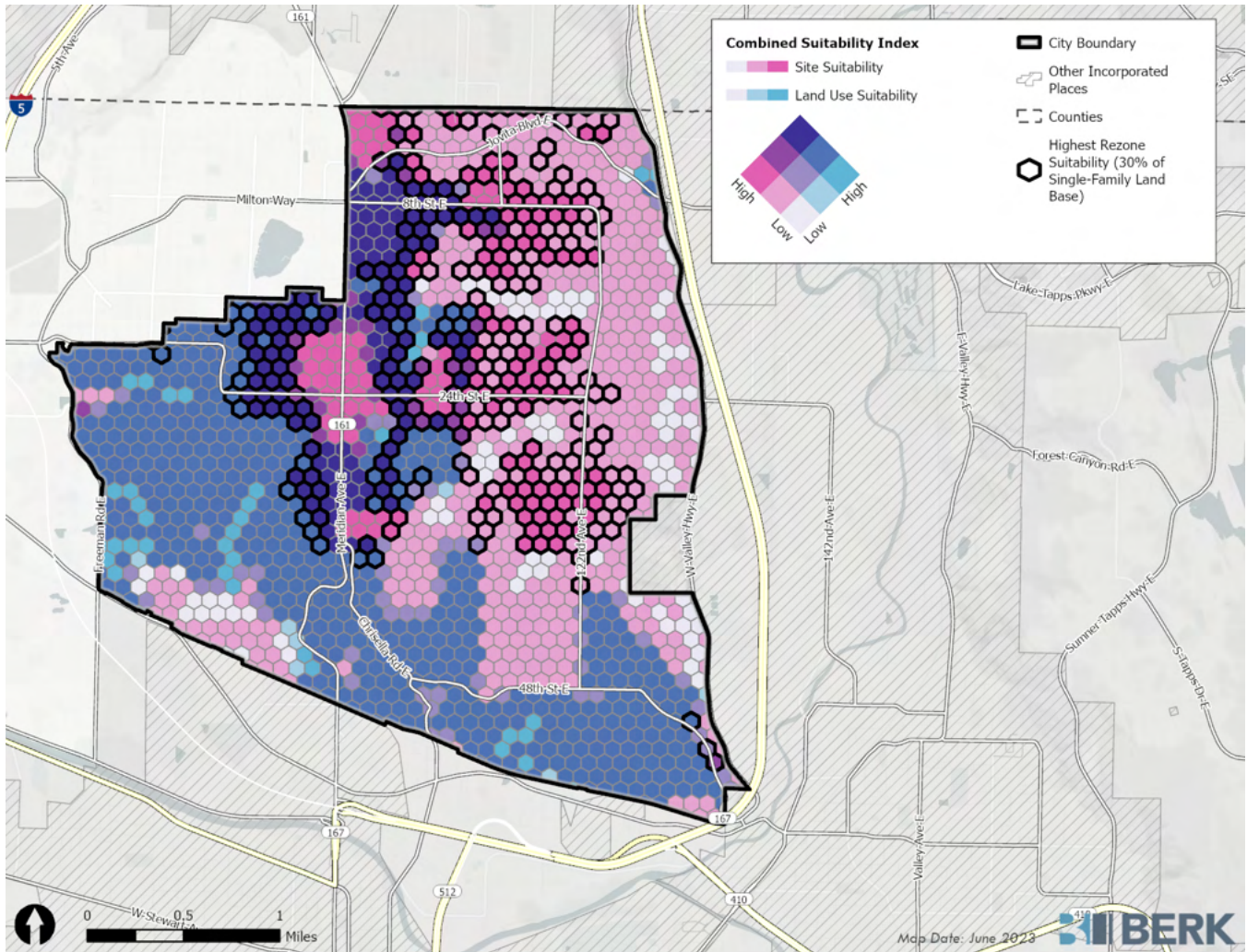
Middle Housing Study Key Findings

Exhibit 9 shows the combined Suitability Assessment Index for the City of Edgewood and highlights areas currently zoned for single-family housing that attained the highest site suitability scores. These highlighted areas encompass approximately 30% of the city's single-family land base. Key findings of the assessment include:

- Areas with high suitability scores for both site and land use characteristics are concentrated in the areas surrounding the Town Center. While the goals for Town Center are focused on higher-density housing and mixed-use development, it can provide valuable amenities to adjacent areas (MUR, SF-5, and MR-2 zones).
- The MUR and MR-1 zones located at the western edge of the city are isolated from the core of development in the Meridian Avenue corridor. They may face development challenges related to a lack of sewer infrastructure, even though applicable development regulations support middle housing.

- Opportunities to expand regulatory support for middle housing types exist in the SF-5 and SF-3 zones west of the Town Center and in southern Edgewood. Both zones currently allow only single-family and duplex housing types, and the City may wish to consider allowing additional housing types (triplex, fourplex, and/or townhomes).

Exhibit 9: Edgewood Combined Suitability Assessment



Source: BERK (2023)

Additional findings from the Racial Equity Analysis and Policy Review include:

- Edgewood has **observed disparities in homeownership** between Hispanic or Latino households and White alone (not Hispanic or Latino) households.
- Edgewood also has observed **racially disparate impacts in renter household cost burden**.
- Current housing element policies do not explicitly address observed racially disparate impacts. **Revised policies should be strengthened** to better address racially disparate impacts and support the development of a broader range of housing types at different price points, including middle housing forms.

- Current housing element **policies include unclear or subjective terms** such as “quality” and “character.” Policy revisions should clarify the policy intent to ensure the policies do not create disparate impacts.
 - Current housing element policies **prioritize preserving some neighborhood and housing types**, namely “single-family neighborhoods,” rural character, and “large natural areas.” Prioritizing the housing type and locations associated with areas that White residents primarily inhabit without similar celebration and protection of neighborhoods with greater representation of people of color may have exclusionary impacts.
 - The current housing element **policies espouse a logic that single-family homes are degraded by proximity to other housing types**. For example, policies that emphasize the use of buffers and “harmony with surrounding properties” create exclusionary impacts for new housing.
 - Cities are now required to plan for **housing that serves all economic segments**, which will include a greater variety of forms than currently exists in Edgewood. Policy language should be updated to clarify this obligation and intent of the city’s zoning and regulations.
- Current design and review **regulations may be overly restricting the development of housing** in general and middle housing in particular. Development regulations—including site plan design review, maximum densities in the lowest density zones, tree retention requirements, and traffic impact fees—should be reviewed for their impacts on development feasibility and updated to meet competing policy objectives.
 - Edgewood has impact fee exemptions for low-income housing and an affordable housing density bonus program. The programs should be reviewed to determine if they address the observed racial disparities in rental housing cost burden.
- Currently, Edgewood has development barriers associated with wellhead contribution areas and geographically constrained availability of sanitary sewer. Updates to zoning and long range plans will need to be informed by and aligned to the city’s **Capital Improvement Program and utilities element** to ensure infrastructure investment supports equitable housing outcomes.
 - While the availability of sanitary sewer is conducive to urban infill through middle housing, Edgewood is **directing higher densities than typical of single and middle unit housing types** into the Town Center Subarea. This policy objective is aligned with addressing observed racial disparities in the renter household cost burden.
- Broad developer input about barriers to housing development in the region (not specific to one of the five cities) includes challenges with restrictive **tree regulations, height limits, FAR regulations** in addition to setbacks and height limits, overly prescriptive **design standards, SEPA requirements, expensive frontage improvements** without a fee-in-lieu option, **lack of sewer infrastructure**, and **short plat regulations** with a unit maximum lower than nine. Some of these barriers are likely to be relevant in Edgewood.
- **New changes to the Growth Management Act** require cities of a certain size and location to allow multiple dwelling units per lot in a middle housing type of form. Under these new requirements,

Edgewood is a “tier three” city and must allow two development units per lot on all lots zoned predominately residential unless zoning permits higher densities.³

Recommended Strategies

A. 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.

Using language that accurately describes the policy intent and is respectful of all community members helps ensure that policy implementation is aligned with its intent. Subjective terms create confusion for interpretation and implementation and can undermine the public’s faith in government and introduce uncertainty that creates barriers to development. In addition, historically, subjective and normative terms such as “quality” have been used across the United States to prevent housing development associated with people of color and contributes to segregation and exclusion that has multigenerational impacts.

In Washington, the comprehensive plan of every city and county must be internally consistent (RCW 36.70A.070) and aligned to the goals of the Growth Management Act including encouraging the availability of affordable housing for all economic segments of the population, promoting a variety of residential densities and housing types, and encouraging the preservation of the existing housing stock. Since Edgewood’s last major comprehensive plan update, there have been updates to state laws and multi-county planning policies that will require updates to the city’s existing policy language. A careful review and advancement of existing policy language will be necessary to ensure policies meet Edgewood’s obligations under the Growth Management Act and reflect the community’s intentions. Implementation strategies include:

- **A1. Define subjective terms** such as “quality” and “appropriate” in the housing policies or use alternative language that is specific and accurate to the policy intent.
- **A2. Avoid the use of “single-family” to describe anything other than a single-family housing unit.** Existing neighborhoods likely have grandfathered mother-in-law units or older attached housing: calling these areas “single-family” creates confusion amongst the public. Recent changes in state law also prohibit the exclusion of accessory dwelling units and middle housing types in some neighborhoods, making the phrase “single-family neighborhoods” inaccurate and outdated. In these cases, descriptors such as “low density housing” or “house-scale development” more accurately describe the intended land use and scale of development and are more inclusive terms because they do not stigmatize housing types outside of single-family.
- **A3. Revise language about preserving “rural character” and a “legacy of having large natural areas.”**
 - Under the Growth Management Act, urban areas like Edgewood are intended for residential and commercial purposes to preserve open space and resource lands in rural areas. Open space preservation in an urban area should relate to objectives other than preserving character. Policy language such as “preserving large natural areas” could be updated to policy language

³ Washington Department of Commerce (2023). [E2SHB 110 Middle Housing Fact Sheet](#).

protecting critical areas, ensuring adequate parks and open space to serve the current and future population, or protecting water recharge areas.

- Edgewood can honor its valued rural history in ways that also allow the city to adapt to changing community needs. This could be through efforts such as encouraging certain architectural features, adaptive reuse, placemaking, and public art.
- **A4.** Consider modifying policy language to specify **buffering incompatible land uses** for the health and safety of all residents instead of buffering different residential uses from one another. Requiring buffers between different residential uses contributes to stigma around people who live in multifamily and middle housing and increases costs for such development.
- **A5. Balance policies** encouraging the preservation of existing affordable units with language encouraging infill and new development to meet housing needs. Preservation of existing units prefers single-family types by default. Preservation policies are still important but could be balanced by adding language that also supports higher-density development, which helps meet all economic needs in the community and addresses racially disparate impacts.
- **A6. Add language about planning for all incomes** to reflect new housing element requirements. Consider modifying policy H.I.a “Provide an adequate supply of land to accommodate the city’s housing growth target” to include “meet the housing need of all income levels.”

B. Add policies to address racial disparities in homeownership.

The Racial Equity Analysis identifies a disparate impact in homeownership amongst the Hispanic and Latino community. [VISION 2050](#) calls for jurisdictions to support and encourage homeownership opportunities for low-income and middle-income families and individuals while recognizing historical inequities in access to homeownership opportunities for communities of color (Policy AH-7). Edgewood’s existing Comprehensive Plan does not include policies to address racially disparate impacts in homeownership. Implementation strategies could include:

Homeowner assistance programs

- **B1.** Conduct additional **community engagement with the Hispanic and Latino community** to reveal specific barriers to homeownership experienced by this group. Policy and strategy updates should prioritize the needs and solutions expressed by this disproportionately impacted community for implementation.
- **B2.** Without affordable home rentals, it is difficult for households to save for a down payment for housing. **Down payment or assistance programs** can address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with homeownership education courses to encourage financial preparedness for participants.
- **B3.** Develop **homeownership education programs** or connect residents to existing programs elsewhere. Edgewood’s existing policy (H.IV.i) focuses on connecting residents to programs that teach financial literacy and offer homeownership counseling. In addition to referring residents to existing programs, Edgewood could address disparities in homeownership currently experienced by the Hispanic or Latino community by promoting programs in Spanish, partnering with educational program providers to strengthen their offerings in Edgewood, or strengthening existing programs

through in-kind services such as translation and interpretation support, use of city meeting rooms for education, or outreach and engagement efforts at city-sponsored events.

Homeownership housing production strategies

Policies that encourage the development of a greater variety of housing for homeownership will increase the overall opportunity for homeownership in Edgewood. Implementation strategies include:

- **B4. Relax development regulations** to incentivize affordable housing development.
- **B5. Dedicate surplus or underutilized land** for affordable housing production.
- **B6.** Implement an **inclusionary zoning (IZ) ordinance** to require new subdivision plats over a designated number of units to include income-qualified affordable homeownership housing.
- **B7.** Review and revise **SEPA threshold exemptions**. Edgewood could reduce housing production costs by taking advantage of flexible thresholds for categorical exemptions beyond what is already in the code.
- **B8. Expand the number of lots that can be administratively approved** in a new short subdivision to encourage a greater number of units per acre within the urban growth area. Per the GMA, the City can increase to a maximum of nine lots per short subdivision.
- **B9.** Add **flexibility to design review** for middle housing types. The code currently gives an exception to single-family units and ADUs (which could be up to two units per lot). Changing the language to allow exceptions for applications with fewer than two units would make duplex construction more feasible.
- **B10. Increase maximum densities and minimum lot sizes** in the SF 2 and SF 3 zones to encourage a greater variety of housing forms. Large minimum lot sizes and low maximum densities can obstruct the development of middle housing, even if the use is technically allowed in the zone.
- **B11.** Review **tree retention requirements** for potential flexibility, such as a fee-in-lieu option. Fee-in-lieu programs allow developers flexibility that could result in more housing.
- **B12. Review traffic impact fees** for potential flexibility and/or waive fees for some housing types.
- **B13.** Review frontage **improvement** requirements for potential flexibility. For smaller developments, these requirements can be prohibitively expensive. If not already available, consider adding a fee-in-lieu option.
- **B14.** Review height limits in each zone for potential flexibility. Height limits are a common barrier to developing some housing types, including middle housing.

C. Add policies to guide the expansion of utilities in the urban area and ensure the benefits of infrastructure improvements are equitably distributed.

The lack of sewer infrastructure is a known barrier to housing development in Edgewood. The city's existing policy H.I.f calls for a long-term strategy to convert existing development from septic systems to sanitary sewer. This policy is supportive of making efficient use of urban land, preserving water resources, and increasing housing production to meet the demand for housing. However, updates to the policy language or the addition of new implementation strategies can proactively address racially

disparate impacts and prevent exclusionary impacts. Infrastructure investment in strategic locations could lead to more housing supply.

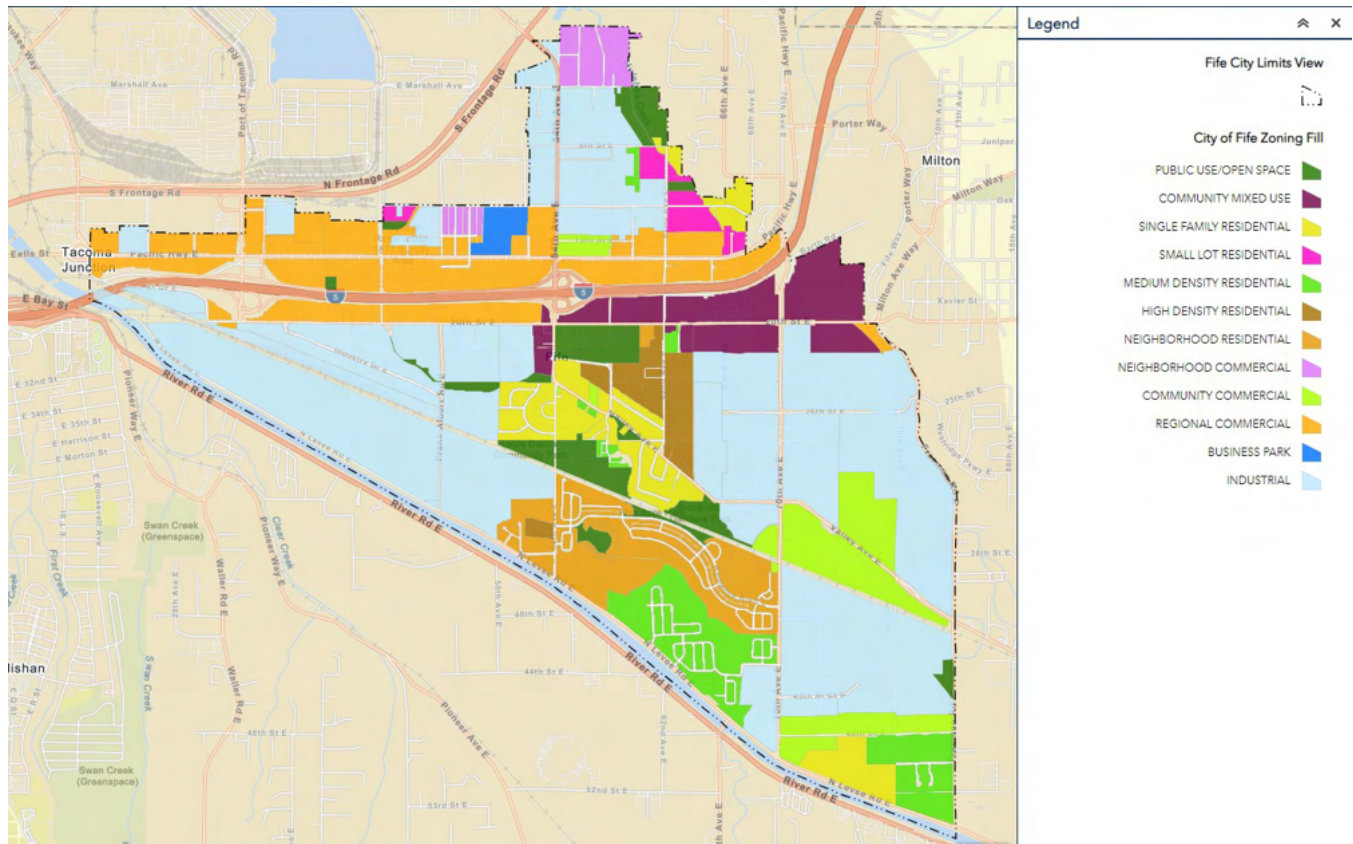
- **C1.** Unintended displacement impacts could occur when sanitary sewer conversion costs are passed on to property owners. Displacement impacts could be minimized through **flexibility in fees for low-income homeowners or affordable units.**

D. Revise policies and requirements to encourage the production of middle housing.

Above strategies A1-A6, B1, B9-B14, and C also support the production of middle housing which can provide more housing options for current and future residents.

Fife

Exhibit 10: Fife Zoning Map (captured from City of Fife Zoning Application June 2023)

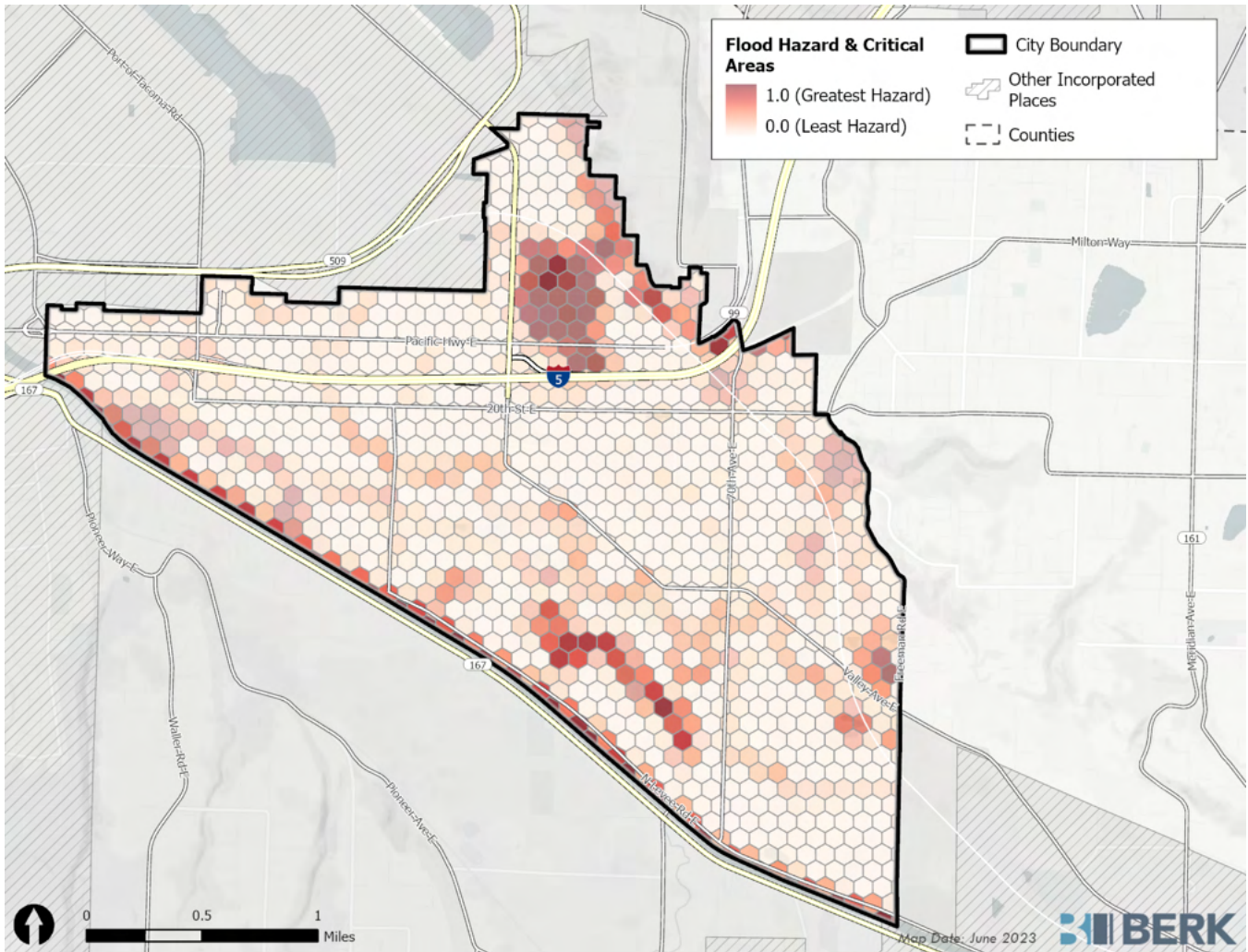


Suitability Assessment

Site Suitability

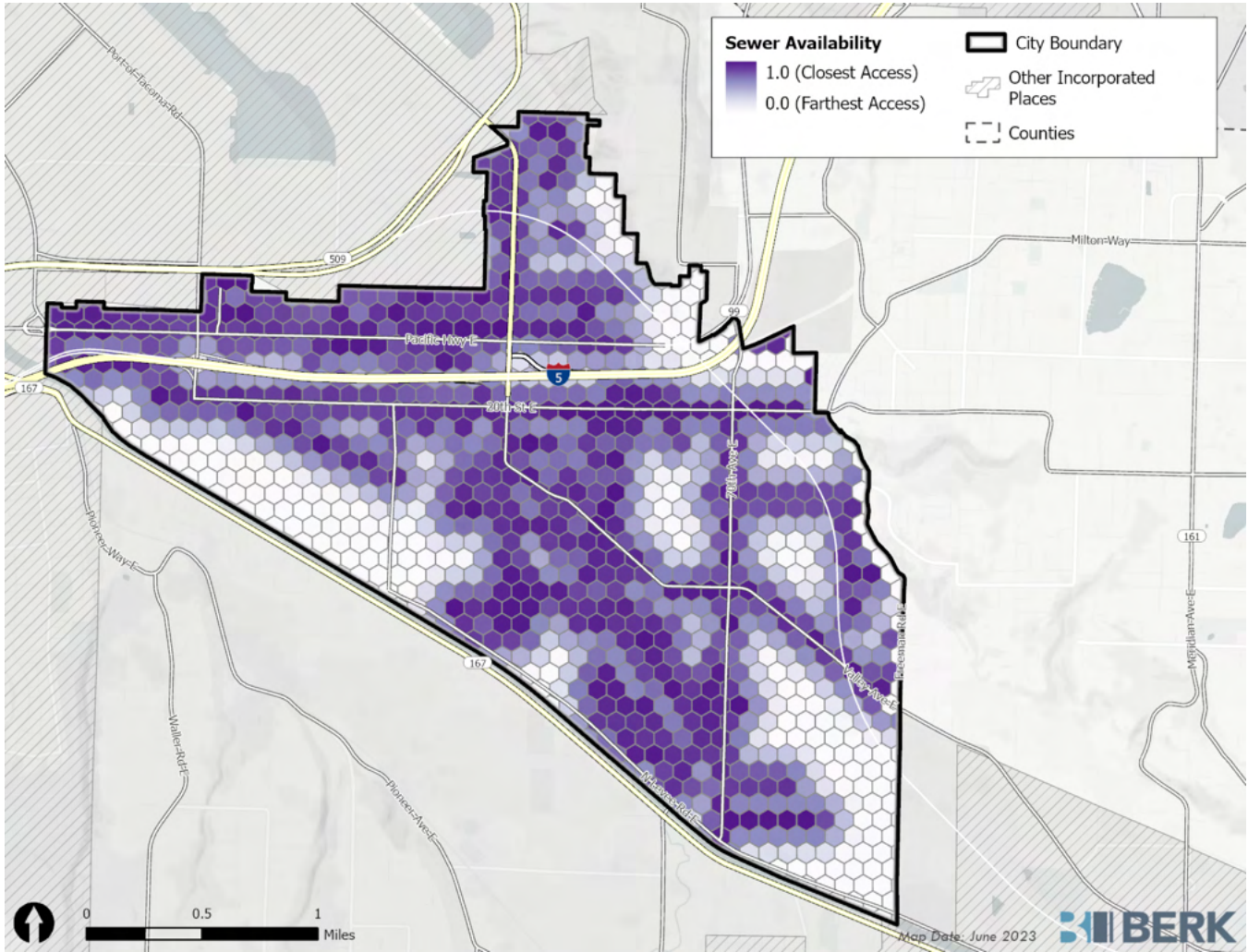
The following maps illustrate several major components of the Site Suitability Index for the City of Fife, as well as the combined Suitability Index. Fife has relatively few areas with poor site suitability. Environmental hazards are concentrated on the city's periphery, as are areas with insufficient sewer service. Transit service is concentrated along the I-5 corridor (Pacific Highway and 20th Street East).

Exhibit 11: Fife Site Suitability – Environmental Hazards



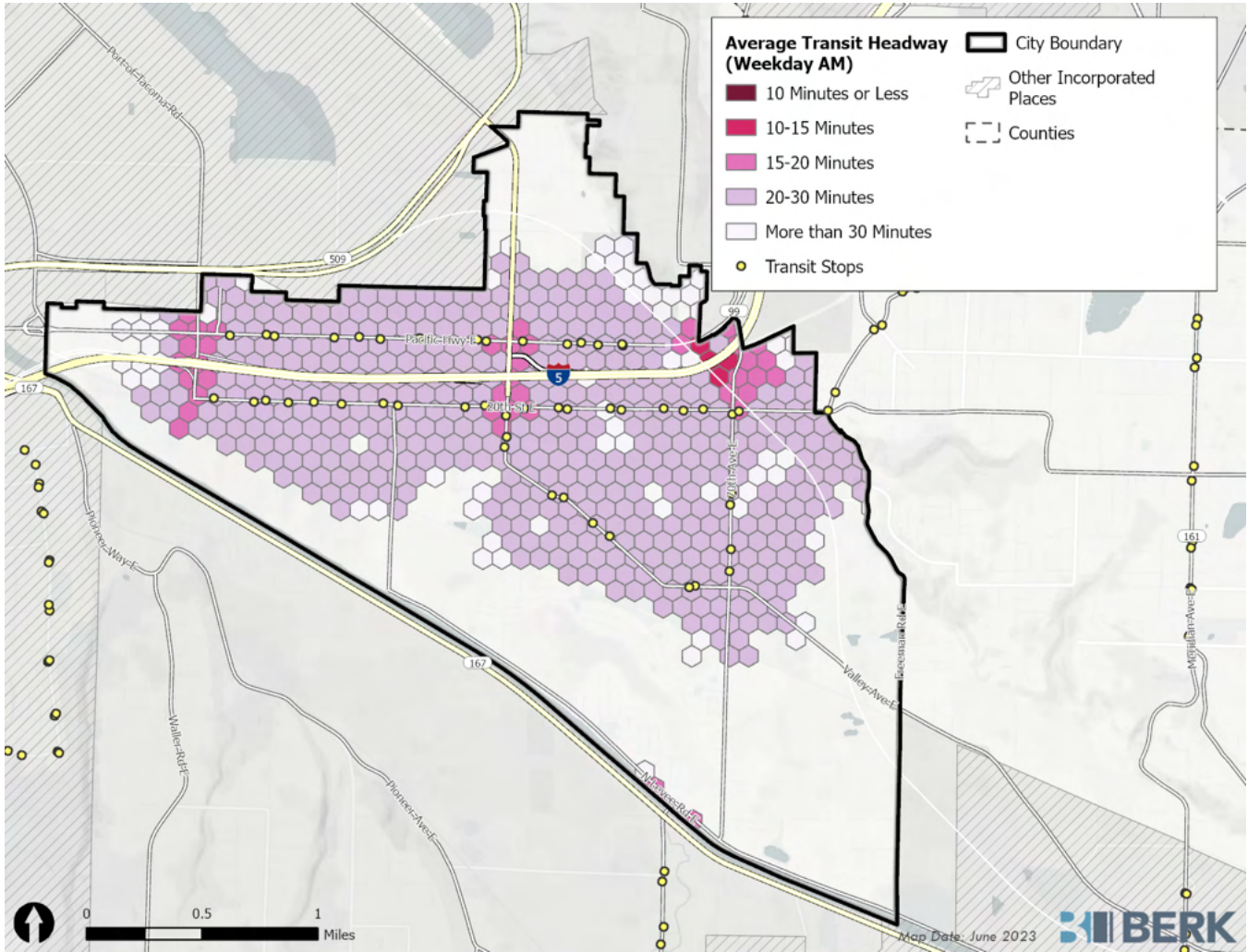
Sources: City of Fife, Pierce County, Washington Department of Natural Resources, BERK (2022-23).

Exhibit 12: Fife Site Suitability – Wastewater Infrastructure Availability



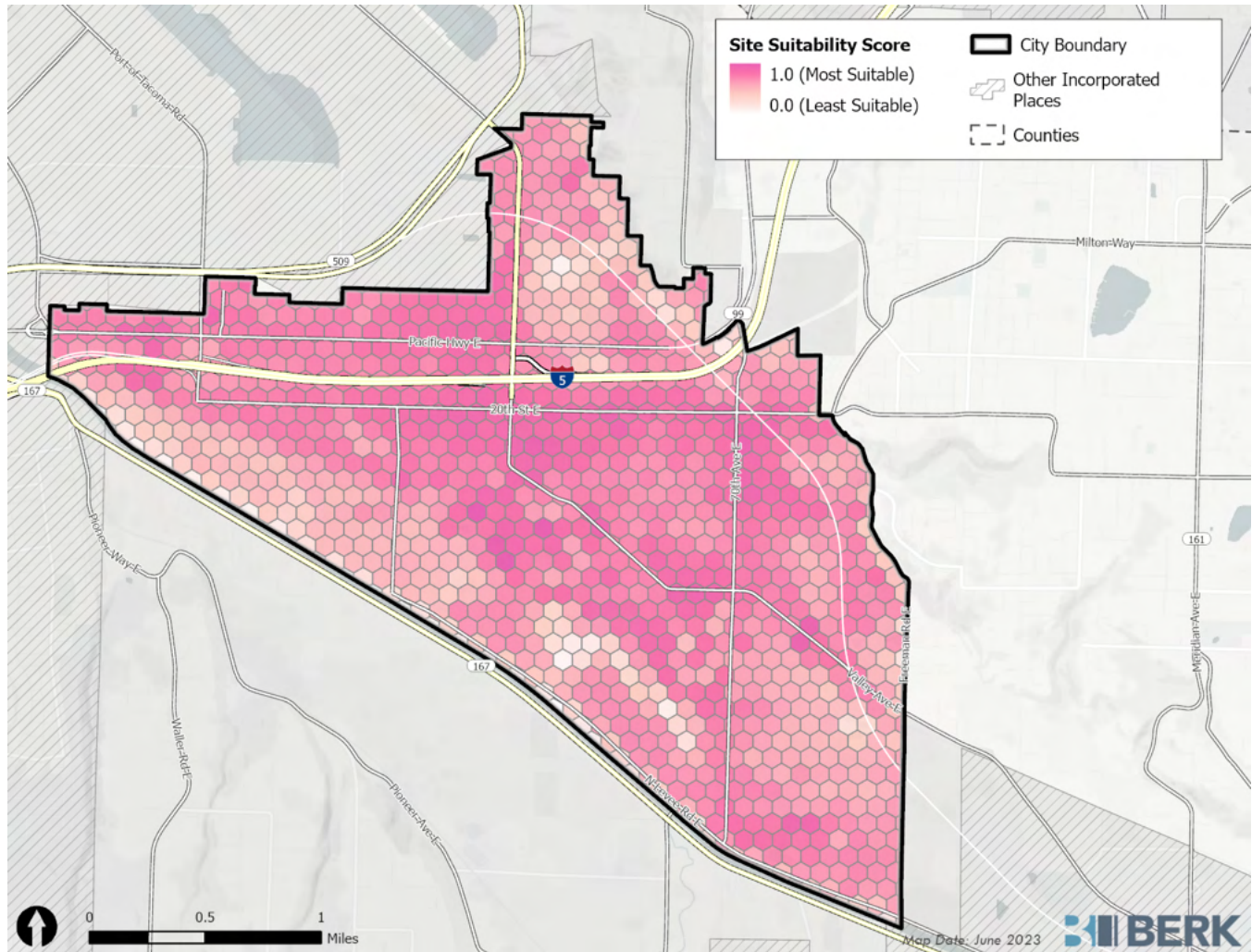
Sources: City of Fife, Pierce County, BERK (2022-23).

Exhibit 13: Fife Site Suitability – Transit Service Availability



Sources: City of Fife, Pierce County, MobilityData, BERK (2022-23).

Exhibit 14: Fife Site Suitability Index



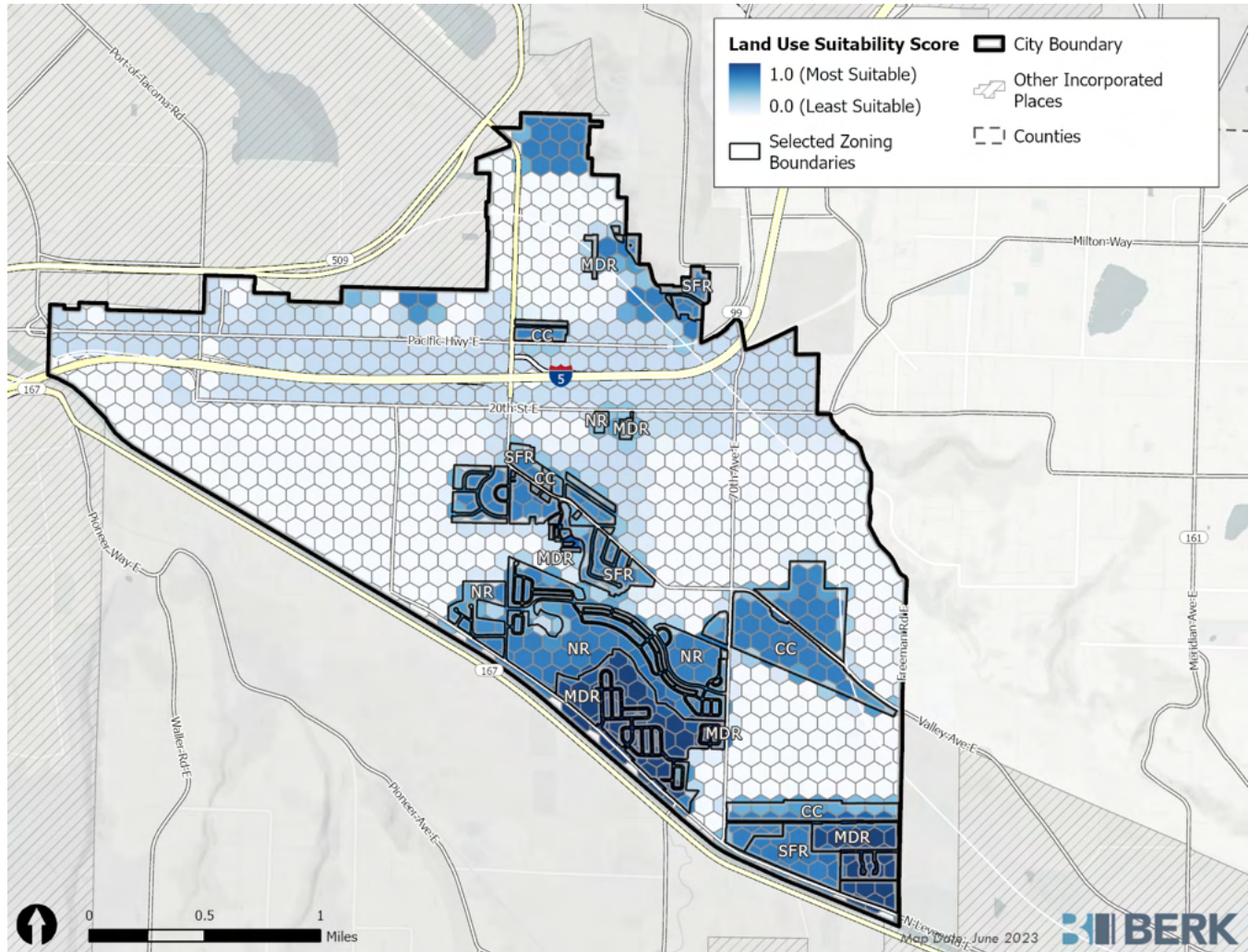
Source: BERK (2023)

Land Use Suitability

A large portion of the land in the City of Fife is devoted to commercial and industrial uses, leaving relatively little land available for residential development. Middle housing types are allowed in several of the commercial zones located in the I-5 corridor, but housing in these areas is intended to be higher-density multifamily units in mixed-use or Transit-Oriented Development settings. Higher-suitability zoning for middle housing is concentrated in the southern portion of the city, specifically the Medium Density Residential (MDR) zone, which allows duplex, triplex, and fourplex housing types.

Other zones that allow some middle housing types include Neighborhood Residential (NR), Neighborhood Commercial (NC), and Community Commercial (CC). However, middle housing is restricted in many of these areas through a combination of development regulations and private covenants. For example, the SFR zone allows no middle housing types except duplexes, which must be located on corner lots. The CC zone allows a greater variety of middle housing types, but its primary focus is on small-scale commercial and mixed-use development. The NR zone allows duplex and triplex housing types, but private covenants and homeowner association rules limit the likelihood of future middle housing development.

Exhibit 15: Fife Land Use Suitability Index



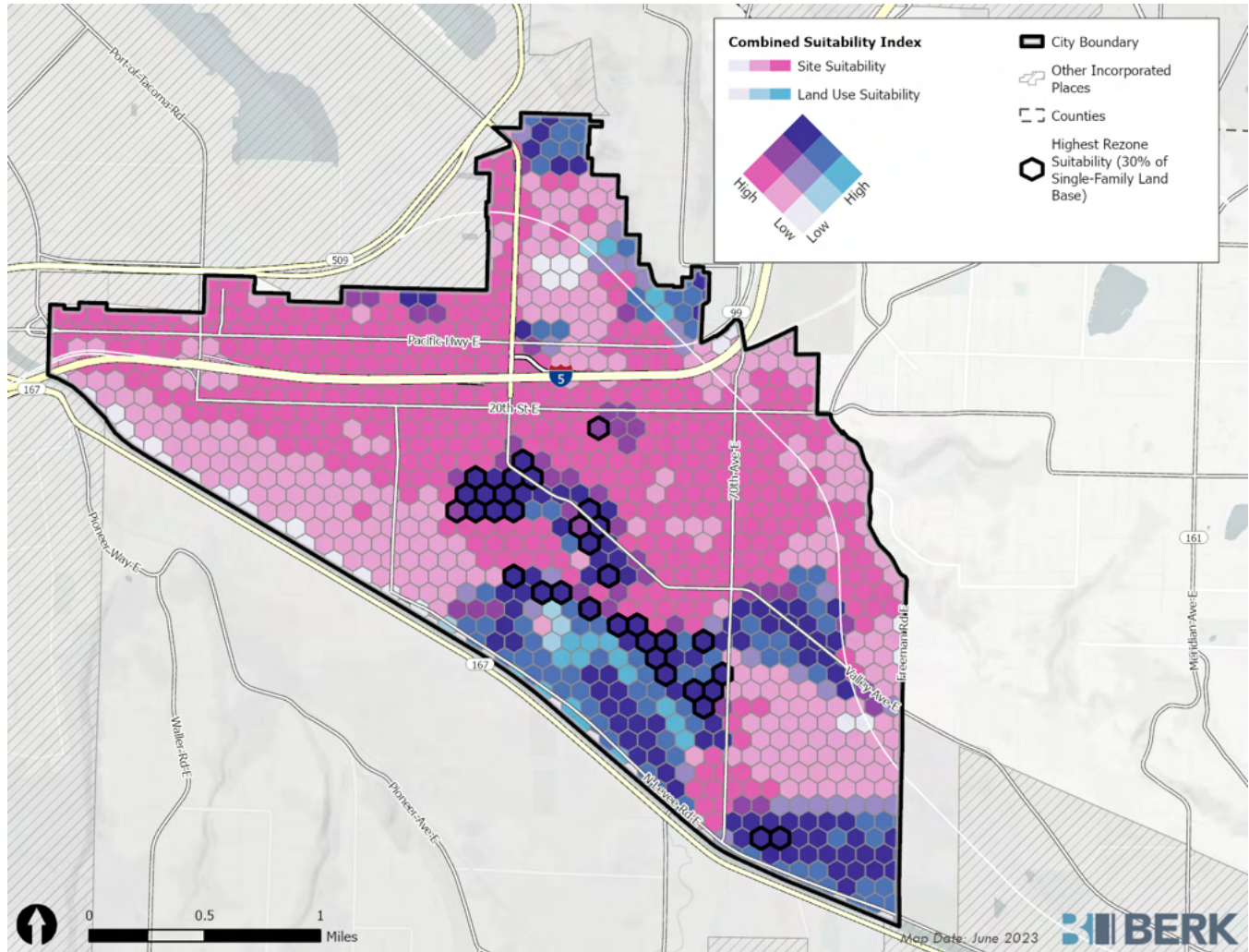
Sources: City of Fife, BERK (2023)

Middle Housing Study Key Findings

Exhibit 16 shows the combined Suitability Assessment Index for the City of Fife and highlights areas currently zoned for single-family housing with the highest site suitability scores. These highlighted areas encompass approximately 30% of the city’s single-family land base. Key findings of the assessment include:

- The areas of highest land use suitability are generally not coincident with the locations of highest site suitability. This mismatch creates challenges for adequate provision of infrastructure to serve new residential development and access to transit and public amenities for new residents.
- Due to the City’s constrained residential land supply, large-scale rezones of lower-density areas to promote middle housing are likely infeasible. Zoning regulation amendments to permit a wider range of middle housing types in existing zones or allow higher densities may be more effective.

Exhibit 16: Fife Combined Suitability Assessment



Source: BERK (2023)

Additional findings from the Racial Equity Analysis and Policy Review include:

- Fife has observed **homeownership rate disparities** between households of color and White alone households, particularly for Black alone households.
- Fife also has observed **high displacement risk** in some areas (Census tracts 940002, 940013, and 940012).
- There are **high rates of housing cost burden** among Fife residents.
- Current housing element policies do not explicitly address observed racially disparate impacts. **Revised policies should be strengthened** to better address racially disparate impacts and support the development of a broader range of housing types at different price points, including middle housing forms.
- Current housing element **policies include unclear or subjective terms**, such as “appropriate” and “revitalization.” Policy revisions should clarify the policy intent to ensure the policies do not create disparate impacts.

- Current housing element **policies prioritize preserving some housing types**, particularly single-family houses. Prioritizing the housing type and locations associated with areas that White residents primarily inhabit without similar celebration and protection of neighborhoods with greater representation of people of color may have exclusionary impacts.
 - Cities are now required to plan for **housing that serves all economic segments**, which will include a greater variety of forms than currently exists in Fife. Policy language should be updated to clarify this obligation and intent of the city’s zoning and regulations.
- A housing element policy **emphasis on design criteria** and “blend[ing] with surrounding developments” could overly restrict the development of housing in general, and middle housing in particular.
- **Development regulations for ADUs should be reviewed** for their impacts on development feasibility and updated to meet competing policy objectives. In particular, maximum unit size and owner-occupancy requirements could present barriers.
 - **New changes** to the Growth Management require cities of a certain size and location to allow multiple dwelling units per lot in a middle housing type of form. Under these new requirements, Fife is a “tier three” city and must allow two development units per lot on all lots zoned predominately residential unless zoning permits higher densities.⁴
- Broad developer input about barriers to housing development in the region (not specific to one of the five cities) include challenges with restrictive **tree regulations, height limits, FAR regulations** in addition to setbacks and height limits, overly prescriptive **design standards, SEPA requirements, expensive frontage improvements** without fee-in-lieu option, **lack of sewer infrastructure**, and **short plat regulations** with a unit maximum lower than nine. Some of these barriers are likely to be relevant in Fife.

Recommended Strategies

A. 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.

Using language that accurately describes the policy intent and is respectful of all community members helps ensure that policy implementation is aligned to its intent. Subjective terms create confusion for interpretation and implementation and can undermine the public’s faith in government and introduce uncertainty that creates barriers to development. In addition, historically subjective and normative terms such as “quality” have been used across the United States to prevent housing development associated with people of color and contributes to segregation and exclusion that has multigenerational impacts.

In Washington, the comprehensive plan of every city and county must be internally consistent (RCW 36.70A.070) and aligned to the goals of the Growth Management Act, including encouraging the availability of affordable for all economic segments of the population, promoting a variety of residential densities and housing types, and encouraging the preservation of the existing housing stock. Since Fife’s

⁴ Washington Department of Commerce (2023). [E2SHB 110 Middle Housing Fact Sheet](#).

last major comprehensive plan update, there have been updates to state laws and multi-county planning policies that will require updates to the city’s existing policy language. A careful review and advancement of existing policy language will be necessary to ensure policies meet Fife’s obligations under the Growth Management Act and reflect the community’s intentions. Implementation strategies include:

- **A1. Define subjective terms** in the housing policies such as “appropriate” and “revitalization” or use alternative language that is specific and accurate to the policy intent.
- **A2. Remove policy language** such as “encourage single-family, detached housing,” as it is exclusionary of other housing types and the people who live in them.
- **A3. Avoid the use of “single-family” to describe anything other than a single-family housing unit.** Existing neighborhoods likely have grandfathered mother-in-law units or older attached housing. Calling these areas “single-family” creates confusion amongst the public. Recent changes in state law also prohibit the exclusion of accessory dwelling units and middle housing types in some neighborhoods, making the phrase “single-family neighborhoods” inaccurate and outdated. In these cases, more inclusive terms such as “low density housing” or “house-scale development” more accurately describe the intended land use and scale of development and do not stigmatize housing types other than single-family.
- **A4. Revise language about “blending with surrounding developments.”** This language and the emphasis on site design criteria can be a barrier to housing types beyond the existing single-family pattern. Policy language in 4.2 could be adjusted to emphasize the importance of site design in terms of walkability and access to open space, instead of in terms of visual impacts alone.
- **A5. Balance policies** encouraging the preservation of existing affordable units with language encouraging infill and new development to meet all housing needs. Preservation of existing units prioritizes single-family types by default. Preservation policies are still important but could be balanced by adding language that also supports higher-density development, which helps meet all economic needs in the community and addresses racially disparate impacts.
- **A6. Ensure that policies do not stigmatize rental housing,** which is the only feasible option for many community members. For example, in Policy 1, new language such as “Promote homeownership opportunities at a variety of densities and types” could achieve the same intent without preferring homeownership over rental housing.

B. Add policies to address racial disparities in homeownership.

The Racial Equity Analysis identifies a disparate impact in homeownership amongst households of color, particularly the Black alone community. [VISION 2050](#) calls for jurisdictions to support and encourage homeownership opportunities for low-income and middle-income families and individuals while recognizing historical inequities in access to homeownership opportunities for communities of color (Policy AH-7). Fife’s existing Comprehensive Plan does not include policies addressing racially disparate homeownership impacts. Implementation strategies could include:

Homeownership assistance programs

- **B1.** Conduct additional **community engagement with communities of color, particularly the Black community** to reveal specific barriers to homeownership experienced by these groups. Policy and strategy updates should prioritize the needs and solutions expressed by this disproportionately impacted community for implementation.
- **B2.** Without affordable home rentals, it is difficult for households to save for a down payment for housing. **Down payment or assistance programs** can address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with homeownership education courses to encourage financial preparedness for participants.
- **B3.** Develop **homeownership education programs** or connect residents to existing programs elsewhere. Fife could address disparities in homeownership by developing a city program and/or partner with community organizations to connect residents to homeownership information and support, providing translation and interpretation support, allowing the use of city meeting rooms for education, or engaging in outreach and engagement efforts at city-sponsored events.

Homeownership housing production strategies

- **B4. Relax development regulations and/or waive fees** to incentivize affordable housing development.
- **B5. Dedicate surplus or underutilized land** for affordable housing production.
- **B6.** Implement an **inclusionary zoning (IZ) ordinance** to require new subdivision plats over a designated number of units to include income-qualified affordable homeownership housing.
- **B7.** Review and revise **SEPA threshold exemptions**. Fife could reduce housing production costs by taking advantage of flexible thresholds for categorical exemptions beyond what is already in the code.
- **B8. Expand the number of lots that can be administratively approved** in a new short subdivision to encourage a greater number of units per acre within the urban growth area. Per the GMA, the City can increase to a maximum of nine lots per short subdivision.
- **B9.** Add **flexibility to design review** for middle housing types. The code currently requires design review for corner-lot duplexes. Removing this requirement would make this type of development simpler and less costly.
- **B10. Review impact fees** for potential flexibility and/or waive fees for some housing types. Affordable housing development, for example, could be made exempt from some fees.
- **B11.** Support middle housing by **connecting property owners with lenders and stock designs**. The City could provide a fact sheet or webpage with resources on lending and designs for homeowners who may wish to develop ADUs or convert existing homes to duplexes or triplexes.
- **B12. Review frontage improvement requirements** for potential flexibility. For smaller developments, these requirements can be prohibitively expensive. If not already available, consider adding a fee-in-lieu option.

- **B13.** Review height limits in each zone for potential flexibility. Height limits as a barrier to developing some housing types, including middle housing.

C. Add policies to address high displacement risk.

- **C1. Require tenant relocation assistance.** The City could pass an ordinance that requires developers, public funds, or a combination of both to provide relocation funds for households displaced by new development. This could be limited to tenants earning below a certain income level.
- **C2. Provide just cause eviction protections.** The City could pass protections that mandate that landlords provide tenants with a legally justifiable reason when asking tenants to vacate a property.
- **C3. Pass a notice of intent to sell ordinance.** This would require owners of multifamily buildings to notify tenants and local housing officials in advance of a sale. The ordinance could be written to apply to buildings with rents below certain income levels.
- **C4. Inform tenants when income-restricted housing becomes at risk of being converted to market-rate status.** Provide information on relocation options available.
- **C5. Provide need-based rehabilitation assistance** or connect residents to state resources. This assistance helps qualifying households (such as senior residents and those with disabilities or low incomes) get favorable financing terms or tax abatements for home repairs and upgrades.
- **C6. Provide information on Pierce County's property tax assistance program.** Residents who own their homes may struggle to afford property tax increases. Pierce County provides some exemptions for senior citizens and people with disabilities. The City could send mailers and/or provide information on the City website to connect residents to county resources.

D. Revise policies and regulations to address the high housing cost burden.

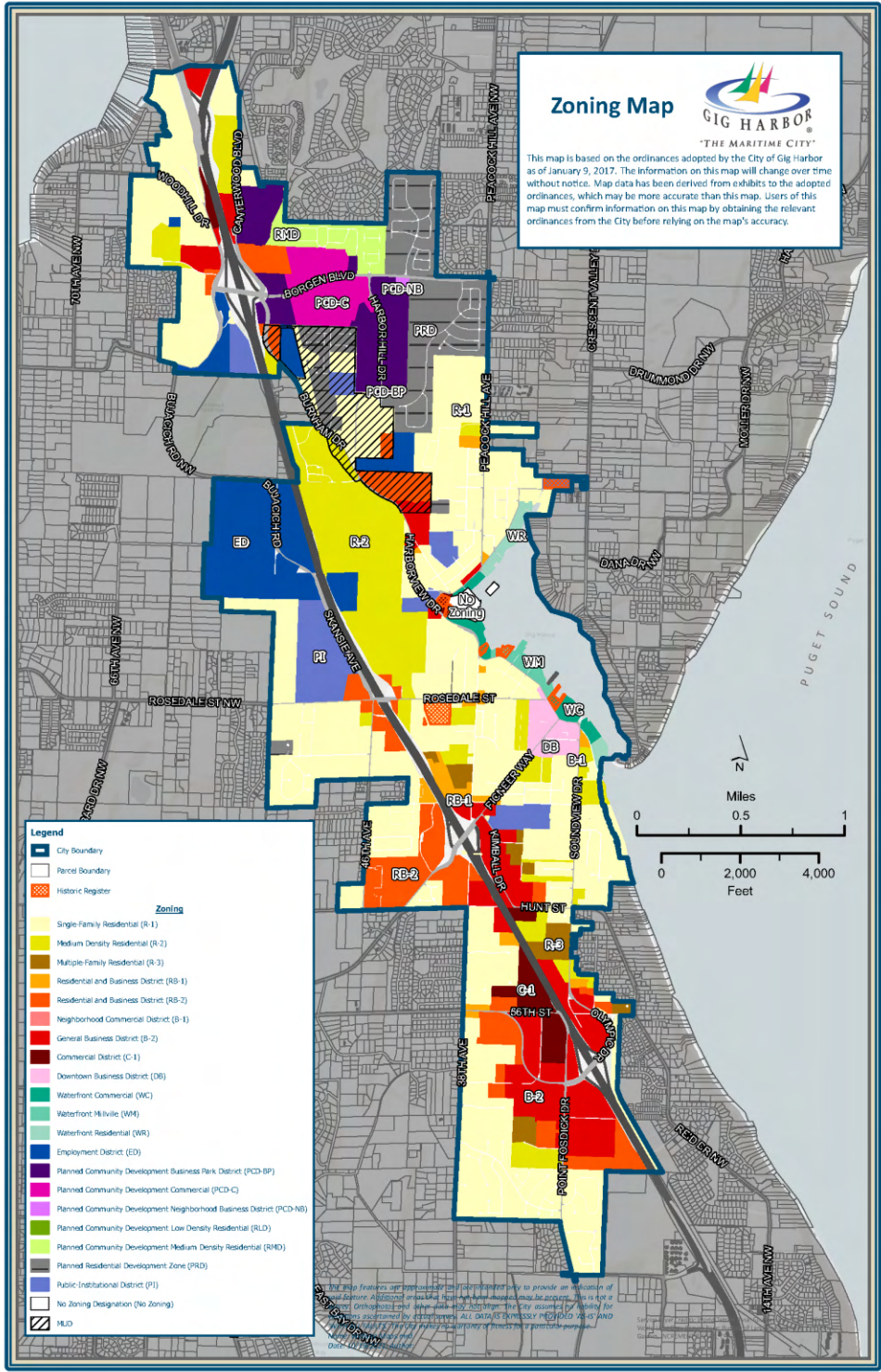
- **D1. Consider adjusting the size requirement for ADUs.** Other cities (such as Edgewood and Milton) have larger maximum ADU sizes (1,200 and 2,500 square feet, respectively). New state law prohibits a maximum ADU floor area under 1,000 square feet. Depending on market conditions, larger ADUs may be more feasible to build and rent.
- **D2. Remove the owner-occupancy requirement for ADUs.** Owner occupancy requirements can make ADU development less attractive for homeowners: even those who intend to live on-site could be dissuaded by the risk of an unexpected change in circumstance. New state law prohibits owner-occupancy requirements for ADUs.
- Strategies A1-A6, B1-B13, and C5-C6 above can also help to address high housing cost burden.

E. Revise policies and regulations to encourage the production of middle housing.

The above strategies A1-A5, B1, B9-B11, and D1-D2 also generally support the production of middle housing, which can provide more housing options for current and future residents.

Gig Harbor

Exhibit 17: Gig Harbor Zoning Map (updated 2017)

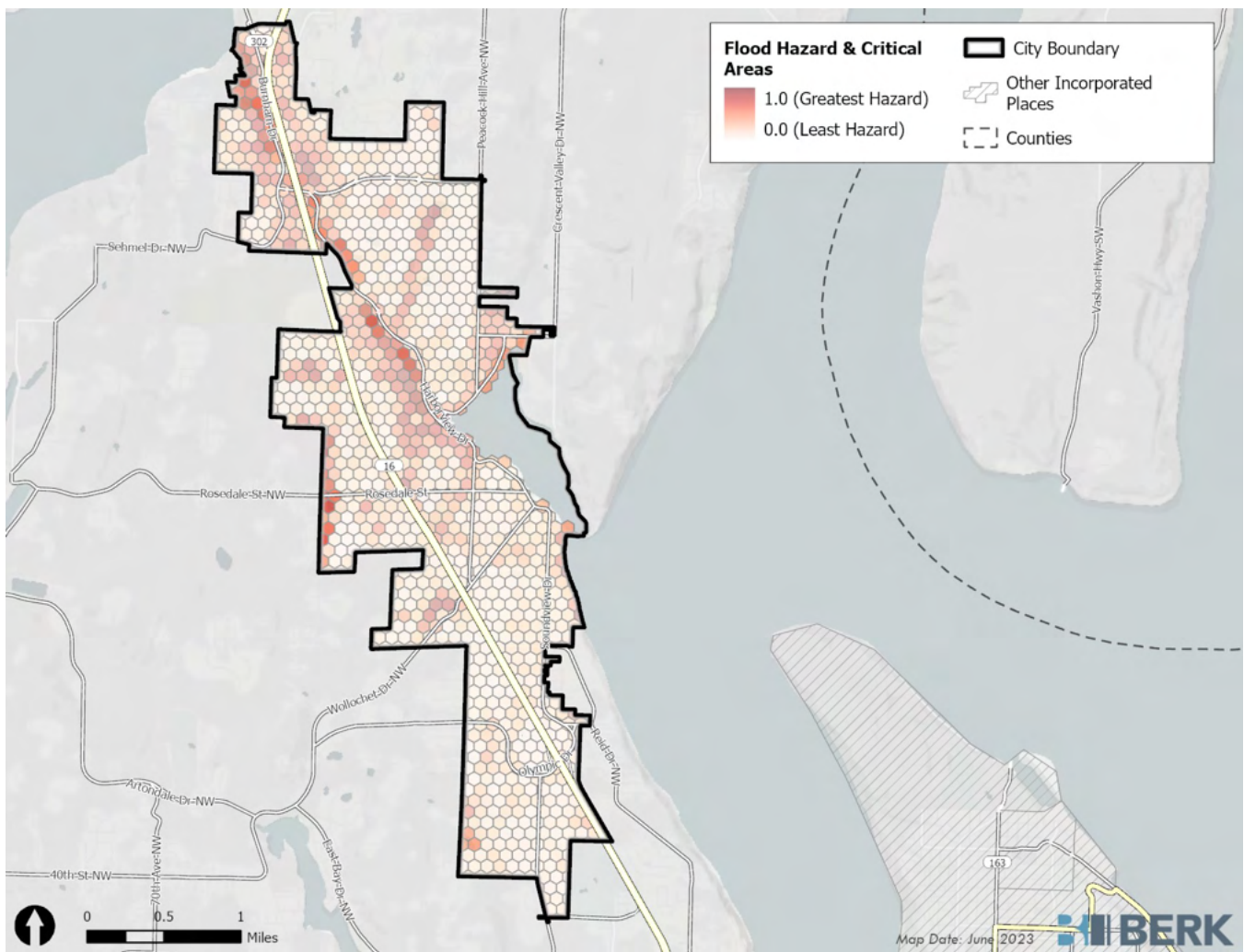


Suitability Assessment

Site Suitability

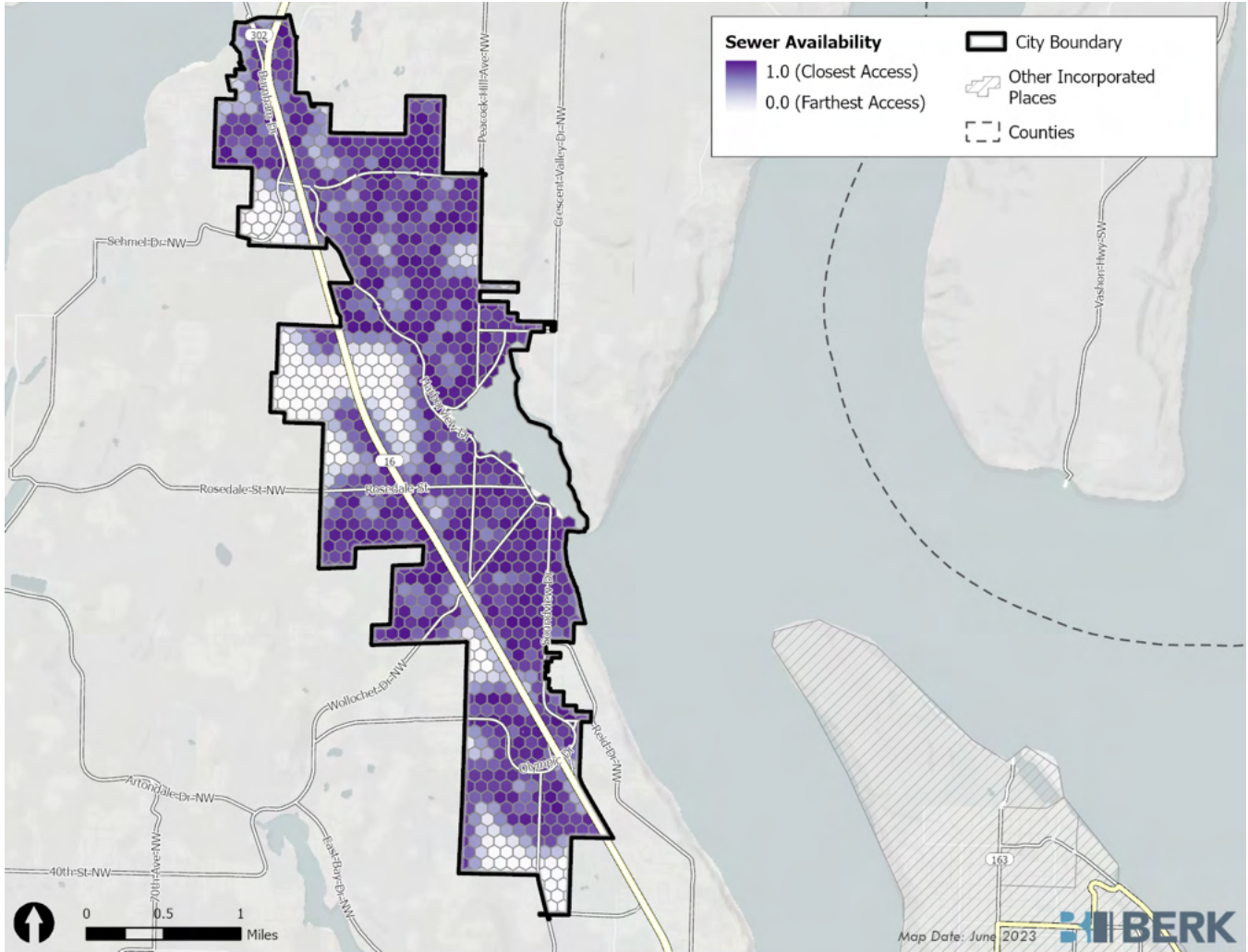
The following maps illustrate several major components of the Site Suitability Index for the City of Gig Harbor, as well as the combined Suitability Index. Gig Harbor has relatively few areas with poor site suitability (see **Exhibit 21**). Environmental hazards and critical areas primarily consist of wetlands and steep slope/landslide hazards, concentrated along stream corridors in the northern and central areas of the city. Relatively few areas lack sewer infrastructure, but transit service is concentrated in the more densely developed eastern areas. Areas of highest site suitability are therefore concentrated in the areas north and east of Harborview Dr./Burnham Dr., the areas south of Rosedale Street and east of SR 16, and at the southern end of the city near the intersection of Olympic Dr. and SR 16.

Exhibit 18: Gig Harbor Site Suitability – Environmental Hazards



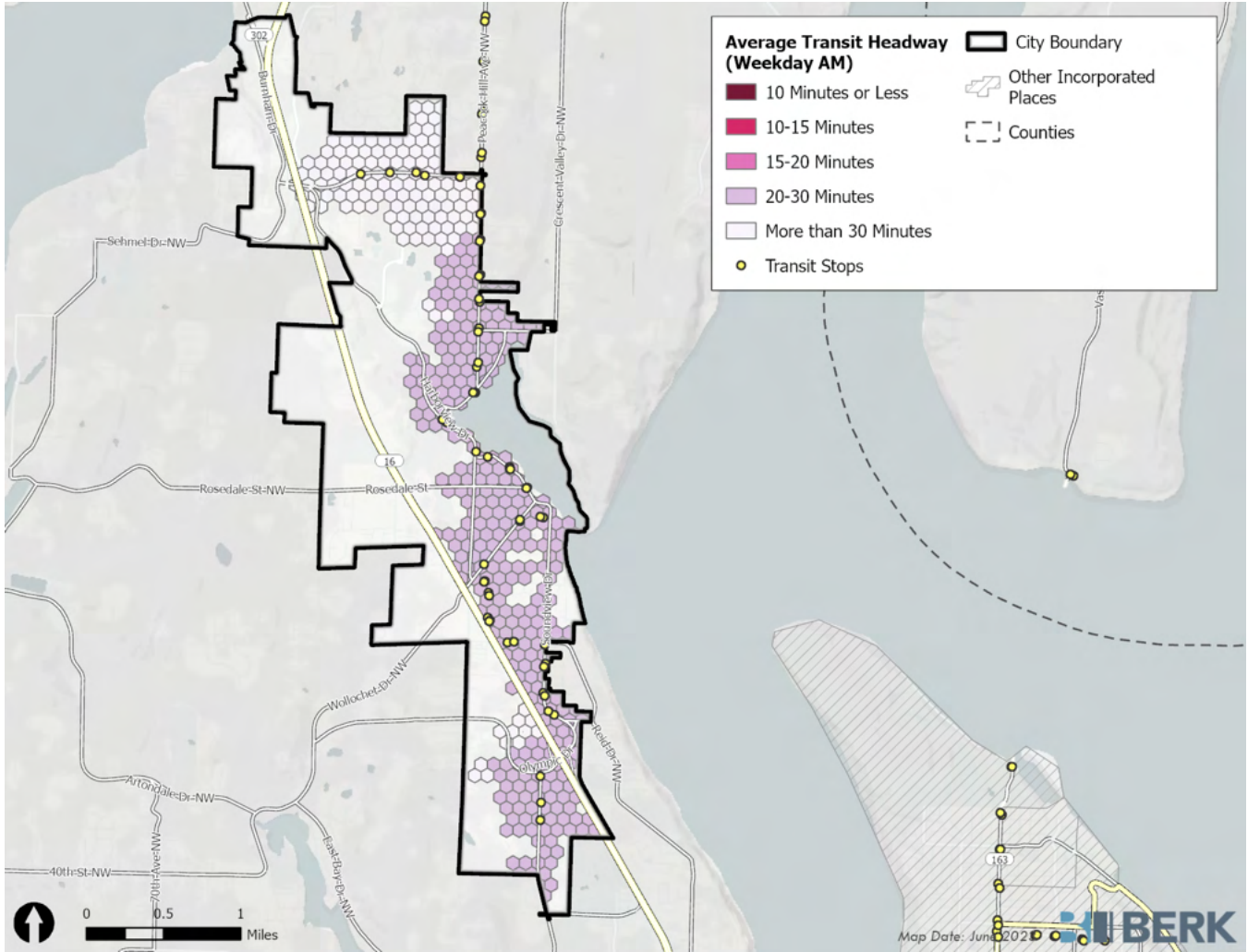
Sources: City of Gig Harbor, Pierce County, Washington Department of Natural Resources, BERK (2022-23).

Exhibit 19: Gig Harbor Site Suitability – Wastewater Infrastructure Availability



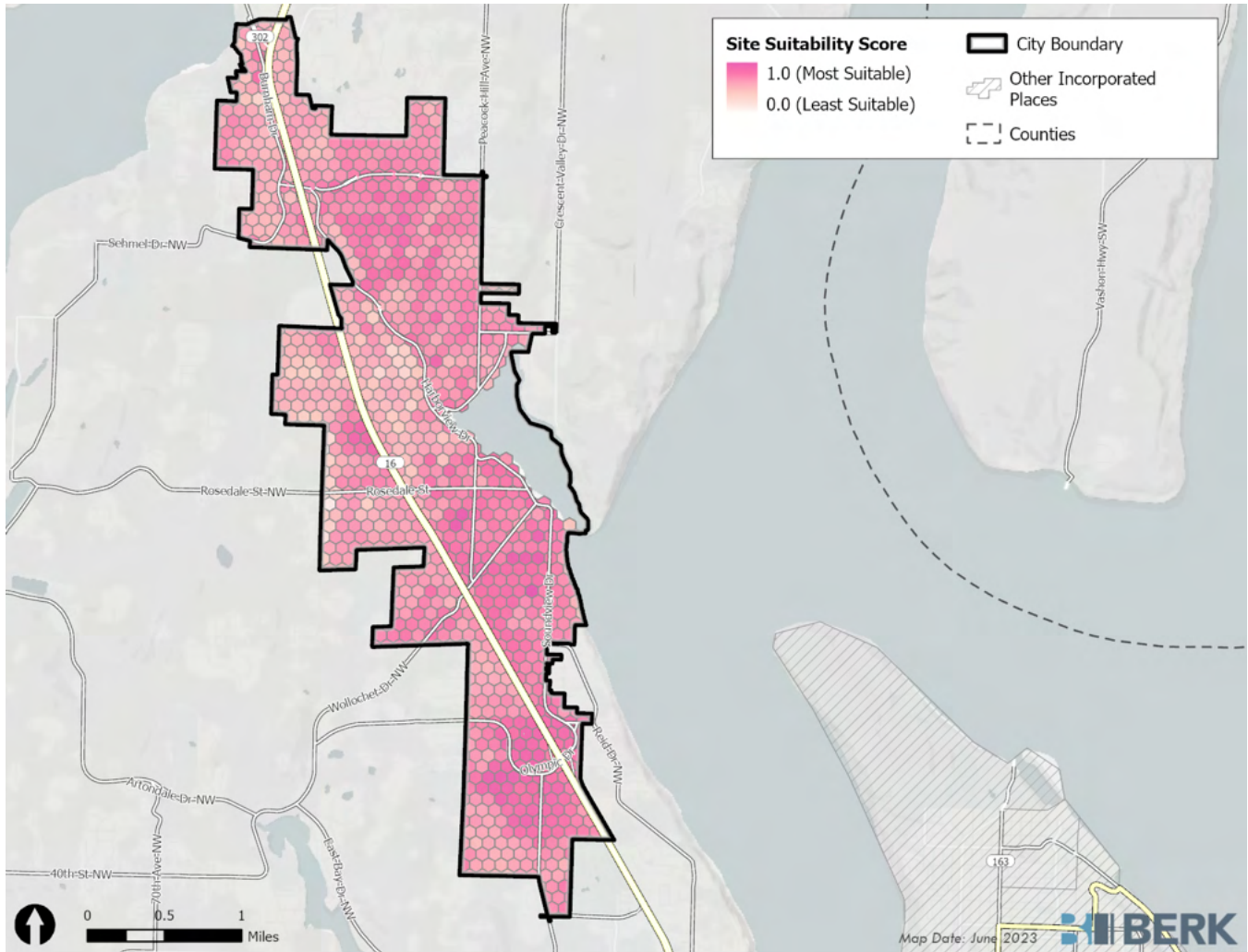
Sources: City of Gig Harbor, Pierce County, BERK (2022-23).

Exhibit 20: Gig Harbor Site Suitability – Transit Service Availability



Sources: City of Gig Harbor, Pierce County, MobilityData, BERK (2022-23).

Exhibit 21: Gig Harbor Site Suitability Index

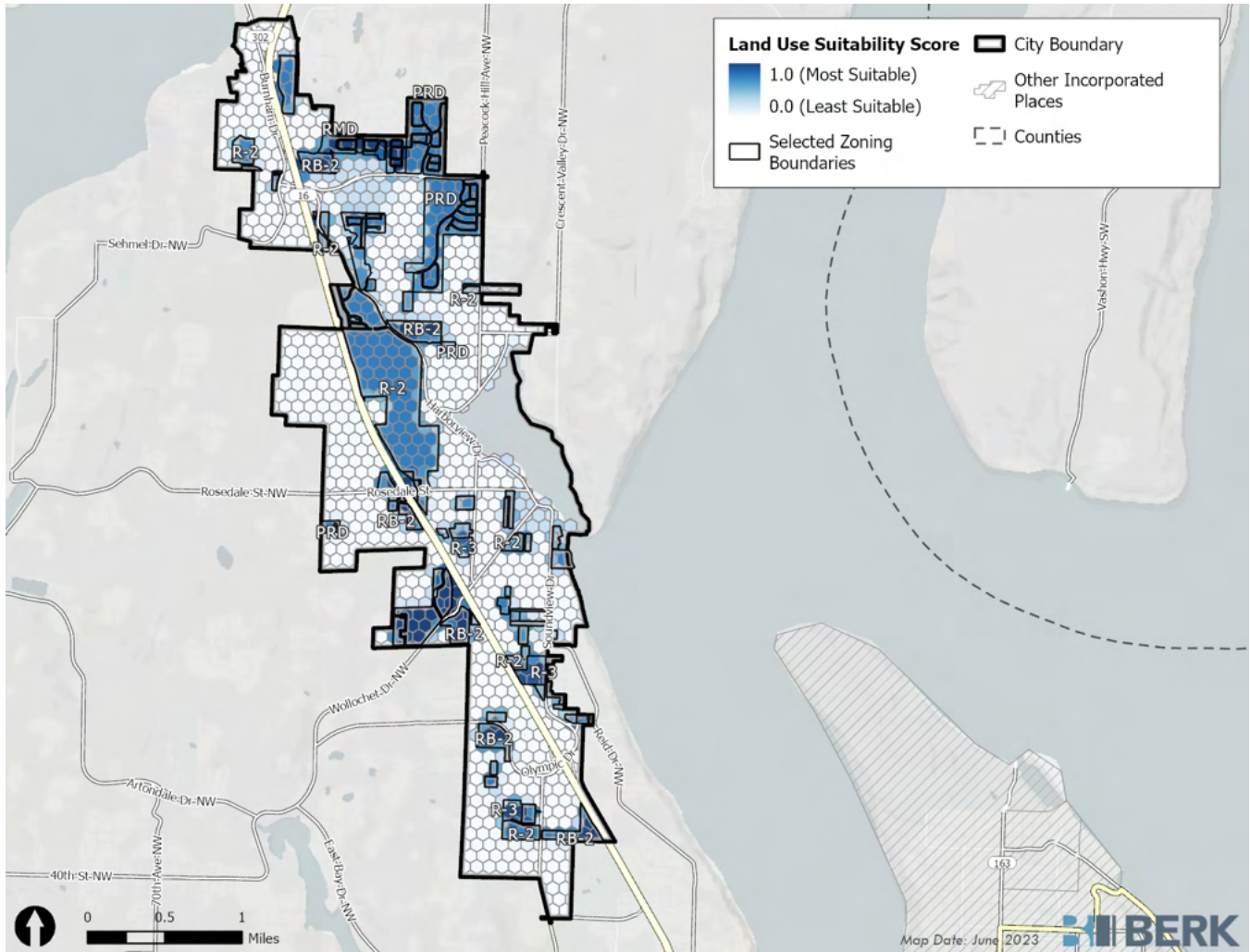


Source: BERK (2023)

Land Use Suitability

Middle housing types are allowed in a relatively small number of zones in Gig Harbor. As shown in **Exhibit 22**, middle housing types are prohibited in many areas of the community. In particular, the Single Family Residential (R-1) zone covers a large portion of the city and does not allow any middle housing types. Middle housing types are currently allowed to varying degrees in the Medium Density Residential (R-2), Multiple-Family Residential (R-3), and Residential and Business District (RMB-2) zones. Middle housing types can also be developed through a Planned Residential Development (PRD), but the underlying zoning determines the uses allowed under a PRD.

Exhibit 22: Gig Harbor Land Use Suitability Index



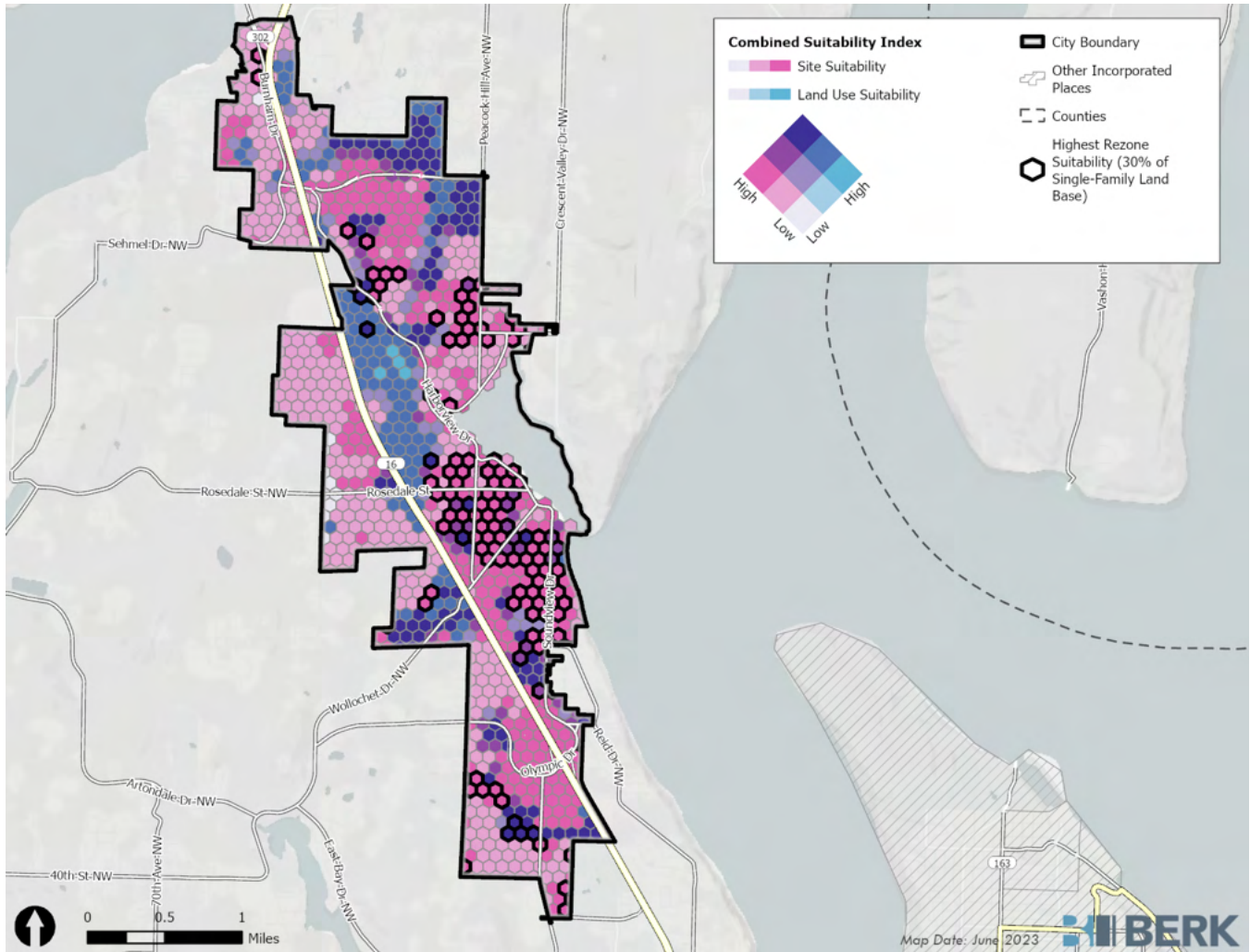
Sources: City of Edgewood, BERK (2023)

Middle Housing Study Key Findings

Exhibit 23 shows the combined Suitability Assessment Index for the City of Gig Harbor and highlights areas currently zoned for single-family housing with the highest site suitability scores. These highlighted areas encompass approximately 30% of the city's single-family land base. Key findings of the assessment include:

- Few areas of Gig Harbor have both high site suitability and high land use suitability. These are concentrated in the R-2 zone in the central part of the city and the far northeastern edge of the city, which is zoned PRD. However, the northeastern PRD area is already extensively developed and additional middle housing development here may not be feasible.
- Gig Harbor contains large areas of high site suitability where middle housing types are not allowed. Much of this area is currently zoned R-1. Additional middle housing could be promoted by either rezoning some of these properties to R-2 or allowing a limited amount of middle housing types in the R-1 zone.

Exhibit 23: Gig Harbor Combined Suitability Assessment



Source: BERK (2023)

Additional findings from the Racial Equity Analysis and Policy Review include:

- Gig Harbor has **observed racial disparities in housing cost burden**.
- Gig Harbor also has **observed high displacement risk in one area** (Census tract 72407).
- Current housing element policies do not explicitly address observed racially disparate impacts. **Revised policies should be strengthened** to better address racially disparate impacts and support the development of a broader range of housing types at different price points, including middle housing forms.
 - Cities are now required to plan for **housing that serves all economic segments**, which will include a greater variety of forms than currently exists in Gig Harbor. Policy language should be updated to clarify this obligation and intent of the city’s zoning and regulations.
- Current housing element **policies include unclear or subjective terms**, such as “appropriate” or “preferred areas.” Policy revisions should clarify the policy intent to ensure the policies do not create disparate impacts.

- Current housing element **policies prioritize protecting the scale and character of existing neighborhoods**. Prioritizing existing housing types, namely single-family housing, that White residents primarily inhabit without similar celebration and protection of neighborhoods with greater representation of people of color may have exclusionary impacts.
- Current design and review **regulations may be overly restricting the development of housing** in general and middle housing in particular. Development regulations—including conditional residential uses, design guidelines and review, minimum parcel size (Medium-Density Residential zone), and ADU parking—should be reviewed for their impacts on development feasibility and updated to meet competing policy objectives.
 - Some **development regulations espouse a logic that single-family homes are degraded by proximity to other housing types**. For example, regulations that require conditional use permits for some housing types in some zones can create exclusionary impacts for new housing that could serve underserved populations.
- Developer interviews reported a particularly **difficult and slow permitting process, high impact fees, and overly prescriptive design standards** in Gig Harbor. The City should review these processes for potential improvements and evaluate the impact fee rate.
- Broad developer input about barriers to housing development in the region (not specific to one of the five cities) include challenges with restrictive **tree regulations, height limits, FAR regulations** in addition to setbacks and height limits, overly prescriptive **design standards, SEPA requirements, expensive frontage improvements** without fee-in-lieu option, **lack of sewer infrastructure**, and **short plat regulations** with a unit maximum lower than nine. Some of these barriers are likely to be **relevant in Gig Harbor**.

Recommended Strategies

A. 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.

Using language that accurately describes the policy intent and is respectful of all community members helps ensure that policy implementation is aligned to its intent. Subjective terms create confusion for interpretation and implementation and can undermine the public’s faith in government and introduce uncertainty that creates barriers to development. In addition, historically subjective and normative terms such as “quality” have been used across the United States to prevent housing development associated with people of color and contributes to segregation and exclusion that has multigenerational impacts.

In Washington, the comprehensive plan of every city and county must be internally consistent (RCW 36.70A.070) and aligned to the goals of the Growth Management Act, including encouraging the availability of housing affordable to all economic segments of the population, promoting a variety of residential densities and housing types, and encouraging the preservation of the existing housing stock. Since Gig Harbor’s last major comprehensive plan update, there have been updates to state laws and multi-county planning policies that will require updates to the city’s existing policy language. A careful review and advancement of existing policy language will be necessary to ensure policies meet Gig

Harbor's obligations under the Growth Management Act and reflect the community's intentions. Implementation strategies include:

- **A1. Define subjective terms** such as “appropriate” and “preferred areas” in the housing policies or use alternative language that is specific and accurate to the policy intent. **Remove outdated language such as “blighted,”** which is associated with historic harm to communities of color. Alternative terminology could include “structures in disrepair” or “structures with deferred maintenance.”
- **A2. Remove policy language** such as “protect the scale and character of existing neighborhoods,” “minimize appearance of multi-family structures,” and other policies that require newer, higher-density buildings to match existing buildings or provide additional amenities. This language is exclusionary of housing types outside of the predominant single-family housing type and the people who do not live in single-family housing. Language that focuses on encouraging certain colors, textures, or architectural features, as opposed to scale or character more generally could still help Gig Harbor communicate a desired aesthetic without being exclusionary of middle housing and larger multifamily housing.
- **A3. Avoid the use of “single-family” to describe anything other than a single-family housing unit.** Existing neighborhoods likely have grandfathered mother-in-law units or older attached housing: calling these “single-family” creates confusion amongst the public. Recent changes in state law also prohibit the exclusion of accessory dwelling units and middle housing types in some neighborhoods, making the phrase “single-family neighborhoods” inaccurate and outdated. In these cases, more inclusive descriptors such as “low density housing” or “house-scale development” more accurately describe the intended land use and scale of development and do not stigmatize housing types other than single-family.
- **A4. Balance policies** encouraging the preservation of existing affordable units with language encouraging infill and new development to meet housing needs. Preservation of existing units prefers single-family types by default. Preservation policies are still important but could be balanced by adding language that also supports higher-density development, which helps meet the needs of all economic segments in the community and addresses racially disparate impacts.
- **A5. Add language about planning for all income bands** to the Housing Element. Goal 6.5, for example, could include a policy with this language.

B. Add policies to address racial disparities in housing cost burden.

- **B1.** Conduct additional **community engagement with communities of color** to reveal specific barriers to housing affordability experienced by these groups. Policy and strategy updates should prioritize the needs and solutions expressed by this disproportionately impacted community for implementation.
- **B2. Relax development regulations and/or waive fees** to incentivize affordable housing development.
- **B3. Dedicate surplus or underutilized land** for affordable housing production.

- **B4.** Implement an **inclusionary zoning (IZ) ordinance** to require new subdivision plats over a designated number of units to include income-qualified affordable housing.
- **B5.** Review and revise **SEPA threshold exemptions**. Gig Harbor could reduce housing production costs by taking advantage of flexible thresholds for categorical exemptions beyond what is already in the code.
- **B6.** **Expand the number of lots that can be administratively approved** in a new short subdivision to encourage a greater number of units per acre within the urban growth area. Per the GMA, the City can increase to a maximum of nine lots per short subdivision.
- **B7.** Add **flexibility to design review**. Design guidelines on buffers, in particular, could be revised to make development more feasible.
- **B8.** **Review impact fees** for potential flexibility and/or waive fees for some housing types. Affordable housing development, for example, could be made exempt from some fees.
- **B9.** Support middle housing by **connecting property owners with lenders and stock designs**. The City could provide a fact sheet or webpage with resources on lending and designs for homeowners who may wish to develop ADUs or convert existing homes to duplexes or triplexes.
- **B10.** **Consider adjusting minimum lot sizes for duplexes**. Duplexes would be more feasible if there were one minimum lot size for both single-family units and duplexes instead of requiring larger lots for duplexes. Duplexes would still have to meet other development regulations giving them the same overall buildable envelope as a single-family house on the same lot.
- **B11.** **Consider removing the parking requirement for ADUs**. Many lots otherwise eligible for ADUs may not have space or budget for a separate parking spot.
- **B12.** **Consider adjusting existing conditional use requirements** for ADUs, triplexes, and fourplexes (in some zones). The conditional use permit process and associated fees can be prohibitive to housing production.
- **B13.** **Review permitting processes for potential improvements**. A slow and complex permitting process can be prohibitive to housing development.
- **B14.** **Review frontage improvement requirements** for potential flexibility. For smaller developments, these requirements can be prohibitively expensive. If not already available, consider adding a fee-in-lieu option.
- **B15.** **Review height limits** in each zone for potential flexibility. In the region more generally, developers mentioned height limits as a barrier to developing some housing types, including middle housing.

C. Add policies to address high displacement risk.

- **C1.** **Require tenant relocation assistance**. The City could pass an ordinance that requires developers, public funds, or a combination of both to provide relocation funds for households displaced by new development. This could be limited to tenants earning below a certain income level.

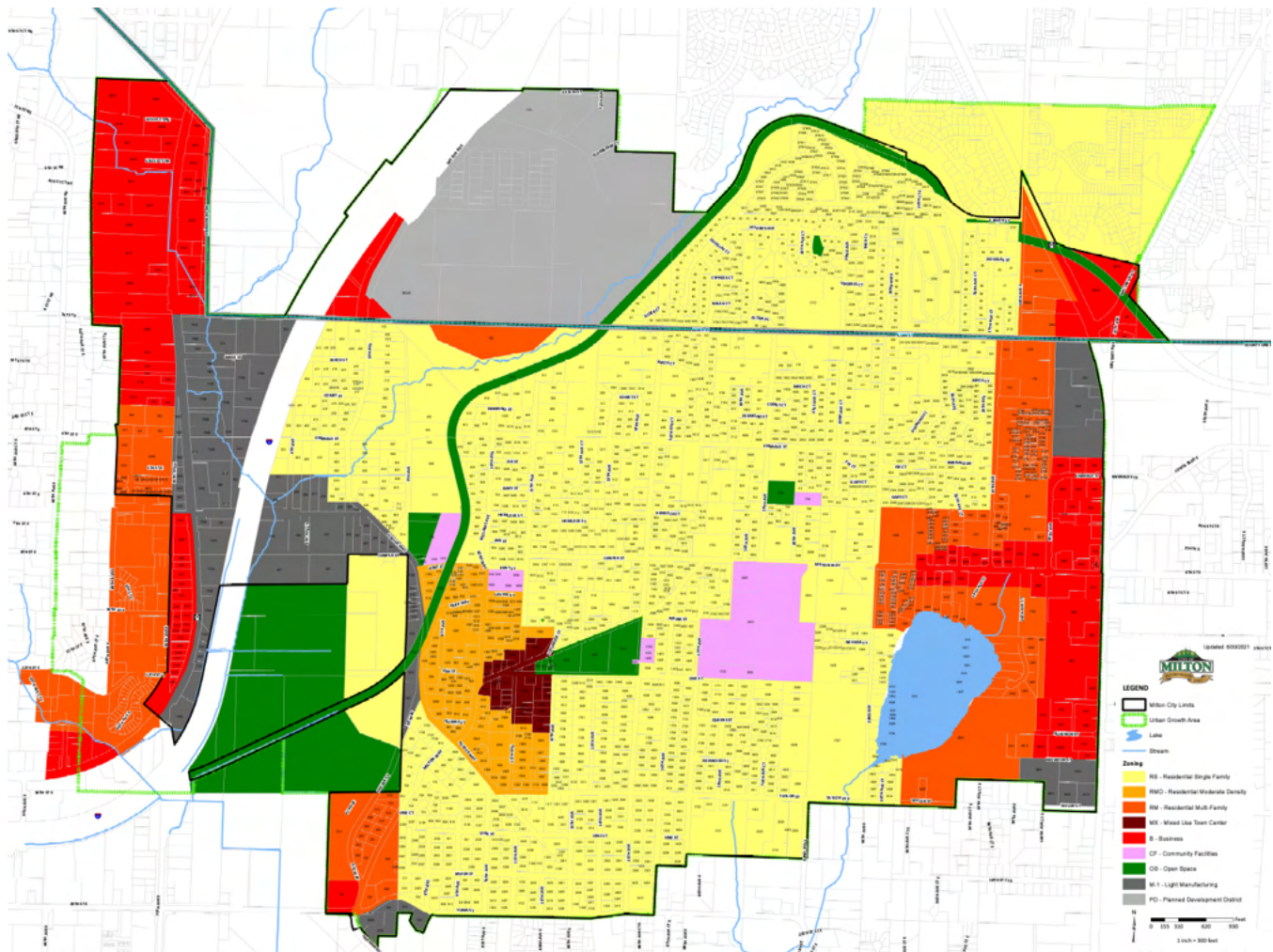
- **C2. Provide just cause eviction protections.** The City could pass protections that mandate that landlords provide tenants with a legally justifiable reason when asking tenants to vacate a property.
- **C3. Pass a notice of intent to sell ordinance.** This would require owners of multifamily buildings to notify tenants and local housing officials in advance of a sale. The ordinance could be written to apply to buildings with rents below certain income levels.
- **C4. Inform tenants when income-restricted housing becomes at risk of being converted to market-rate status.** Provide information on relocation options available.
- **C5. Provide need-based rehabilitation assistance** or connect residents to state resources. This assistance helps qualifying households (such as senior residents and those with disabilities or low incomes) get favorable financing terms or tax abatements for home repairs and upgrades.
- **C6. Provide information on Pierce County's property tax assistance program.** Residents who own their homes may struggle to afford property tax increases. Pierce County provides some exemptions for senior citizens and people with disabilities. The City could send mailers and/or provide information on the City website to connect residents to resources.

D. Revise policies and regulations to encourage the production of middle housing.

Strategies A1 -A5, B1, and B7-15 also encourage the production of middle housing generally, which can provide more housing options for current and future residents.

Milton

Exhibit 24. Milton Zoning Map (Updated June 30, 2021)

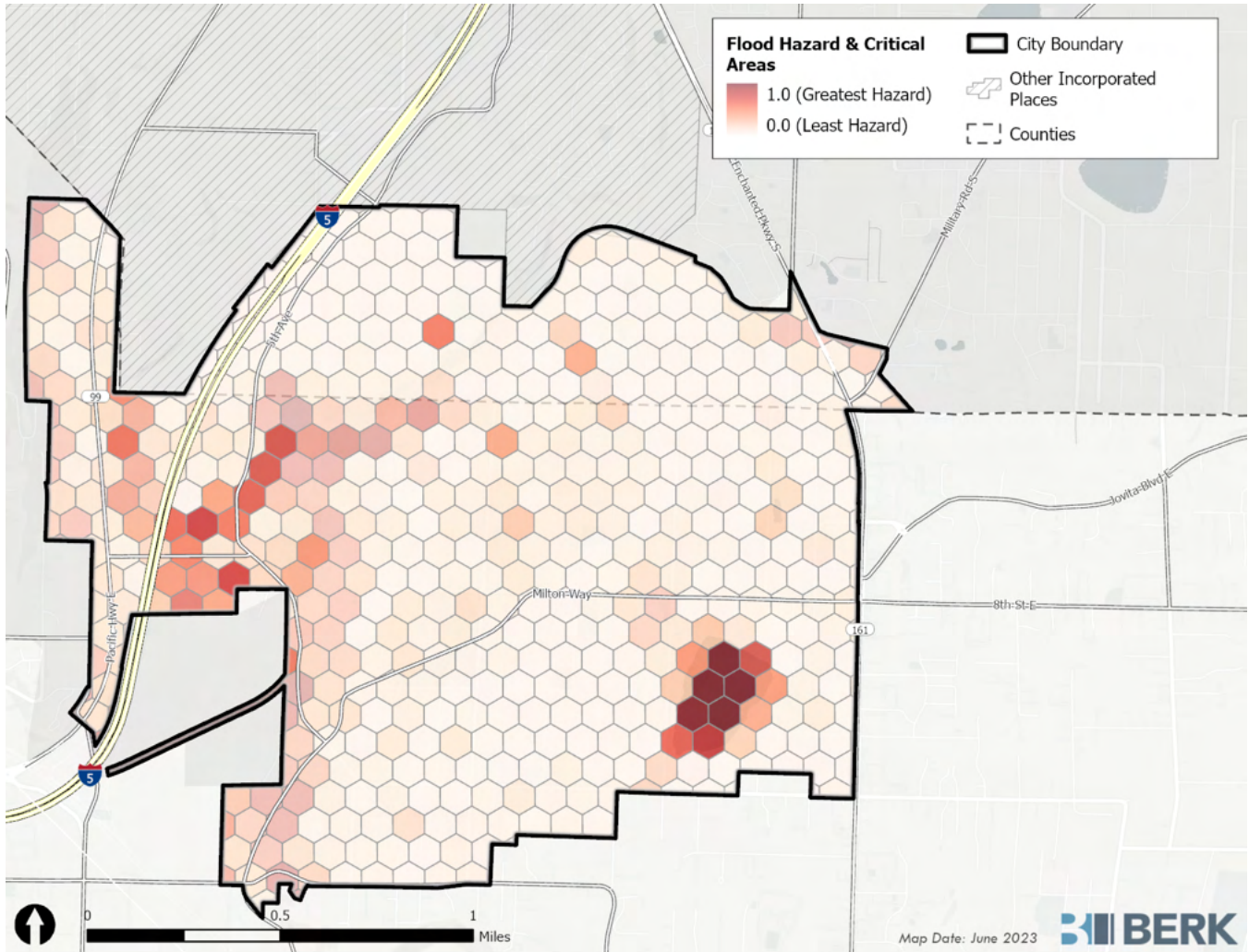


Suitability Assessment

Site Suitability

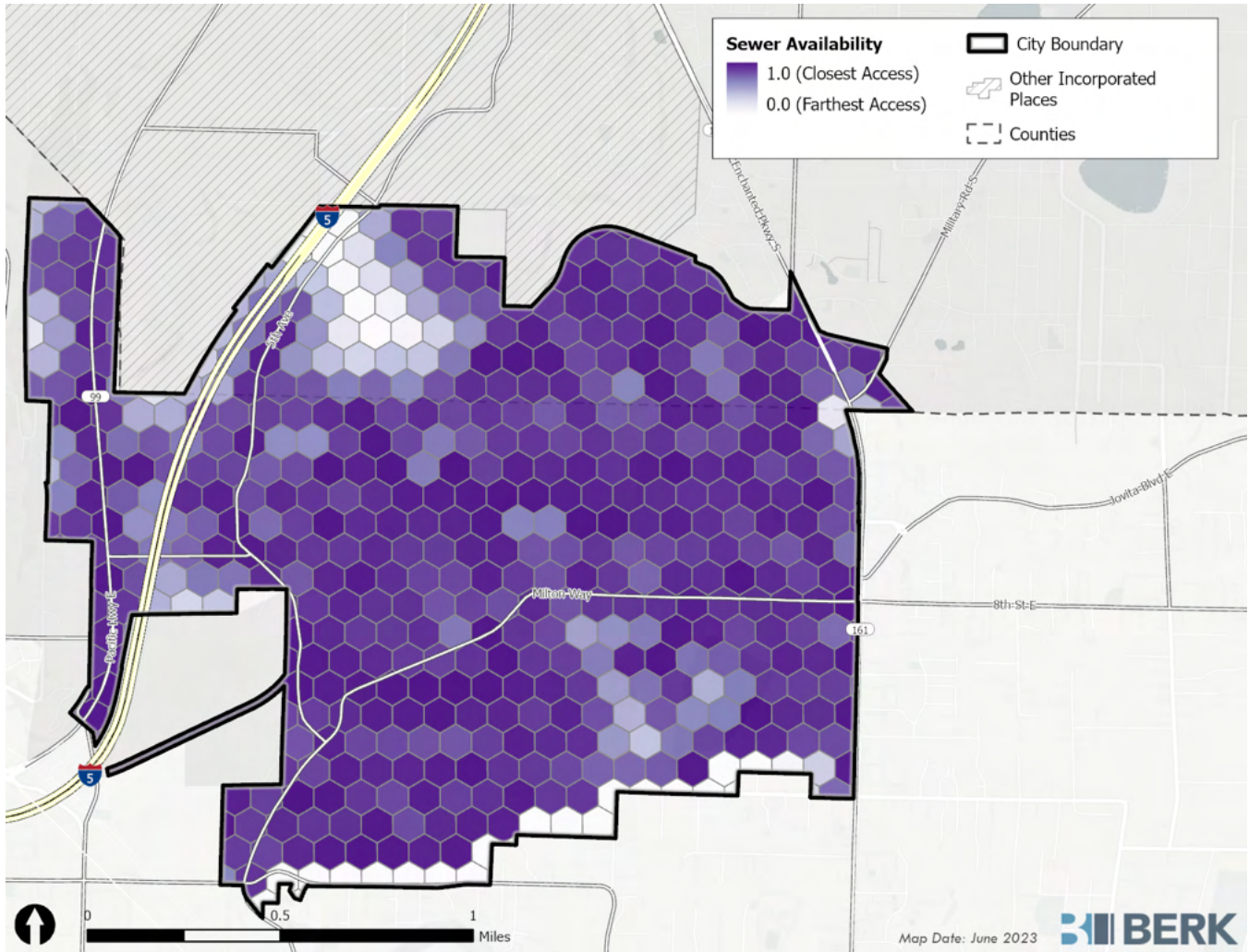
The following maps illustrate several major components of the Site Suitability Index for the City of Milton, as well as the combined Suitability Index. Environmental hazards and critical areas in the city are limited, consisting primarily of Surprise Lake and a series of wetland areas along Hylebos Creek. Sewer infrastructure is extensively available in Milton, and transit service is available in three primary corridors: SR 99, SR 161, and Milton Way. The most frequent transit service is concentrated in eastern Milton near the town center.

Exhibit 25: Milton Site Suitability – Environmental Hazards



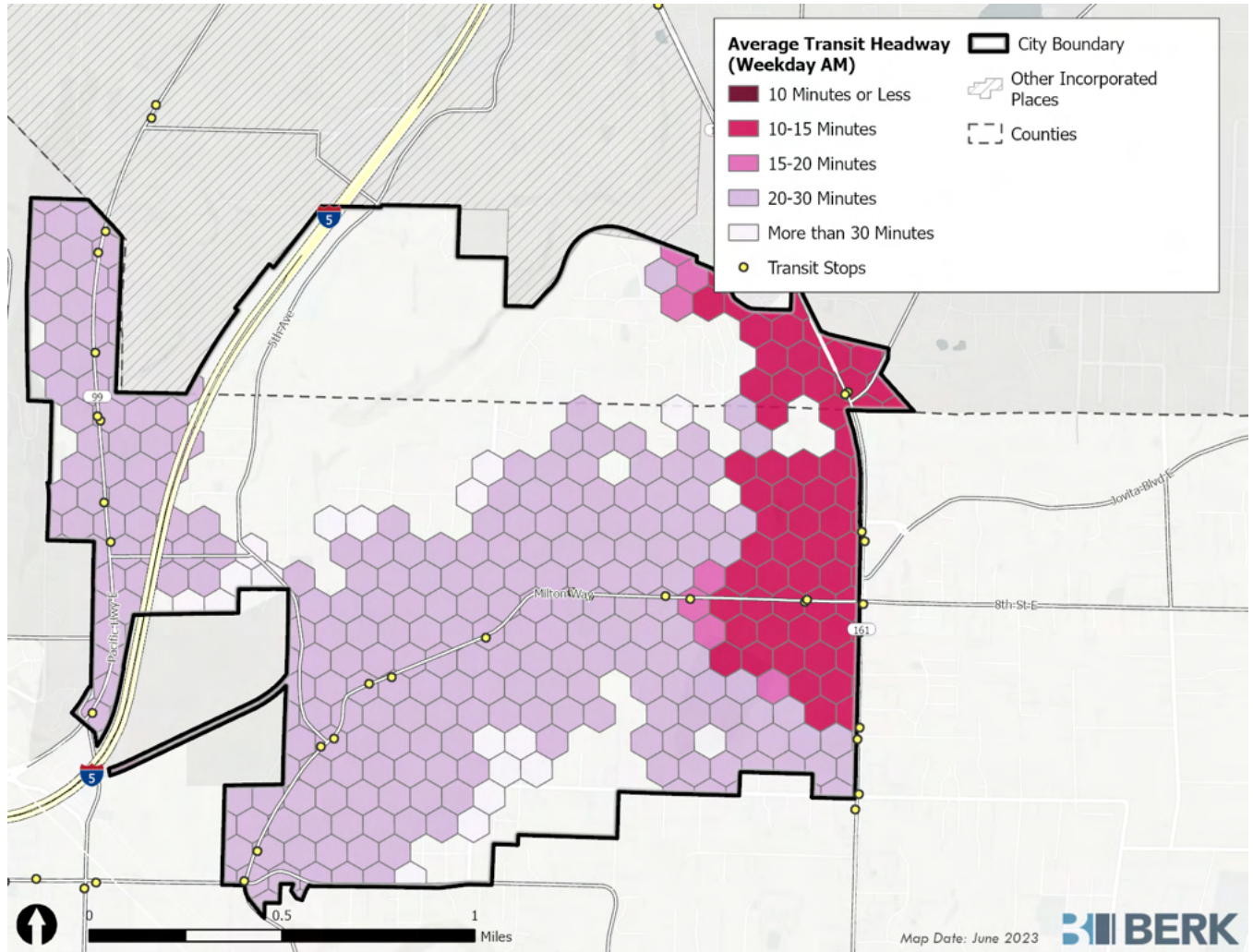
Sources: City of Milton, Pierce County, Washington Department of Natural Resources, BERK (2022-23).

Exhibit 26: Milton Site Suitability – Wastewater Infrastructure Availability



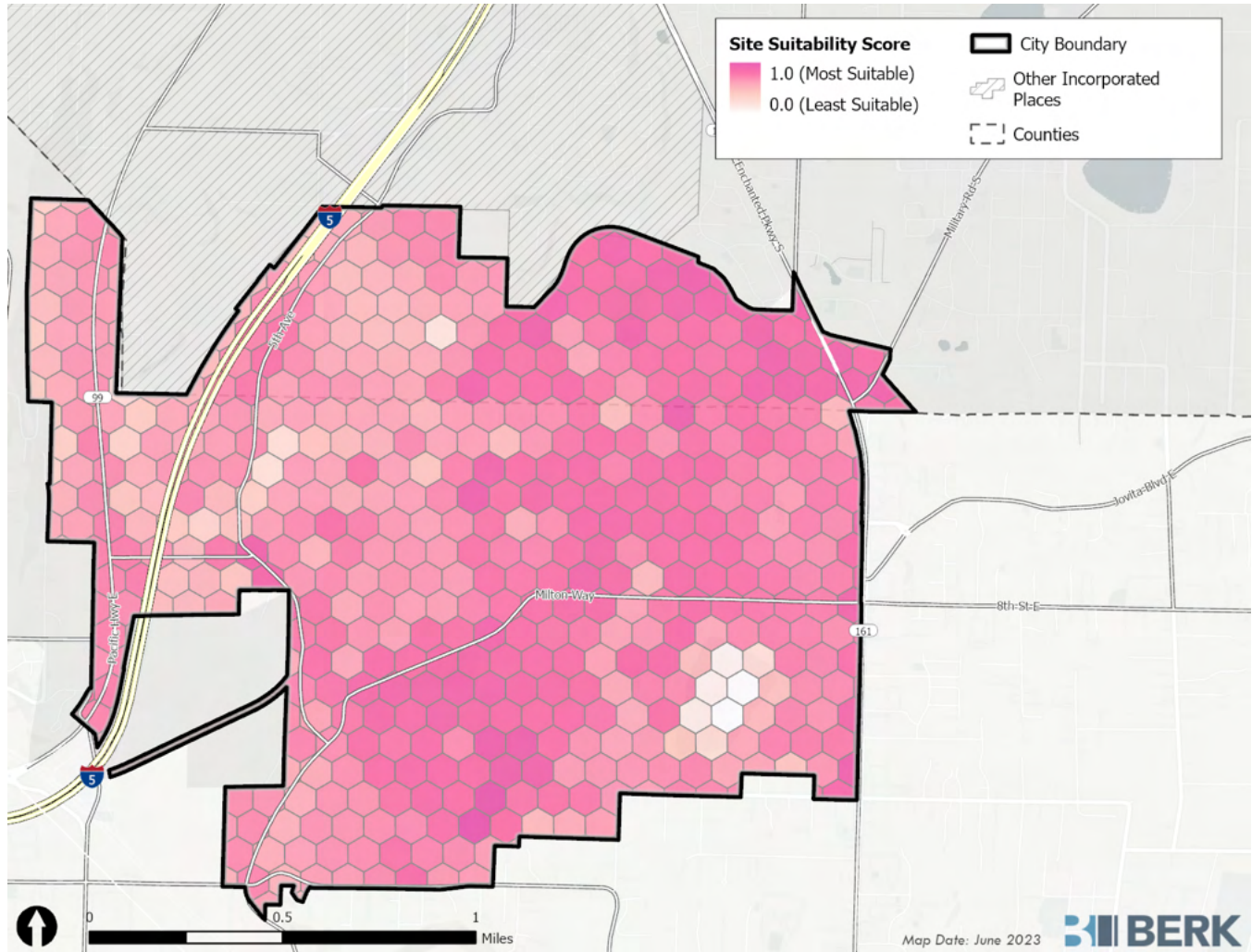
Sources: City of Milton, Pierce County, BERK (2022-23).

Exhibit 27: Milton Site Suitability – Transit Service Availability



Sources: City of Milton, Pierce County, MobilityData, BERK (2022-23).

Exhibit 28: Milton Site Suitability Index



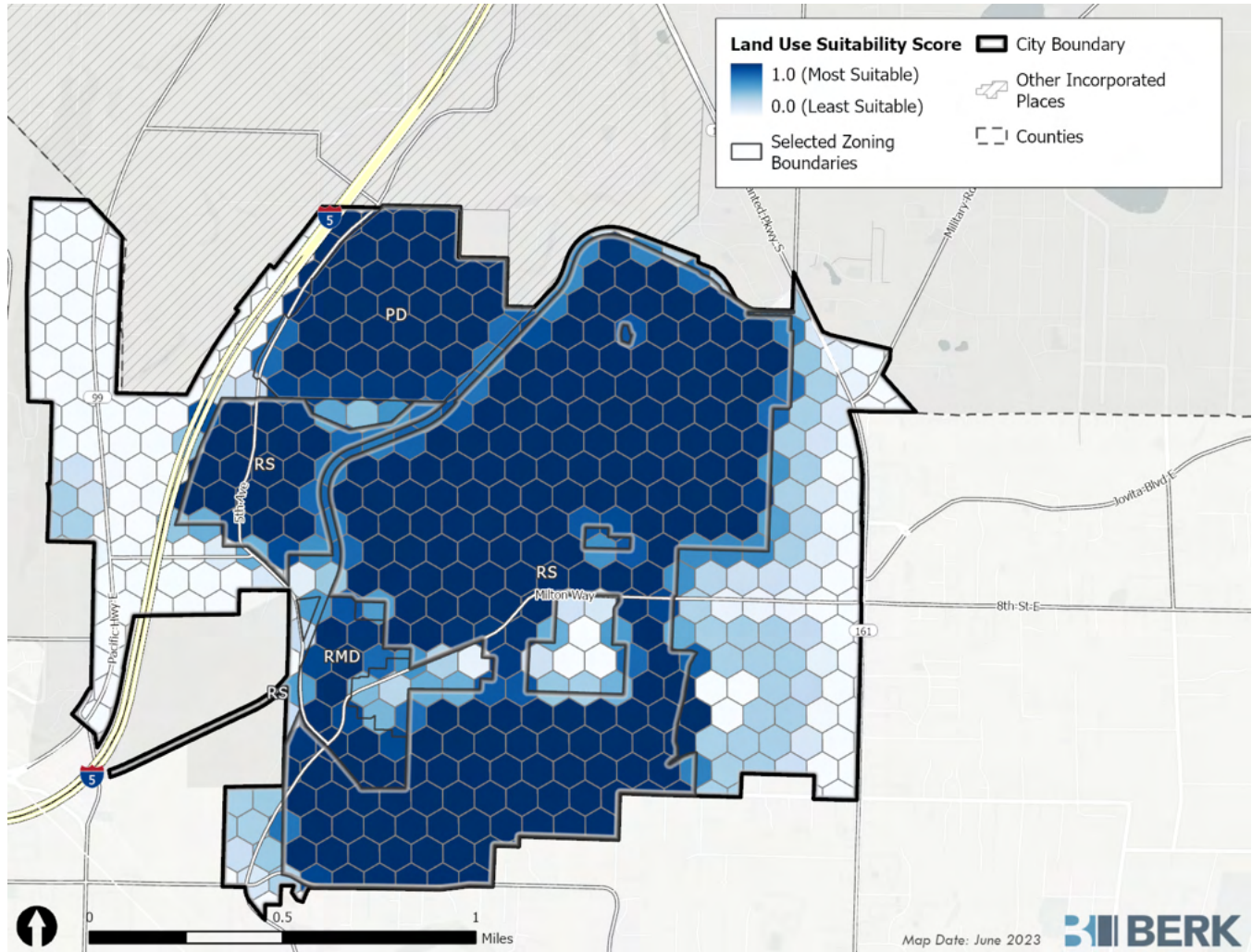
Source: BERK (2023)

Land Use Suitability

As shown in **Exhibit 29**, the areas with the highest land use suitability are concentrated in the central portions of Milton. The western and eastern edges of the community are zoned for commercial, mixed-use, and higher-density residential uses. Zoning in the interior consists mostly of the Residential Single Family (RS) and Residential Moderate-Density (RMD) zones, as well as the Planned Development (PD) zone to the north. All three of these zones allow middle housing, but each faces significant challenges.

- The PD zone allows all types of middle housing, but a master plan is required, making this zone most suitable for large-scale phased development projects.
- The RMD zone allows duplexes by right, but all other middle housing types require a conditional use permit.
- The RS zone allows duplexes, but all other middle housing types are prohibited.

Exhibit 29: Milton Land Use Suitability Index



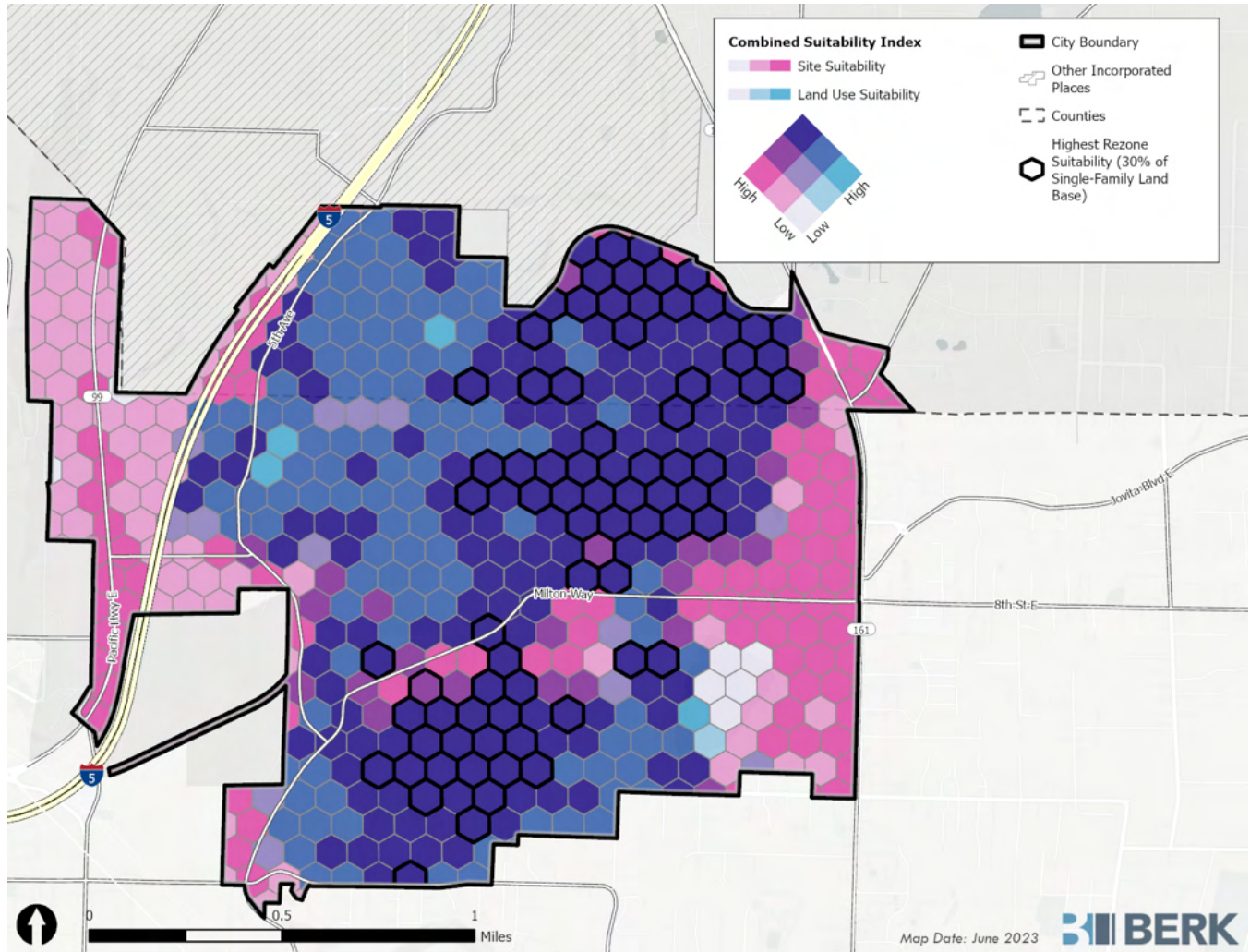
Sources: City of Milton, BERK (2023)

Middle Housing Study Key Findings

Exhibit 30 shows the combined Suitability Assessment Index for the City of Milton and highlights areas currently zoned for single-family housing that attained the highest suitability scores. These highlighted areas encompass approximately 30% of the city's single-family land base. Key findings of the assessment include:

- Areas of the highest combined site and land use suitability are in the RS zone to the northwest of the town center and south of Milton Way, indicating opportunities to rezone or amend development regulations to promote middle housing.
- Because the RS and RMD zones both apply significant restrictions on the development of middle housing types, development regulation amendments combined with rezones may be more effective than rezoning alone. Potential changes could include the removal of conditional use requirements for middle housing types in the RMD zone.

Exhibit 30: Milton Combined Suitability Assessment



Source: BERK (2023)

Additional findings from the Racial Equity Analysis and Policy Review include:

- Milton has observed **disparities in homeownership** between Hispanic or Latino households and White alone, not Hispanic or Latino households.
- Milton has **observed high displacement risk** in the northwest corner of the city (Census tract 94003).
- Milton has observed **high rates of housing cost burden** for residents citywide.
- Current housing element policies do not explicitly address observed racially disparate impacts. **Revised policies should be strengthened** to better address racially disparate impacts and support the development of a broader range of housing types at different price points, including middle housing forms.
- **Current housing element policies include unclear or subjective terms**, such as “neighborhood cohesiveness,” “appropriate,” “character,” and “quality,” **and outdated terms**, such as “blight.” Policy revisions should clarify the policy intent to ensure the policies do not create disparate impacts.

- Current housing element policies **prioritize preserving some neighborhoods and housing types**, namely “single-family neighborhoods” and “small town character.” Prioritizing the housing type and locations associated with areas that White residents primarily inhabit without similar celebration and protection of neighborhoods with greater representation of people of color may have exclusionary impacts.
 - Some **development regulations espouse a logic that single-family homes are degraded by proximity to other housing types**. For example, regulations that require conditional use permits for some housing types in some zones and a larger minimum lot size for duplexes than single-family homes can create exclusionary impacts for new housing which creates exclusionary impacts.
 - Cities are now required to plan for **housing that serves all economic segments**, which will include a greater variety of forms than currently exists in Milton. Policy language should be updated to clarify this obligation and intent of the city’s zoning and regulations.
- Current design and review **regulations may be overly restricting the development of housing** in general, and middle housing in particular. Development regulations—including conditional use permits for some housing types in some zones, larger minimum lot sizes for duplexes, minimum guest parking requirements, and ADU height limits—should be reviewed for their impacts on development feasibility and updated to meet competing policy objectives.
- Broad developer input about barriers to housing development in the region (not specific to one of the five cities) included: challenges with restrictive **tree regulations, height limits, FAR regulations** in addition to setbacks and height limits, overly prescriptive **design standards, SEPA requirements, expensive frontage improvements** without fee-in-lieu option, **lack of sewer infrastructure**, and **short plat regulations** with a unit maximum lower than nine. Some of these barriers are likely to be relevant in Milton.
- **New changes** to the Growth Management require cities of a certain size and location to allow multiple dwelling units per lot in a middle housing type of form. Under these new requirements, Milton is a “tier three” city and must allow two develop units per lot on all lots zoned predominately residential unless zoning permits higher densities.⁵

Recommended Strategies

A. 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.

Using language that accurately describes the policy intent and is respectful of all community members helps ensure that policy implementation is aligned to its intent. Subjective terms create confusion for interpretation and implementation and can undermine the public’s faith in government and introduce uncertainty that creates barriers to development. In addition, historically subjective and normative terms

⁵ Washington Department of Commerce (2023). [E2SHB 110 Middle Housing Fact Sheet](#).

such as “quality” have been used across the United States to prevent housing development associated with people of color and contributes to segregation and exclusion that has multigenerational impacts.

In Washington, the comprehensive plan of every city and county must be internally consistent (RCW 36.70A.070) and aligned to the goals of the Growth Management Act, including encouraging the availability of housing affordable to all economic segments of the population, promoting a variety of residential densities and housing types, and encouraging the preservation of the existing housing stock. Since Milton’s last major comprehensive plan update, there have been updates to state laws and multi-county planning policies that will require updates to the city’s existing policy language. A careful review and advancement of existing policy language will be necessary to ensure policies meet Milton’s obligations under the Growth Management Act and reflect the community’s intentions. Implementation strategies include:

- **A1. Define subjective terms** such as “appropriate,” “neighborhood cohesiveness,” “character,” and “quality” in the housing policies or use alternative language that is specific and accurate to the policy intent. **Remove outdated language** such as “blighted,” which is associated with historic harm to communities of color. Alternative terminology could include “structures in disrepair” or “structures with deferred maintenance.”
- **A2. Remove policy language** such as “protect existing single-family neighborhoods,” as it is exclusionary of other housing types and the people who live in them. Language that focuses on encouraging certain colors, textures, or architectural features, as opposed to scale or character, could help Milton communicate a desired aesthetic without being exclusionary of middle and larger-scale multifamily housing.
- **A3. Improve policy language** to align with countywide planning policies and state law regarding accommodating housing that meets all economic segments. For example, policy language such as “maintain the City’s small-town character” needs to be balanced with the need to meet the needs of current and future residents. The City can honor its valued small-town history in ways that also allow it to adapt to changing community needs. This could be through efforts such as encouraging certain architectural features, adaptive reuse, placemaking, and public art.
- **A4. Avoid the use of “single-family” to describe anything other than a single-family housing unit.** Existing neighborhoods likely have grandfathered mother-in-law units or older attached housing: calling these “single-family” creates confusion amongst the public. Recent changes in state law also prohibit the exclusion of accessory dwelling units and middle housing types in some neighborhoods, making the phrase “single-family neighborhoods” inaccurate and outdated. In these cases, more inclusive descriptors such as “low density housing” or “house-scale development” more accurately describe the intended land use and scale of development and do not stigmatize housing types other than single-family.
- **A5. Balance policies** encouraging the preservation of existing affordable units with language encouraging infill and new development to meet housing needs. Preservation of existing units prefers single-family types by default. Preservation policies are still important but could be balanced by adding language that also supports higher-density development to help meet the needs of all economic segments in the community and address racially disparate impacts.

- **A6. Add language about planning for all income bands**, per HB1220 requirements, to the Housing Element. Goal 1, for example, could be revised to include this language.

B. Add policies to address racial disparities in homeownership.

The Racial Equity Analysis identifies a disparate impact in homeownership amongst Hispanic or Latino households compared to White households. [VISION 2050](#) calls for jurisdictions to support and encourage homeownership opportunities for low-income and middle-income families and individuals while recognizing historical inequities in access to homeownership opportunities for communities of color (Policy AH-7). Milton’s existing Comprehensive Plan does not include policies addressing racially disparate homeownership impacts. Implementation strategies could include:

Homeownership assistance programs

- **B1. Conduct additional community engagement with communities of color, particularly the Hispanic or Latino community** to reveal specific barriers to homeownership experienced by this group. Policy and strategy updates should prioritize the needs and solutions expressed by this disproportionately impacted community for implementation.
- **B2. Without affordable home rentals, it is difficult for households to save for a down payment for housing. Down payment or assistance programs** can address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with homeownership education courses to encourage financial preparedness for participants.”
- **B3. Develop homeownership education programs** or connect residents to existing programs elsewhere. The City could address disparities in homeownership by developing a city program and/or by partnering with community organizations to connect residents to homeownership information and support, providing translation and interpretation support, allowing the use of city meeting rooms for education, or engaging in outreach and engagement efforts at city-sponsored events.

Homeownership housing production strategies

- **B4. Relax development regulations and/or waive fees** to incentivize affordable housing development.
- **B5. Dedicate surplus or underutilized land** for affordable housing production.
- **B6. Implement an inclusionary zoning (IZ) ordinance** to require new subdivision plats over a designated number of units to include income-qualified affordable homeownership housing.
- **B7. Review and revise SEPA threshold exemptions.** Milton could reduce housing production costs by taking advantage of flexible thresholds for categorical exemptions beyond what is already in the code.
- **B8. Expand the number of lots that can be administratively approved** in a new short subdivision to encourage a greater number of units per acre within the urban growth area. Per the GMA, the City can increase to a maximum of nine lots per short subdivision.

- **B9. Review impact fees** for potential flexibility and/or waive fees for some housing types. Affordable housing development, for example, could be made exempt from some fees.
- **B10. Support middle housing by connecting property owners with lenders and stock designs.** The City could provide a fact sheet or webpage with resources on lending and designs aimed at homeowners who may wish to develop ADUs or convert existing homes to duplexes or triplexes.
- **B11. Consider removing the conditional use permit requirement** for multifamily dwellings and apartments in the Residential Moderate Density Zone. Conditional use permitting adds time and expense to projects.
- **B12. Consider revising minimum lot size requirements.** Multi-unit buildings, including middle housing, would be more feasible if there were one minimum lot size in each zone instead of larger minimums for multiple units. Multi-unit buildings would still have to meet other development regulations, giving them the same overall buildable envelope as a single-family house on the same lot.
- **B13. Consider removing guest parking requirements for two-family and multifamily dwellings.** This regulation burdens middle housing and multifamily development with added cost.
- **B14. Consider raising the height limit for ADUs.** A 15-foot height limit could be restrictive in some cases: peer cities often require ADUs to be no taller than the primary structure. New state law prohibits ADU height limits below 24 feet.
- **B15. Review frontage improvement requirements** for potential flexibility. For smaller developments, these requirements can be prohibitively expensive. If not already available, consider adding a fee-in-lieu option.
- **B16. Review height limits** in each zone for potential flexibility. In the region more generally, developers mentioned height limits as a barrier to developing some housing types, including middle housing.

C. Add policies to address high displacement risk.

- **C1. Require tenant relocation assistance.** The City could pass an ordinance that requires developers, public funds, or a combination of both to provide relocation funds for households displaced by new development. This could be limited to tenants earning below a certain income level.
- **C2. Provide just cause eviction protections.** The City could pass protections that mandate that landlords provide tenants with a legally justifiable reason when asking tenants to vacate a property.
- **C3. Pass a notice of intent to sell ordinance.** This would require owners of multifamily buildings to notify tenants and local housing officials in advance of a sale. The ordinance could be written to apply to buildings with rents below certain income levels.
- **C4. Inform tenants when income-restricted housing becomes at risk of being converted to market-rate status.** Provide information on relocation options available.

- **C5. Provide need-based rehabilitation assistance** or connect residents to state resources. This assistance helps qualifying households (such as senior residents and those with disabilities or low incomes) get favorable financing terms or tax abatements for home repairs and upgrades.
- **C6. Provide information on Pierce County’s property tax assistance program.** Residents who own their homes may be struggling to afford property tax increases. Pierce County provides some exemptions for senior citizens and people with disabilities. The City could send mailers and/or provide information on the City website to connect residents to resources.
- **C7. Require mobile home park relocation assistance and add policy language to preserve mobile home parks.** The City could require an evaluation and mitigation of displacement impacts, including relocation assistance, for any proposals to redevelop a mobile home park.

D. Revise policies and regulations to address the high housing cost burden.

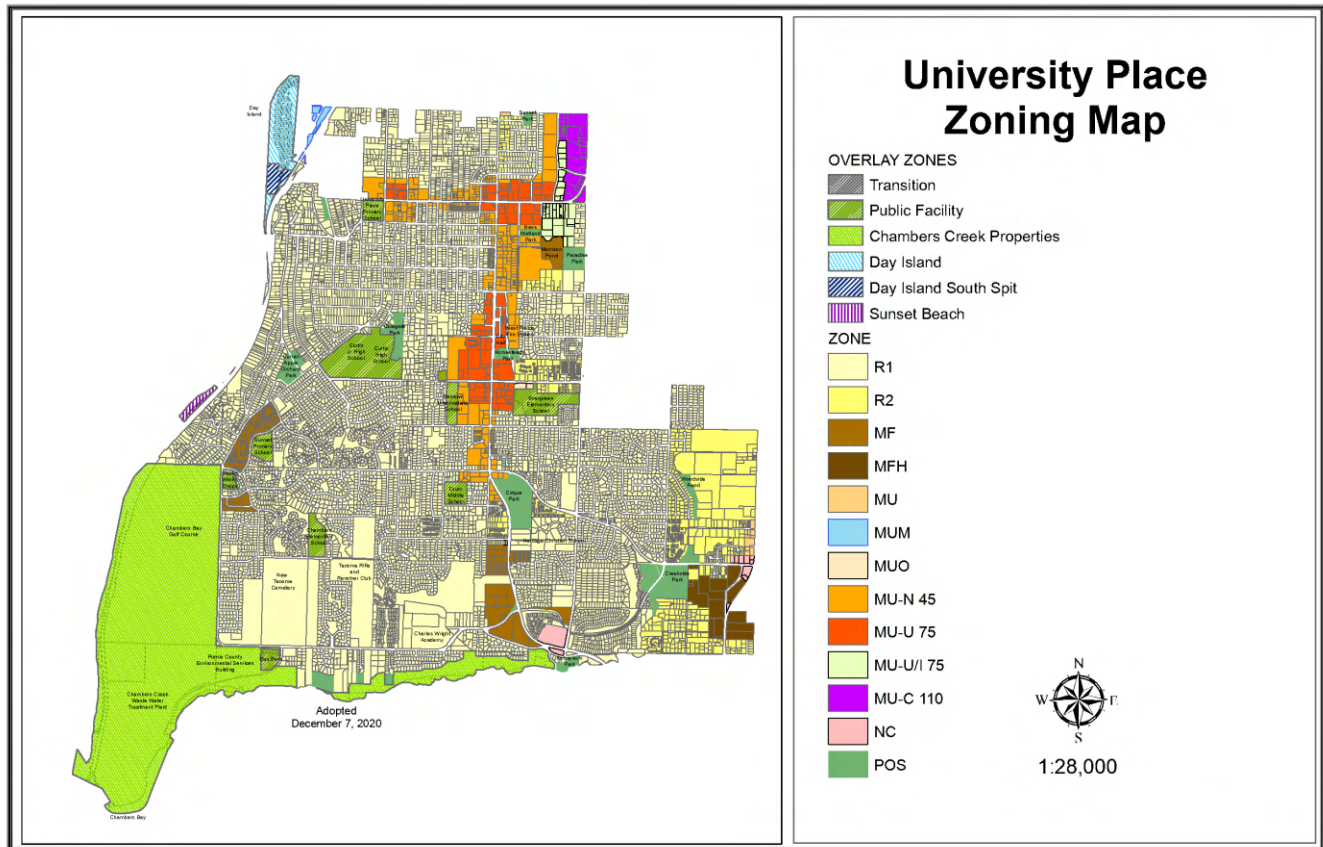
Strategies A1-A6, B1, B4-B14, C5, and C6 above can also help to address the high housing cost burden.

E. Revise policies and regulations to encourage the production of middle housing.

The above strategies A1-A6, B1, and B9-B16 also support the production of middle housing generally, which can provide more housing options for current and future residents.

University Place

Exhibit 31: University Place Zoning Map



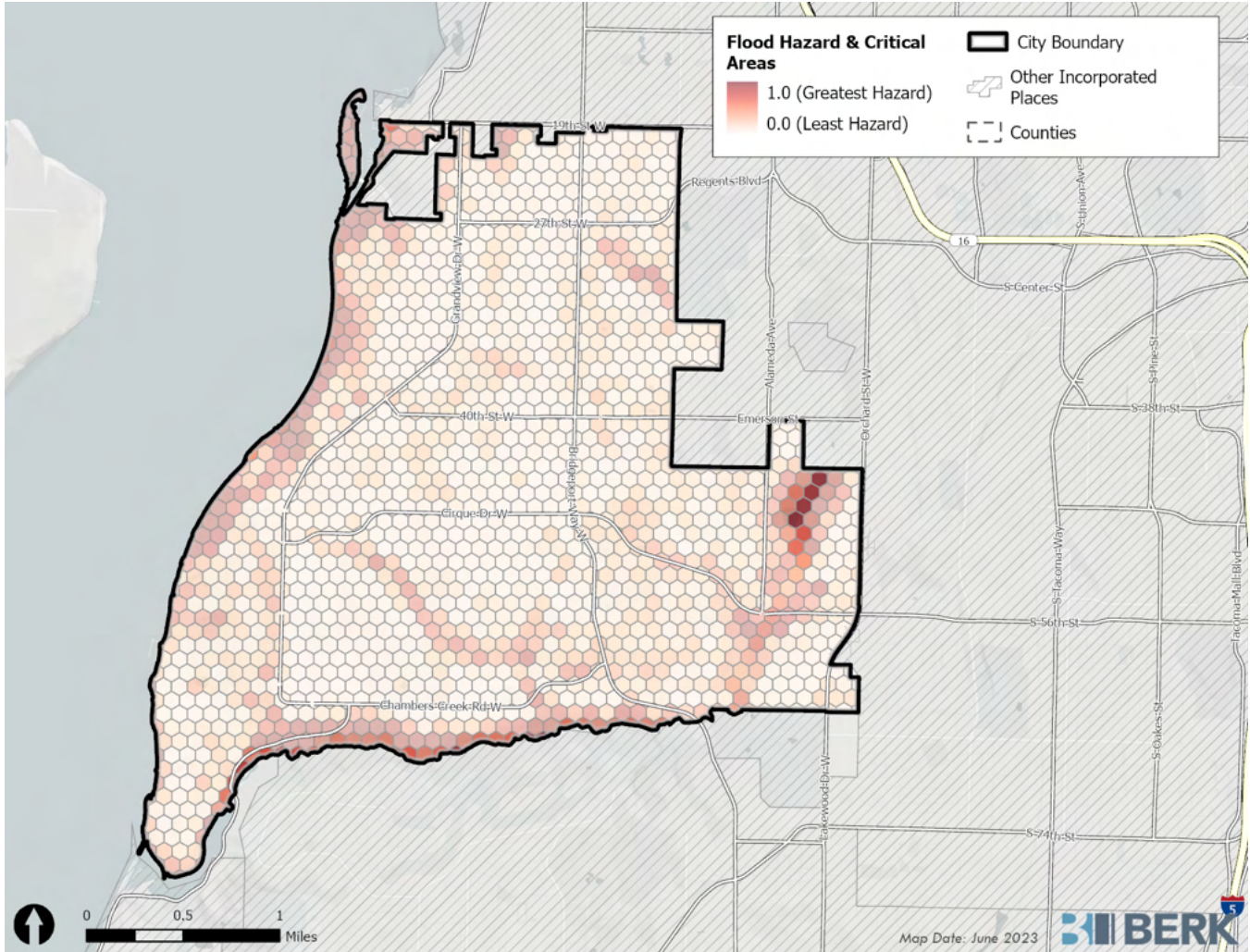
Suitability Assessment

Site Suitability

The following maps illustrate several major components of the Site Suitability Index for the City of University Place, as well as the combined Suitability Index. Overall, site suitability is high across most of the community (see **Exhibit 35**). Areas of environmental hazards are concentrated on the periphery of the city, including steeply sloped areas along the western shoreline and steep slopes, wetlands, and flood hazard areas along Chambers Creek in the south. A large wetland complex also exists in the southeastern corner of the city along Leach Creek.

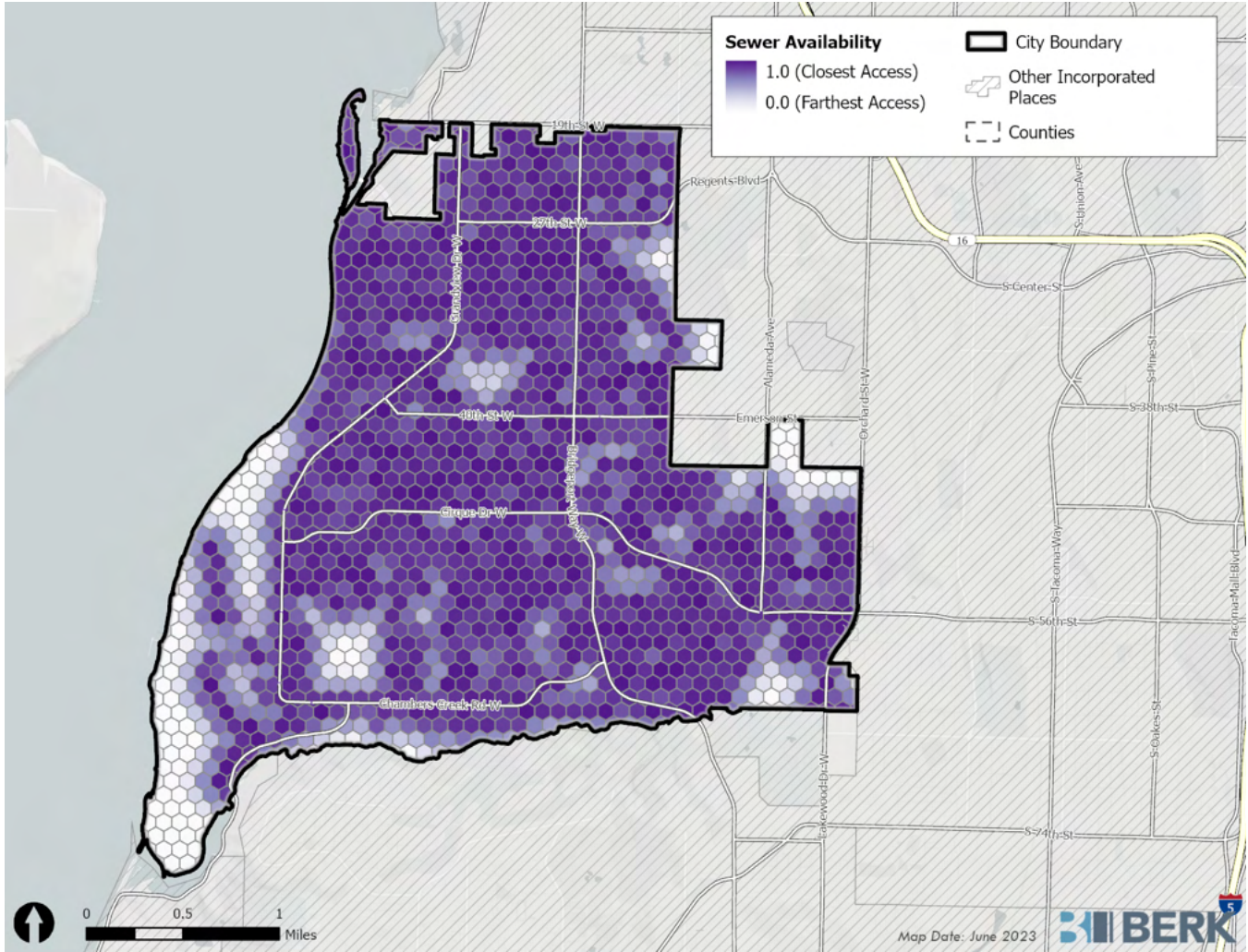
Sewer infrastructure is available in most of the city, though anecdotal evidence from City staff indicates that connection challenges exist, and there are several isolated pockets without sewer main access. Transit access is generally available only in the eastern half of the city, but service in these areas is relatively frequent, with weekday morning headways under 10 minutes along portions of Bridgeport Way.

Exhibit 32: University Place Site Suitability – Environmental Hazards



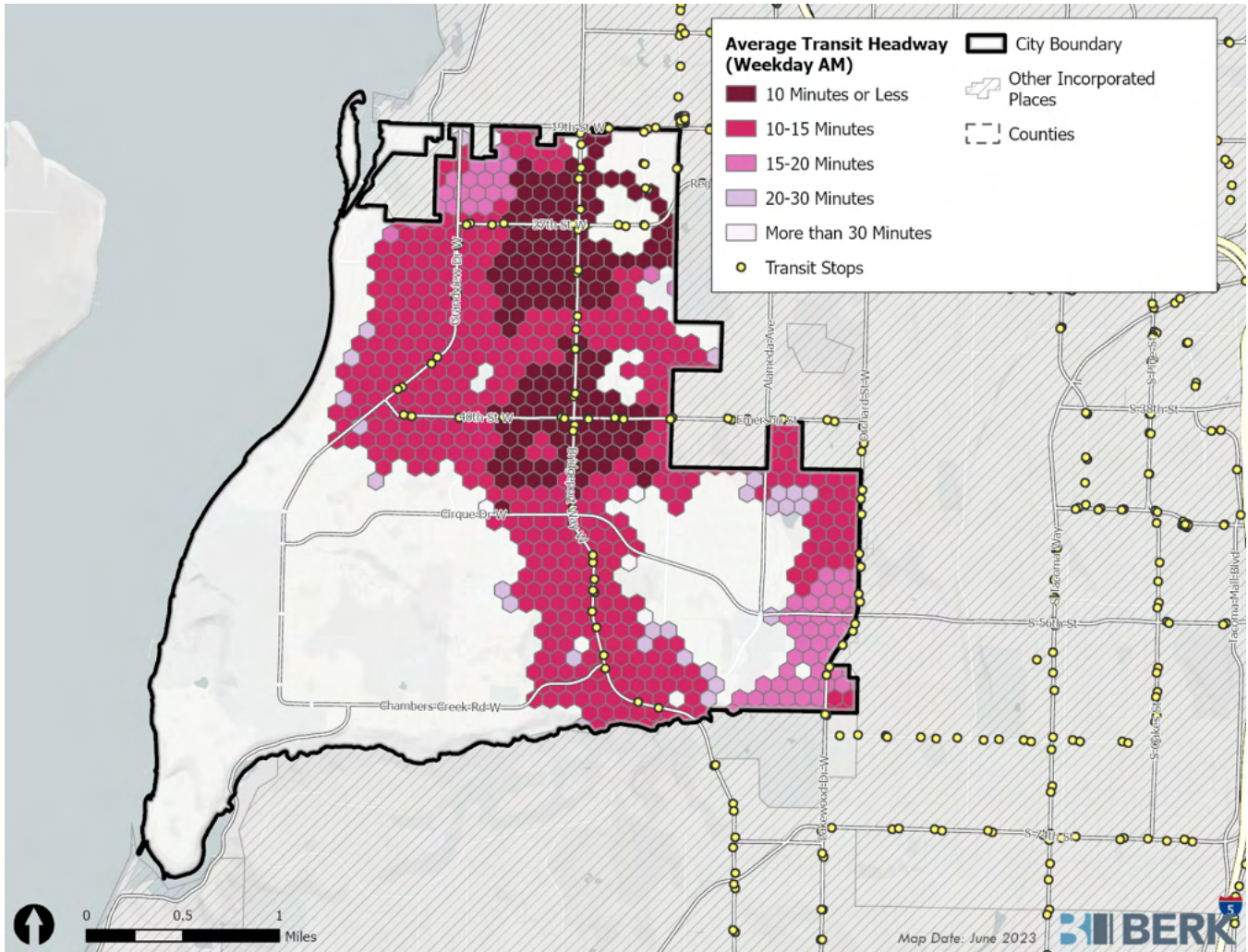
Sources: City of University Place, Pierce County, Washington Department of Natural Resources, BERK (2022-23).

Exhibit 33: University Place Site Suitability – Wastewater Infrastructure Availability



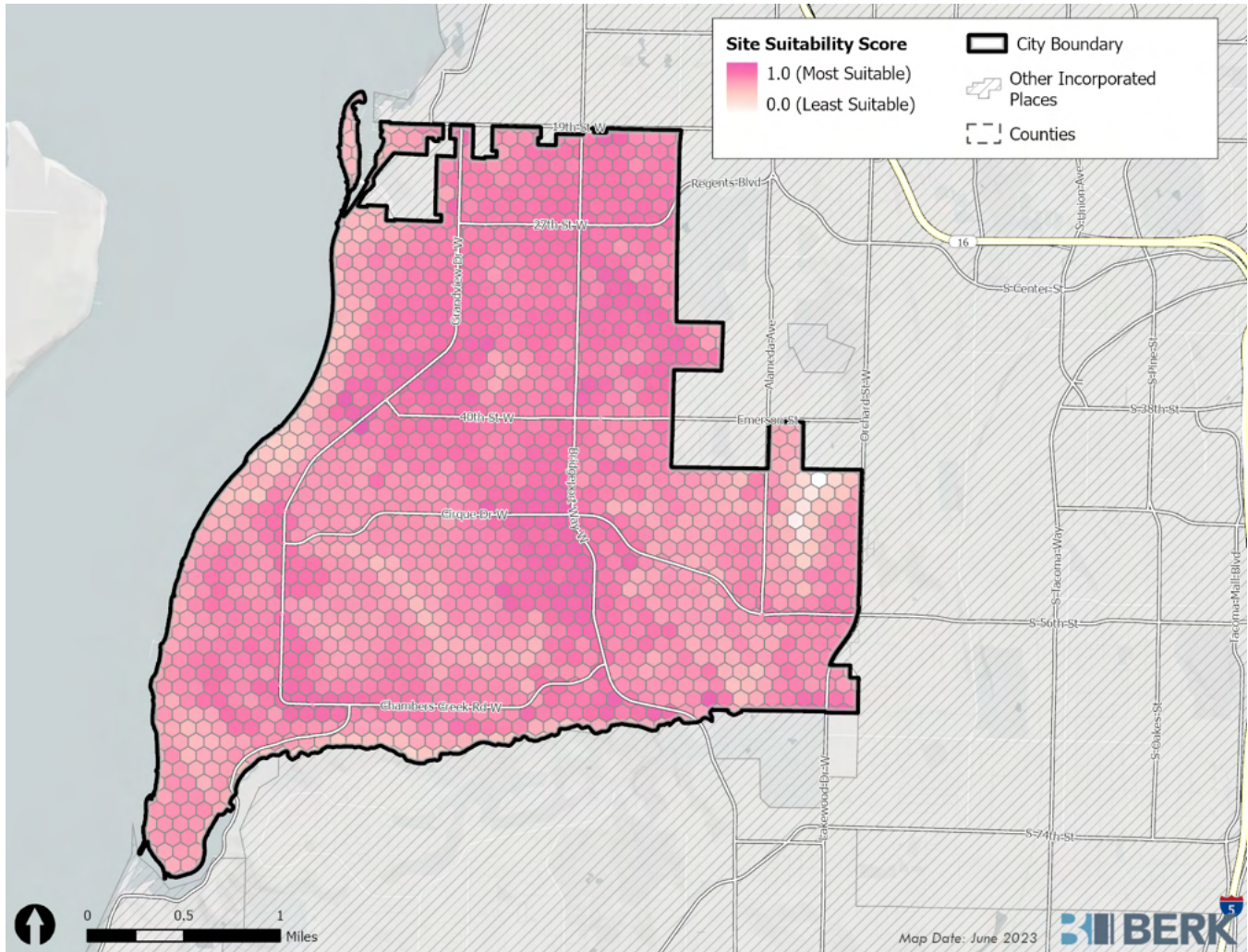
Sources: City of University Place, Pierce County, BERK (2022-23).

Exhibit 34: University Place Site Suitability – Transit Service Availability



Sources: City of University Place, Pierce County, MobilityData, BERK (2022-23).

Exhibit 35: University Place Site Suitability Index



Source: BERK (2023)

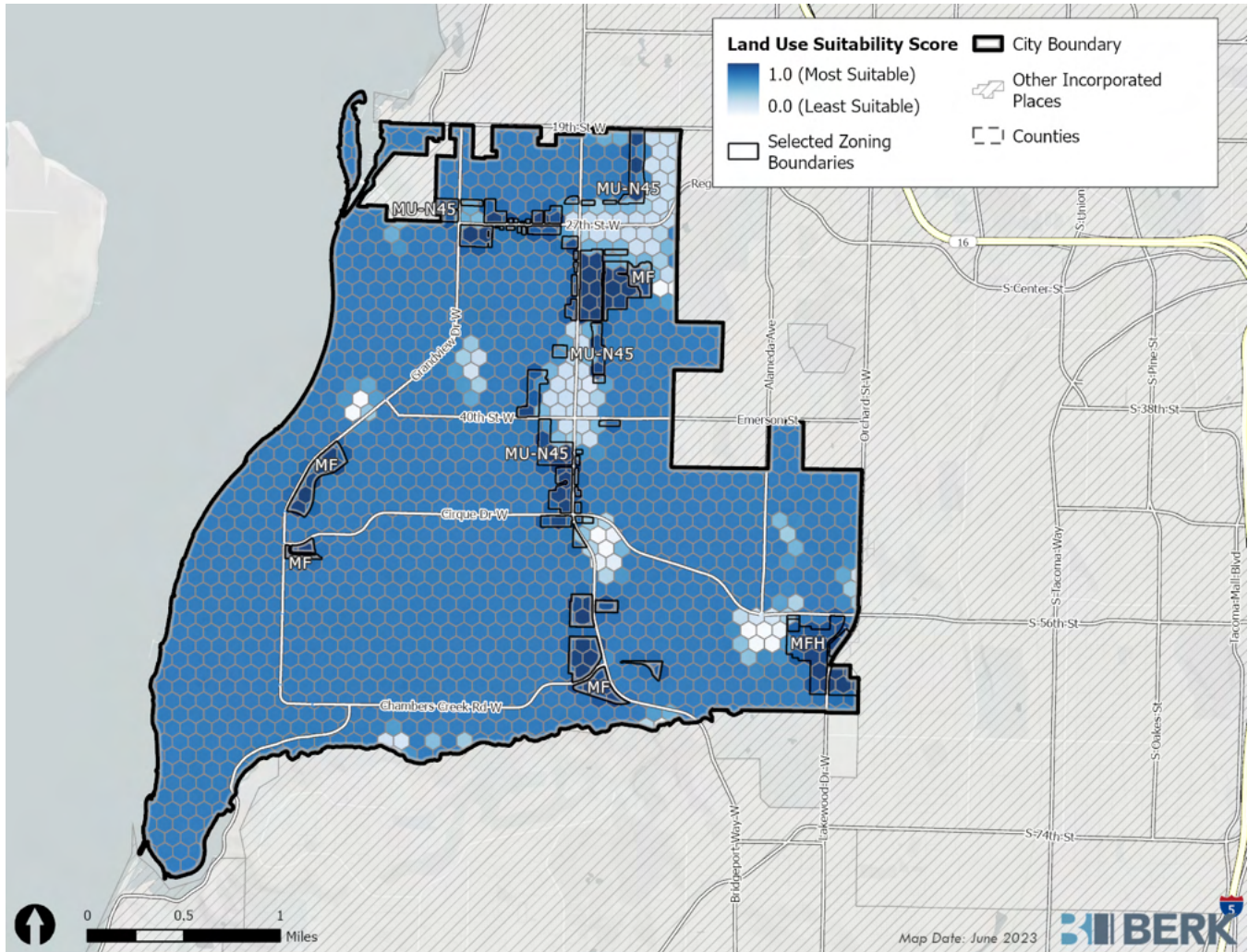
Land Use Suitability

Zoning in University Place primarily allows middle housing types in mixed-use and multifamily zones, though most are primarily intended for higher-density multifamily housing mixed with commercial development. The exception is the Mixed Use-Neighborhood (MU-N45) zone, which promotes smaller-scale development. However, because multifamily housing is also allowed, middle housing is most likely to be developed on smaller lots, where there is not enough space for larger multifamily projects.

The Multifamily Low (MF) and Multifamily High (MFH) zones allow the full range of middle housing types. Like the MU-N45 zone, higher-density multifamily uses are allowed, so the development of middle housing in these areas will depend on site-level conditions.

Lower-density residential zones (R1 and R2), which cover most of the city, currently allow duplexes but not other middle housing types. Both zones allow small lot housing, which provides a moderate increase in density and is subject to design review.

Exhibit 36: University Place Land Use Suitability Index



Sources: City of University Place, BERK (2023)

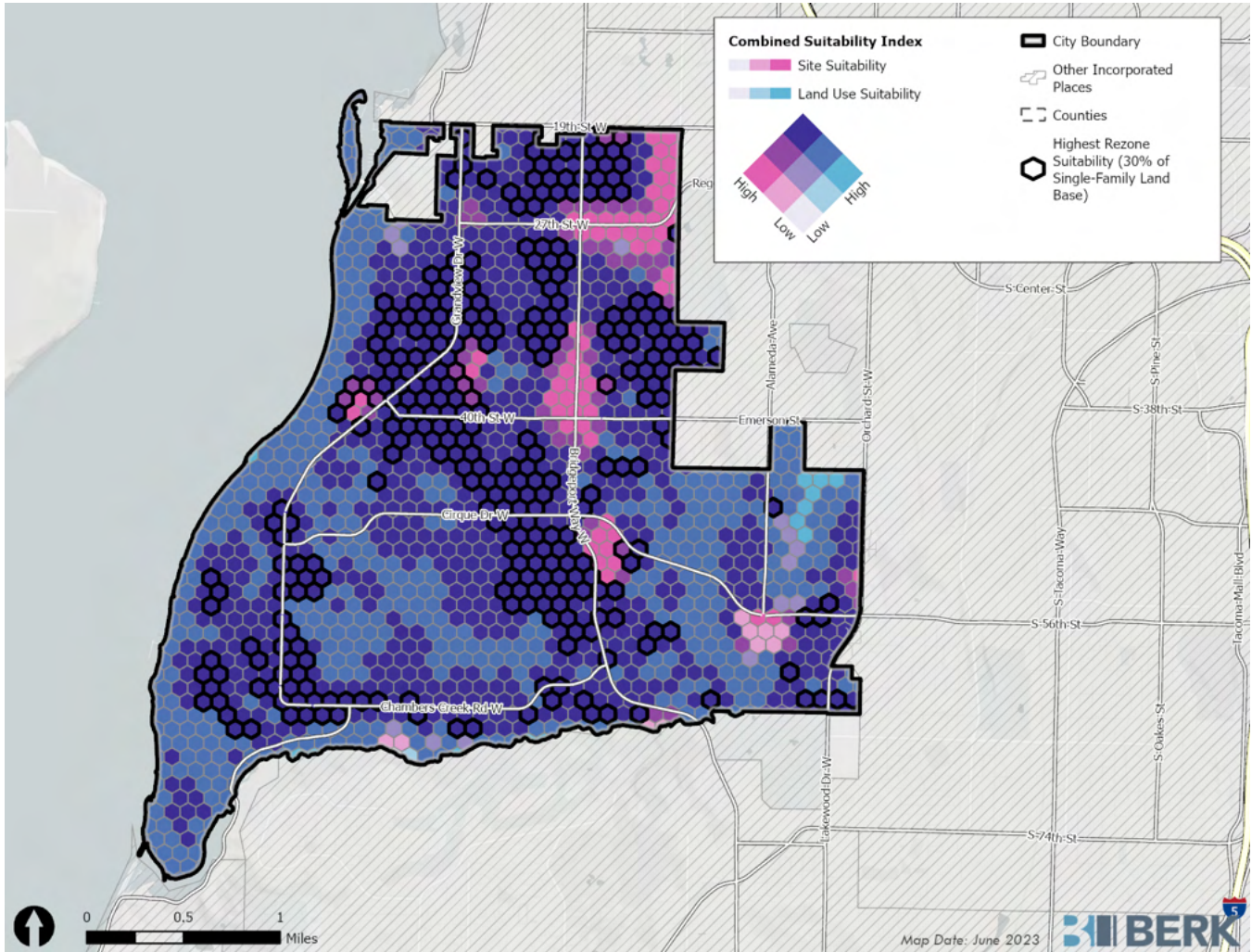
Middle Housing Study Key Findings

Exhibit 37 shows the combined Suitability Assessment Index for the City of University Place and highlights areas currently zoned for single-family housing with the highest site suitability scores. These highlighted areas encompass approximately 30% of the city's single-family land base. Key findings of the assessment include:

- Areas of high combined site and land use suitability are concentrated in the northern and central areas of the city, near major roadways where transit service and sewer infrastructure are most readily available.
- Areas already zoned to allow middle housing types cover a relatively small portion of the city; expanding support for middle housing is likely to require some or all the following types of zoning changes:
 - Rezoning of R1 and/or R2 areas adjacent to mixed-use/multifamily areas to higher density zones (MF or MFH).

- Rezoning of R1 properties in areas of high site suitability to R2 (or higher).
- Amendments to R1 and/or R2 development regulations to permit more middle housing types beyond duplexes.

Exhibit 37: University Place Combined Suitability Assessment



Source: BERK (2023)

Additional findings from the Racial Equity Analysis and Policy Review include:

- University Place has **observed disparities in homeownership rates** for Hispanic or Latino households and Black households compared to White households.
- **University Place also has observed high displacement risk** in some areas (Census tracts 72307, 72311, 72312).
- Current housing element policies do not explicitly address observed racially disparate impacts. **Revised policies should be strengthened** to better address racially disparate impacts and support the development of a broader range of housing types at different price points, including middle housing forms.

- Current housing element **policies include unclear or subjective terms** such as “stability,” “quality,” and “character.” Policy revisions should clarify the policy intent to ensure the policies do not create disparate impacts.
- Current housing element policies **prioritize preserving some neighborhood and housing types**, namely “single-family neighborhoods” and character. Prioritizing the housing type and locations associated with areas that White residents primarily inhabit without similar celebration and protection of neighborhoods with greater representation of people of color may have exclusionary impacts.
 - The current housing element **policies espouse a logic that single-family homes are degraded by proximity to other housing types**. For example, policies that only allow one entrance on a front façade, design review requirements for buildings with three or more units, and higher minimum lot sizes for duplexes create exclusionary impacts for new housing.
 - Cities are now required to plan for **housing that serves all economic segments**, which will include a greater variety of forms than currently exists in University Place. Policy language should be updated to clarify this obligation and intent of the city’s zoning and regulations.
- Current design and review **regulations may be overly restricting the development of housing** in general, and middle housing in particular. Development regulations—including design review for multifamily residential buildings and small lot developments, high minimum lot sizes for duplexes, ADU regulations (max square footage, height, and only one entrance on front façade), guest parking requirements for small lot development, and tree retention requirements—should be reviewed for their impacts on development feasibility and updated to meet competing policy objectives.
- Developer interviews reported particularly **high impact fees and overly prescriptive design standards** in University Place. The City should review these processes for potential improvements and evaluate the impact fee rate.
- Broad developer input about barriers to housing development in the region (not specific to one of the five cities) included: challenges with restrictive **tree regulations, height limits, FAR regulations** in addition to setbacks and height limits, overly prescriptive **design standards, SEPA requirements, expensive frontage improvements** without fee-in-lieu option, **lack of sewer infrastructure**, and **short plat regulations** with a unit maximum lower than nine. Some of these barriers are likely to be relevant in University Place.
- New changes to the Growth Management require cities of a certain size and location to allow multiple dwelling units per lot in a middle housing type of form. Under these new requirements, University Place is a “tier two” city and must allow two development units per lot on all lots zoned predominately residential unless zoning permits higher densities, four development units within ¼ mile walking distance of a major transit stop, and four development units on all predominantly residential lots if one is affordable.⁶

⁶ Washington Department of Commerce (2023). [E2SHB 110 Middle Housing Fact Sheet](#).

Recommended Strategies

A. 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.

Using language that accurately describes the policy intent and is respectful of all community members helps ensure that policy implementation is aligned to its intent. Subjective terms create confusion for interpretation and implementation and can undermine the public's faith in government and introduce uncertainty that creates barriers to development. In addition, historically subjective and normative terms such as "quality" have been used across the United States to prevent housing development associated with people of color and contributes to segregation and exclusion that has multigenerational impacts.

In Washington, the comprehensive plan of every city and county must be internally consistent (RCW 36.70A.070) and aligned to the goals of the Growth Management Act, including encouraging the availability of housing affordable to all economic segments of the population, promoting a variety of residential densities and housing types, and encouraging the preservation of the existing housing stock. Since University Place's last major comprehensive plan update, there have been updates to state laws and multi-county planning policies that will require updates to the city's existing policy language. A careful review and advancement of existing policy language will be necessary to ensure policies meet University Place's obligations under the Growth Management Act and reflect the community's intentions. Implementation strategies include:

- **A1. Define subjective terms** such as "stability," "quality," and "character" in the housing policies or use alternative language that is specific and accurate to the policy intent.
- **A2. Remove policy language** such as "preserve existing residential character," as it is exclusionary of housing types other than single-family units and the people who live in them.
- **A3. Avoid the use of "single-family" to describe anything other than a single-family housing unit.** Existing neighborhoods likely have grandfathered mother-in-law units or older attached housing: calling these "single-family" creates confusion amongst the public. Recent changes in state law also prohibit the exclusion of accessory dwelling units and middle housing types in some neighborhoods, making the phrase "single-family neighborhoods" inaccurate and outdated. In these cases, more inclusive descriptors such as "low density housing" or "house-scale development" more accurately describe the intended land use and scale of development and do not stigmatize housing types other than single-family.
- **A4. Ensure that policies supporting development in existing infrastructure areas do not artificially limit capacity.** Adding a policy to expand infrastructure through strategic investments and collaboration with developers to accommodate housing targets could help balance existing policies.
- **A5. Balance policies encouraging the preservation of existing affordable units** with language encouraging infill and new development to meet housing needs. Preservation of existing units prefers single-family types by default. Preservation policies are still important but could be balanced by adding language that also supports higher-density development, which helps meet all economic needs in the community and addresses racially disparate impacts.

- **A6. Add language about planning for all income bands**, per HB1220 requirements, to the Housing Element. Goal HS2 and/or Goal HS3, for example, could be revised to include this language more explicitly.

B. Add policies to address racial disparities in homeownership.

The Racial Equity Analysis identifies a disparate impact in homeownership amongst households of color, particularly the Hispanic and Latino communities and Black communities. [VISION 2050](#) calls for jurisdictions to support and encourage homeownership opportunities for low-income and middle-income families and individuals while recognizing historical inequities in access to homeownership opportunities for communities of color (Policy AH-7). University Place’s existing Comprehensive Plan does not include policies to address racially disparate impacts in homeownership. Implementation strategies could include:

Homeownership assistance programs

- **B1.** Conduct additional **community engagement with communities of color, particularly the Black and Hispanic and Latino communities** to reveal specific barriers to homeownership experienced by these groups. Policy and strategy updates should prioritize the needs and solutions expressed by this disproportionately impacted community for implementation.
- **B2.** Without affordable home rentals, it is difficult for households to save for a down payment for housing. **Down payment or assistance programs** can address this barrier by offering no-interest or low-interest capital for qualified buyers. These programs typically pair with homeownership education courses to encourage financial preparedness for participants.
- **B3.** Develop **homeownership education programs** or connect residents to existing programs elsewhere. University Place could address disparities in homeownership by developing a city program and/or by partnering with community organizations to connect residents to homeownership information and support, providing translation and interpretation support, allowing the use of city meeting rooms for education, or engaging in outreach and engagement efforts at city-sponsored events.

Homeownership housing production strategies

- **B4. Relax development regulations and/or waive fees** to incentivize affordable housing development.
- **B5. Dedicate surplus or underutilized land** for affordable housing production.
- **B6.** Implement an **inclusionary zoning (IZ) ordinance** to require new subdivision plats over a designated number of units to include income-qualified affordable homeownership housing.
- **B7.** Review and revise **SEPA threshold exemptions**. University Place could reduce housing production costs by taking advantage of flexible thresholds for categorical exemptions beyond what is already in the code.
- **B8. Expand the number of lots that can be administratively approved** in a new short subdivision to encourage a greater number of units per acre within the urban growth area. Per the GMA, the City can increase to a maximum of nine lots per short subdivision.

- **B9. Add flexibility to design review** for multifamily housing and small lot developments. Streamlining or removing this requirement would make this type of development simpler and less costly.
- **B10. Review impact fees** for potential flexibility and/or waive fees for some housing types. Affordable housing development, for example, could be made exempt from some fees.
- **B11. Support middle housing by connecting property owners with lenders and stock designs.** The City could provide a fact sheet or webpage with resources on lending and designs aimed at homeowners who may wish to develop ADUs or convert existing homes to duplexes or triplexes.
- **B12. Consider revising minimum lot size requirements.** Duplexes would be more feasible if there were one minimum lot size in each zone instead of larger minimums for duplexes. Duplexes would still have to meet other development regulations, giving them the same overall buildable envelope as a single-family house on the same lot.
- **B13. Consider adjusting the maximum size and maximum height of ADUs.** Peer cities allow larger ADUs (for example, up to 1,200 square feet in Edgewood and up to 2,500 square feet in Milton). New state law prohibits ADU height limits below 24 feet and maximum floor area regulations under 1,000 square feet. Larger ADUs may be more feasible to build and rent, depending on market conditions.
- **B14. Consider removing the requirement of only one entrance** on the front façade of the principal unit for ADUs. This requirement could be a barrier to adding attached ADUs to existing houses.
- **B15. Consider removing guest parking requirements for small lot development.** Guest parking requirements increase costs and site planning complexity, particularly on a small lot.
- **B16. Review tree retention requirements for potential added flexibility.** Tree retention codes can be particularly costly to housing development.
- **B17. Consider removing the FAR requirements for small lot housing.** Developer interviews, as part of this project, revealed that FAR requirements in addition to setbacks and height, can effectively block new development.
- **B18. Review frontage improvement requirements** for potential flexibility. For smaller developments, these requirements can be prohibitively expensive. If not already available, consider adding a fee-in-lieu option.
- **B19. Review height limits** in each zone for potential flexibility. In the region more generally, developers mentioned height limits as a barrier to developing some housing types, including middle housing.

C. Add policies to address high displacement risk.

- **C1. Require tenant relocation assistance.** The City could pass an ordinance that requires developers, public funds, or a combination of both to provide relocation funds for households displaced by new development. This could be limited to tenants earning below a certain income level.

- **C2. Provide just cause eviction protections.** The City could pass protections that mandate that landlords provide tenants with a legally justifiable reason when asking tenants to vacate a property.
- **C3. Pass a notice of intent to sell ordinance.** This would require owners of multifamily buildings to notify tenants and local housing officials in advance of a sale. The ordinance could be written to apply to buildings with rents below certain income levels.
- **C4. Inform tenants when income-restricted housing becomes at risk of being converted to market-rate status.** Provide information on relocation options available.
- **C5. Provide need-based rehabilitation assistance** or connect residents to state resources. This assistance helps qualifying households (such as senior residents and those with disabilities or low incomes) get favorable financing terms or tax abatements for home repairs and upgrades.
- **C6. Provide information on Pierce County's property tax assistance program.** Residents who own their homes may struggle to afford property tax increases. Pierce County provides some exemptions for senior citizens and people with disabilities. The City could send mailers and/or provide information on the City website to connect residents to resources.
- **C7. Require mobile home park relocation assistance.** The City could require an evaluation and mitigation of displacement impacts, including relocation assistance, for any proposals to redevelop a mobile home park.

D. Revise policies and regulations to encourage the production of middle housing.

Above strategies A1-A6, B1, and B9-B19 also encourage the production of middle housing generally, which can provide more housing options for current and future residents.

Attachment A

Policy Review

Introduction

Washington’s Growth Management Act (RCW 36.70a.070) requires jurisdictions to make provisions for moderate density housing, such as duplexes, triplexes, and townhomes. In addition, 2021 updates to the GMA require local jurisdictions to identify policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and implement policies to address and undo these effects. Additionally, jurisdictions must identify areas that may be at a higher risk of displacement from market forces that occur with changes to zoning, development regulations, and capital investments and establish anti-displacement policies.

Pierce County, in partnership with the cities of Edgewood, Fife, Gig Harbor, Milton, and University Place, received a grant from the Department of Commerce’s Middle Housing Grant Program. The South Sound Housing Affordability Partners (SSHA³P) administers the collaboration.

Purpose

This document provides an analysis of housing policies and regulations to support the development of strategies and recommendations to help the participating cities fulfill their GMA obligations. This Policy Review reviews current housing policies to:

- Evaluate policies and regulations for their alignment to middle housing type development.
- Identify policies that may contribute to racially disparate impacts, displacement, or exclusion in housing identified in the Racial Equity Analysis.
- Identify language that marginalizes, encodes prejudice, or promotes exclusion. Examples include:
 - Terminology that is outdated or inaccurate, such as "single-family" to describe a neighborhood that includes housing types broader than single-family, detached housing. Another example is using "citizen" in reference to all community members.
 - Vague or euphemistic language that can lead to patterns of segregation and exclusion, such as “appropriate areas for housing” or protecting “community character.”
 - Language that conflates desired characteristics with a housing type such as equating “family housing” with detached housing.
 - Language that references code administration and enforcement without clear guidelines to avoid displacement.

While not an obligation of the [Middle Housing Grant Program](#), the Policy Review also attempts to identify policies or regulations that can limit the ability of the jurisdiction to ensure capacity for housing that meets identified housing needs.

Approach

This Policy Review uses an evaluative framework, as recommended by the Washington Department of Commerce’s [Racially Disparate Impacts Guidance](#) draft, to assess whether existing policies address identified housing needs, uses language that encodes prejudice, or remedies identified racially disparate impacts, displacement, and exclusion in housing. The evaluative framework provides a systematic and transparent manner of assessing all policies.

Exhibit 38. Policy Review Evaluative Framework

Documents Identifying Unmet Housing Needs

- Pierce County Needs Assessment
- [Affordable Housing Workgroup Recommendations Report](#) (August 2021)
- Pierce County Assessment for Barriers to Development
- University Place Housing Action Toolkit
- Resilient Pierce County 2020 United Way Report

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



The following themes emerged in the policy review of the five participating cities (Edgewood, Fife, Gig Harbor, Milton, and University Place):

- **Emphasis on the preservation of existing single-family neighborhoods.** Either explicitly or implicitly (for example, emphasizing preservation, which is, by default, single-family preservation), all the cities have policies that prefer single-family over other housing types. (*Racially Equity, Middle Housing*)
- **Emphasis on higher-density housing in areas with existing infrastructure.** Developers often play a crucial role in developing new infrastructure. Limiting new multifamily housing to areas with existing infrastructure could artificially restrict the amount of housing that can be built and keep housing

types, and therefore different groups of people segregated, creating an exclusionary impact for some people. All the participating jurisdictions are designated urban areas intended to accommodate population growth. This central tenet of GMA is designed to prevent sprawl into rural areas and resource lands. (*Racially Equity*)

- **Language that could be exclusionary**, such as "character of existing neighborhoods," "small-town character," "rural character," "rural heritage," and "protect the scale and character of existing neighborhoods." Rural and small-town history is important to some residents, but it can be incorporated and referenced in ways that do not restrict the development of new housing. Ultimately, these jurisdictions are all incorporated urban areas, not rural, and will experience change as the region grows. (*Racially Equity, Middle Housing*)
 - **Language that is not clearly defined**, such as "appropriate land use designations," "inappropriate scale and design," and "stability of established residential neighborhoods." (*RDI, Middle Housing*)
 - **Varying mentions of middle housing types**. Policies focus mainly on multifamily or single-family. Some mention ADUs, cottage housing, live-work units, townhouses, and/or duplexes. (*Racially Equity, Middle Housing*)
 - **Emphasis on design criteria, buffers, and compatibility with single-family**. (*RDI, Middle Housing*)
 - **Outdated terminology** (ex. "blight") (*Racially Equity*)
-

Findings: Code Comparisons

The table below compares the Edgewood, Fife, Gig Harbor, Milton, and University Place development regulations in low and moderate density residential zones. Items with a  icon are comparably supportive of middle housing and items with a  icon are comparably more challenging to middle housing.

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
Middle housing types permitted	<ul style="list-style-type: none"> Single-Family 2 <ul style="list-style-type: none"> ▪ AADU/DADU Single-Family 3 <ul style="list-style-type: none"> ▪ AADU/DADU ▪ Cottage Court ▪ Duplex ▪ Attached dwelling Single-Family 5 <ul style="list-style-type: none"> ▪ AADU/DADU ▪ Cottage Court ▪ Duplex ▪ Attached dwelling Mixed Residential 1 <ul style="list-style-type: none"> ▪ AADU/DADU ▪ Cottage Court ▪ Duplex ▪ Attached dwelling ▪ Multiplex ▪ Townhouse Mixed Residential 2 <ul style="list-style-type: none"> ▪ AADU/DADU ▪ Cottage Court ▪ Duplex ▪ Attached dwelling ▪ Multiplex ▪ Townhouse Mixed Use Residential <ul style="list-style-type: none"> ▪ AADU/DADU ▪ Cottage Court 	<ul style="list-style-type: none"> Single-Family Residential <ul style="list-style-type: none"> ▪ Duplexes (corner lot only) ▪ ADU Small Lot Residential <ul style="list-style-type: none"> ▪ Duplex ▪ ADU Medium Density Residential <ul style="list-style-type: none"> ▪ Duplex ▪ Triplex ▪ Multifamily 4-6 units ▪ Multifamily 7-12 units (through PRD) ▪ ADU Neighborhood Residential <ul style="list-style-type: none"> ▪ Duplex ▪ Triplex ▪ ADU 	<ul style="list-style-type: none"> Single-Family Residential <ul style="list-style-type: none"> ▪ Accessory apartment (CUP) Planned Community Development Low Density Residential <ul style="list-style-type: none"> ▪ Accessory apartment Medium-Density Residential <ul style="list-style-type: none"> ▪ Duplex ▪ Triplex (CUP) ▪ Fourplex (CUP) Planned Community Development Medium Density Residential <ul style="list-style-type: none"> ▪ Duplex ▪ Triplex ▪ Fourplex ▪ Multiple-family dwelling ▪ Accessory apartment 	<ul style="list-style-type: none"> Residential Single-Family <ul style="list-style-type: none"> ▪ Two-family dwelling ▪ ADU Residential Moderate Density <ul style="list-style-type: none"> ▪ ADU ▪ Two-family dwelling ▪ Multifamily dwelling (CUP) ▪ Apartment (CUP) 	<ul style="list-style-type: none"> Residential 1 <ul style="list-style-type: none"> ▪ Single-family attached ▪ Duplex ▪ ADU Residential 2 <ul style="list-style-type: none"> ▪ Single-family attached ▪ Duplex ▪ ADU Multifamily Residential – Low <ul style="list-style-type: none"> ▪ Single-family attached ▪ Duplex ▪ Multifamily ▪ ADU

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
	<ul style="list-style-type: none"> Duplex Attached dwelling Multiplex Townhouse 				
Conditional uses	N/A	N/A	ADUs are conditional in Single-Family Residential. ● Triplexes and Fourplexes are conditional in Medium-Density Residential. ●	Multifamily dwellings and apartments are both CUPs in the Residential Moderate Density zone ●	N/A
Design review	<p>Requires site plan design review for:</p> <ul style="list-style-type: none"> Expansion of any building or structure that creates a new dwelling unit ● <p>Does not require site plan design review for:</p> <ul style="list-style-type: none"> Detached single-family and ADUs 	Corner-lot duplexes	<p>Applies to all subdivision proposals and all building/remodeling/modifications of facades or other visible structure elements ●</p> <p>Also have historic district design standards, which affects some Single-Family Residential zones, however the code gives those properties the choice of conforming to setback and height standards in two different sections of the code.</p>	Only applies to uptown district ○	Applies to multifamily (three or more units) residential buildings and small lot development (R1 and R2 districts) ●
Minimum lot sizes	<p>Single-Family 2</p> <ul style="list-style-type: none"> 18,500 sf <p>Single-Family 3</p> <ul style="list-style-type: none"> 12,500 sf <p>Single-Family 5</p> <ul style="list-style-type: none"> 6,500 sf <p>Mixed Residential 1</p> <ul style="list-style-type: none"> 7,200 sf <p>Mixed Residential 2</p> <ul style="list-style-type: none"> 3,200 sf <p>Mixed Use Residential</p> <ul style="list-style-type: none"> N/A 	<p>Single-Family Residential</p> <ul style="list-style-type: none"> 7,200 sf <p>Small Lot Residential</p> <ul style="list-style-type: none"> 5,300 sf <p>Medium Density Residential</p> <ul style="list-style-type: none"> 3,000 sf <p>Neighborhood Residential</p> <ul style="list-style-type: none"> 3,000 sf 	<p>Single-Family Residential</p> <ul style="list-style-type: none"> 7,200 for short subdivision, 7,500 for subdivision <p>Planned Community Development Low Density Residential</p> <ul style="list-style-type: none"> 10,000 square feet (four lots or fewer), no minimum for five or more lots <p>Medium-Density Residential</p> <ul style="list-style-type: none"> 7,000 per dwelling unit ● <p>Planned Community Development Medium Density Residential</p> <ul style="list-style-type: none"> N/A 	<p>Residential Single-Family:</p> <ul style="list-style-type: none"> 8,000 sf (12,000 for duplex) ● <p>Residential Moderate Density</p> <ul style="list-style-type: none"> 4,000 sf (10,000 for duplex) ● 	<p>Residential 1</p> <ul style="list-style-type: none"> Single-family detached: 9,000 Single-family attached: 6,750 Duplex: 13,500 ● <p>Residential 2</p> <ul style="list-style-type: none"> Single-family detached: 6,000 Single-family attached: None Duplex: 12,000 ● <p>Multifamily Residential – Low</p> <ul style="list-style-type: none"> 4,000

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
Maximum densities or maximum FAR	Single-Family 2 <ul style="list-style-type: none"> 2 dua ● Single-Family 3 <ul style="list-style-type: none"> 3 dua ● Single-Family 5 <ul style="list-style-type: none"> 5 dua Mixed Residential 1 <ul style="list-style-type: none"> 4 dua ● Mixed Residential 2 <ul style="list-style-type: none"> 8 dua Mixed Use Residential <ul style="list-style-type: none"> 24 DU/acre if single use project, 48 DU/acre if mixed-use project ○ 	Single-Family Residential <ul style="list-style-type: none"> 4 dua Small Lot Residential <ul style="list-style-type: none"> 7 dua Medium Density Residential <ul style="list-style-type: none"> 10 dua Neighborhood Residential <ul style="list-style-type: none"> 10 dua 	Single-Family Residential <ul style="list-style-type: none"> 4 dua Planned Community Development Low Density Residential <ul style="list-style-type: none"> 4 dua Medium-Density Residential <ul style="list-style-type: none"> 6 dua Planned Community Development Medium Density Residential <ul style="list-style-type: none"> 8 dua (plus bonus density option) 	Residential Single-Family <ul style="list-style-type: none"> 5.45 dua Residential Moderate Density <ul style="list-style-type: none"> 12 dua ○ 	Residential 1 <ul style="list-style-type: none"> Single family: 4 dua (base density) Duplex: 5 dua (base density) Small lot housing: 6 dua 0.47 max FAR for small lot housing Residential 2 <ul style="list-style-type: none"> 6 dua (base density) Small lot housing: 9 dua 0.47 max FAR for small lot housing Multifamily Residential – Low <ul style="list-style-type: none"> 40 dua ○
Maximum building heights	Single-Family 2 <ul style="list-style-type: none"> 35 ft Single-Family 3 <ul style="list-style-type: none"> 35 ft Single-Family 5 <ul style="list-style-type: none"> 35 ft Mixed Residential 1 <ul style="list-style-type: none"> 35 ft Mixed Residential 2 <ul style="list-style-type: none"> 35 ft Mixed Use Residential <ul style="list-style-type: none"> 35 feet 	Single-Family Residential <ul style="list-style-type: none"> 30 feet or two stories, whichever is less Small Lot Residential <ul style="list-style-type: none"> 30 feet or two stories, whichever is less Medium Density Residential <ul style="list-style-type: none"> 30 feet or two stories, whichever is less For multifamily, 35 feet or 3 stories, whichever is less Neighborhood Residential <ul style="list-style-type: none"> 30 feet or two stories, whichever is less For multifamily, 35 feet or 3 stories, whichever is less 	Single-Family Residential <ul style="list-style-type: none"> 35 feet Planned Community Development Low Density Residential <ul style="list-style-type: none"> 35 feet Medium-Density Residential <ul style="list-style-type: none"> 35 feet Planned Community Development Medium Density Residential <ul style="list-style-type: none"> 45 feet 	Residential Single-Family <ul style="list-style-type: none"> 35 feet Residential Moderate Density <ul style="list-style-type: none"> 35 feet 	Residential 1 <ul style="list-style-type: none"> Single family/duplex: 35 feet Small lot: 20 feet Residential 2 <ul style="list-style-type: none"> Single family/duplex: 35 feet Small lot: 20 feet Multifamily Residential – Low <ul style="list-style-type: none"> 45 feet
Setback requirements	Single-Family 2 <ul style="list-style-type: none"> Front yard: 25 feet Principal arterial or state highway setback: 25 feet Rear yard: 20 feet 	Single-Family Residential <ul style="list-style-type: none"> 20 ft front yard 20 ft garage 10 ft interior yard 	Single-Family Residential <ul style="list-style-type: none"> Front yard: 20 feet Porch: 12 feet Garage: 26 feet Rear yard: 30 feet 	Residential Single-Family <ul style="list-style-type: none"> Front yard: 20 ft Side yard: 7.5 ft Rear yard: 25 ft Residential Moderate Density <ul style="list-style-type: none"> Front yard: 20 ft Side yard: 7.5 ft Rear yard: 25 ft 	Residential 1 <ul style="list-style-type: none"> Front yard: 25 feet Side setback: 8 feet Rear setback: 30 feet Residential 2 <ul style="list-style-type: none"> Front yard: 25 feet Side setback: 8 feet Rear setback: 30 feet

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
	<ul style="list-style-type: none"> Interior setback: 8 feet 	<ul style="list-style-type: none"> 60 ft min lot dimension circle per dwelling unit ● 	<ul style="list-style-type: none"> Side yard: 8 feet 	<ul style="list-style-type: none"> Front yard: 20 ft Side yard: 7.5 ft Rear yard: 10 ft 	<ul style="list-style-type: none"> Front yard: 25 feet Side setback: 8 feet Rear setback: 30 feet
Single-Family 3	<ul style="list-style-type: none"> Front yard: 25 feet Principal arterial or state highway setback: 25 feet Rear yard: 20 feet Interior setback: 8 feet 	<p>Small Lot Residential</p> <ul style="list-style-type: none"> 18 ft front yard 20 ft garage 10 ft interior (5 ft on one side allowed) 50 ft min lot dimension circle per dwelling unit ● 	<p>Planned Community Development Low Density Residential</p> <ul style="list-style-type: none"> Front yard: 20 feet Porch: 12 feet Garage: 26 feet Rear yard: 30 feet Side yard: 8 feet 		<p>Multifamily Residential – Low</p> <ul style="list-style-type: none"> Front yard: 25 feet Side setback: 0 or 30 feet (no setback required if does not abut R1 or R2) Rear setback: 0 or 30 feet (no setback required if does not abut R1 or R2)
Single-Family 5	<ul style="list-style-type: none"> Front yard: 25 feet Principal arterial or state highway setback: 25 feet Rear yard: 20 feet Interior setback: 8 feet 	<p>Medium Density Residential</p> <ul style="list-style-type: none"> 16 ft front yard 20 ft garage 10 ft interior (5 ft on one side allowed) 30 ft min lot dimension circle per dwelling unit ● 	<p>Medium-Density Residential (Single-Family/Duplex)</p> <ul style="list-style-type: none"> Front yard: 20 feet Porch: 12 feet Garage: 26 feet Rear yard: 30 feet Side yard: 8 feet 		
Mixed Residential 1	<ul style="list-style-type: none"> Front yard: 15 feet Garage: 20 feet Principal arterial and state highway setback: 25 feet Rear yard: 10 feet Interior: 0 feet 	<p>Neighborhood Residential</p> <ul style="list-style-type: none"> 16 ft front yard 20 ft garage 10 ft interior (5 ft on one side allowed) 30 ft min lot dimension circle per dwelling unit ● 	<p>(Other Residential)</p> <ul style="list-style-type: none"> Front yard: 25 feet Side yard: 7 feet Rear yard: 25 feet 		
Mixed Residential 2	<ul style="list-style-type: none"> Front yard: 15 feet Garage: 20 feet Principal arterial and state highway setback: 25 feet Rear yard: 10 feet Interior: 0 feet 		<p>Planned Community Development Medium Density Residential</p> <ul style="list-style-type: none"> Front yard: 15 feet Porch: 12 feet Garage: 15 feet Rear yard: 15 feet Side yard: 5 feet 		
Mixed Use Residential	<ul style="list-style-type: none"> Front yard: 15 feet Garage: 20 feet Principal arterial and state highway setback: 25 feet Rear yard: 10 feet Interior: 5 feet 				

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
Off-street parking requirements	<ul style="list-style-type: none"> ADU: 1 per dwelling unit Detached house: 2 per dwelling unit Cottage court: 2 per dwelling unit Duplex: 2 per dwelling unit Attached dwelling: 2 per dwelling unit Multiplex: 1.5 per dwelling unit ○ Townhouse: 1.5 per dwelling unit ○ Apartment: 1.5 per dwelling unit ○ 	<ul style="list-style-type: none"> Single-family: 2 per dwelling unit Duplex: 2 per dwelling unit Multifamily (less than 49 units): 1.5 per dwelling unit ○ ADU: 1 per ADU 	<ul style="list-style-type: none"> Single-family: 2 per unit Duplex: 2 per unit Triplex/fourplex/multiple x: 1 for a studio, 1.5 for one-bedroom, 2 for 2+ bedrooms ○ ADU: 1 per unit 	<ul style="list-style-type: none"> Single-family: 2 per dwelling unit Two-family or multifamily dwelling: 2 per dwelling unit plus 1 per 4 dwelling units (for guests) ● Accessory apartment: 1 per unit 	<ul style="list-style-type: none"> ADU: No separate parking required ○ Single family detached: 2 per unit Single family detached in small lot development: 2 per unit, +1 guest stall ● Single-family attached in small lot development: 1.5 per unit, +1 guest stall ● Duplex: 2 per unit <p>Multifamily</p> <ul style="list-style-type: none"> Studios and one bedroom units: 1 per unit ○ 2 bedroom units: 1.25 per unit ○ 3+ bedroom units: 1.5 per unit ○
ADU regulations	<ul style="list-style-type: none"> Allow pre-existing ADUs to obtain legal status (same standards and procedures for new ADU) One ADU per lot of record, with any detached single-family structure Does not count to site net density calculations No greater than 1,200 square feet (or 80% of primary residence size, whichever is less) ○ Exterior finish, roof style must be consistent with primary dwelling unit Not allowed in the setback Building height no taller than principal building One off-street parking space 	<ul style="list-style-type: none"> One per lot Only attached ADUs for lots between 3,200 and 4,356 sf Must be between 300 and 900 sf ● Cannot exceed 30% of gross floor area of primary dwelling unit and proposed ADU No more than two bedrooms Same setbacks as primary residence Requires owner-occupancy of the property (must remove the ADU or convert to permitted use if they leave) ● Design must be similar to the primary residence Same height or shorter 	<ul style="list-style-type: none"> Parking space for ADU must be behind primary structure. ● Matching materials, colors, window style, roof design to the primary unit. ADU entrance should be oriented away from the street or should look like a secondary entrance to primary unit (ex. garage entrance, service porch) Separate meter for utilities 	<ul style="list-style-type: none"> Lot must be at least 9,600 sf in RS zone, 8,000 sf in RMD zone ADUs not included in net density calculation Same setbacks as other uses, except rear yard is 7.5 feet. No larger than 2,500 sf ○ No taller than 15 ft ● Screening is required Must be at rear of principal structure 	<ul style="list-style-type: none"> One allowed per lot (with detached single=family) Attached or detached No larger than 800 sf (600 sf if detached and placed in side or rear yard) ● 5-foot minimum side and rear setbacks No greater than 18 feet in height (10 feet at top of wall plate) ● No closer than 5 feet to primary structure Design should be similar to principal dwelling Only one entrance allowed on front façade of principal unit ● No additional off-street parking required ○

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
	<ul style="list-style-type: none"> Requires separate entrance for attached ADU 	<ul style="list-style-type: none"> Scale/bulk/architectural style must be similar Similar construction style and color to primary residence No separate entrance required for attached ADU If there is a separate entrance, must be directed toward interior yard 			
Complex design standards	<ul style="list-style-type: none"> Typical standards for site and building design. Includes a section for semi-attached single-family and cottages, duplex/townhouse/triplex buildings. Mostly related to building variety, encouraging certain styles, orienting around common open space. 	<ul style="list-style-type: none"> Minimal design standards apply to residential structures in low density zones 	<ul style="list-style-type: none"> City has a separate Design Manual that is clear and easy to read. Generally it includes typical design standards for building and site design, and specific additional standards in certain areas. It includes sections on “zone transition” (bulk and scale limits, buffering, applies design standards of abutting dissimilar zone to abutting properties) There are some alternative standards for zone transition that the Design Review Board can consider instead, which offer more flexibility. 	<ul style="list-style-type: none"> Only applies to uptown district 	<ul style="list-style-type: none"> Applies to multifamily residential buildings and small lot development (R1 and R2 districts) ● Multifamily includes any residential with three or more units per building and multiple units on one parcel ● Typical guidelines for site planning and design, architectural features.
Impervious surface regulations	<p>Single-Family 2</p> <ul style="list-style-type: none"> 35% effective impervious surface <p>Single-Family 3</p> <ul style="list-style-type: none"> 40% effective impervious surface <p>Single-Family 5</p> <ul style="list-style-type: none"> 55% effective impervious surface <p>Mixed Residential 1</p>	<p>Single-Family Residential</p> <ul style="list-style-type: none"> Green area factor: 40% <p>Small Lot Residential</p> <ul style="list-style-type: none"> Green area factor: 40% <p>Medium Density Residential</p> <ul style="list-style-type: none"> Green area factor: 40% <p>Neighborhood Residential</p> <ul style="list-style-type: none"> Green area factor: 40% 	<p>Single-Family Residential</p> <ul style="list-style-type: none"> 40% (hard surface coverage) <p>Planned Community Development Low Density Residential</p> <ul style="list-style-type: none"> 45% (building coverage, not including driveways etc) <p>Medium-Density Residential</p>	<p>Residential Single-Family</p> <ul style="list-style-type: none"> N/A (max building coverage, does not include paved driveway) <p>Residential Moderate Density</p> <ul style="list-style-type: none"> 50% (max building coverage, does not include paved driveway) 	<p>Residential 1</p> <ul style="list-style-type: none"> 50% (maximum lot coverage) <p>Residential 2</p> <ul style="list-style-type: none"> 50% (maximum lot coverage) <p>Multifamily Residential – Low</p> <ul style="list-style-type: none"> 50% (maximum lot coverage)

Topic	Edgewood	Fife	Gig Harbor	Milton	University Place
	<ul style="list-style-type: none"> 50% effective impervious surface <p>Mixed Residential 2</p> <ul style="list-style-type: none"> 60% effective impervious surface <p>Mixed Use Residential</p> <ul style="list-style-type: none"> 65% effective impervious surface 		<ul style="list-style-type: none"> 60% (hard surface coverage) <p>Planned Community Development Medium Density Residential</p> <ul style="list-style-type: none"> 65% (building coverage, not including driveways etc) 		
Tree retention regulations	<ul style="list-style-type: none"> Significant trees within 15 feet from lot perimeter must be preserved 50% of significant trees in interior of lot must be retained ● Incentives to preserve larger trees or trees in priority areas (can count as two trees) Replace 1.5 times any significant trees that are removed 	<ul style="list-style-type: none"> Retain significant trees within perimeter landscaping area Replacement rate depends on type and size of tree removed ○ 	<ul style="list-style-type: none"> Design manual requires retaining 25% of significant trees into the project (or 15% for short plats), and replacing lost trees that were intended to be retained. All significant trees in the perimeter landscape area must be retained. Plantings must be added if there is not substantial existing vegetation. 	<ul style="list-style-type: none"> Trees on existing single-family and two-family lots are exempt from provisions. Other lots: retain as many significant trees as can be reasonably retained. Replacement of significant trees is based on type and trunk diameter. ○ 	<ul style="list-style-type: none"> Preserve at least 35% of trees located on the site, or varying percentages of trees over certain sizes All significant trees to be preserved ● Can replace trees at three for every one removed (can be on site or fee in lieu)
Historic preservation requirements	N/A	N/A	<ul style="list-style-type: none"> City has a register of historic places and restricts what changes can be made to these once added to the register. Must be associated with community heritage, at least 50 years old, and meets one of 11 conditions (ex. associated with historic event, person, architectural style, etc.) 	N/A	<ul style="list-style-type: none"> Design standards mention protecting historic structures to maximum extent possible
Short subdivision maximum number of lots (up to 9 allowed under GMA)	6 lots	9 lots ○	4 lots ●	4 lots ●	9 lots ○

Edgewood

Findings from the Racial Equity and Anti-Displacement Analysis

- **Hispanic or Latino households are experiencing a disparate impact in homeownership.**
- **There is a racially disparate impact in the housing cost burden of renters.** About a quarter of rental households identifying as white (24%) are experiencing housing cost burden, a rate much lower than for BIPOC households (46% experiencing cost burden).
- The displacement risk analysis suggests **no areas of higher displacement risk in Edgewood.**

Documents Reviewed

- [Edgewood Comprehensive Plan](#)
- [Edgewood Development Code](#)

Policy Review

Policy		Evaluation	Why?
Goal H.I	Ensure new housing development supports City and regional growth plans.	Supportive	<p>City and regional growth plans direct the city to prepare for future growth, including adding needed housing capacity.</p> <p>Middle housing can help support regional growth plans.</p>
H.I.a	Provide an adequate supply of land to accommodate the city's housing growth target.	Approaching	<p>Land capacity to accommodate the city's housing growth target is critical for adequate housing supply. However, this policy does not specify that land capacity should be shown to accommodate housing needs at all income levels (as required by HB 1220).</p> <p>Allowing middle housing can support regional growth plans by creating more housing capacity for units potentially affordable to moderate-income households.</p>
H.I.b	Encourage new housing development within the following land use designations, in order to support community objectives such as a vibrant Meridian Corridor and preservation of existing single family neighborhoods: Town Center, Mixed Use Residential and Commercial.	Challenging	<p>This policy emphasizes the preservation of existing single-family neighborhoods. The term "single family" as a descriptor of neighborhoods can create exclusionary impacts when it constricts the housing supply, prevents creative adaptation of existing housing, or limits access to neighborhoods by BIPOC community members. Additionally, an emphasis on exclusively single family housing is not aligned to state law. Emphasis on preserving existing single-family neighborhoods could also deprioritize the identified unmet housing needs of Hispanic and Latino households and renters.</p> <p>Emphasis on the preservation of single-family neighborhoods does not support middle housing development. The term "single family" is contradictory to middle housing. Using alternatives such as "low-density residential" or referencing the neighborhoods by name would relieve the policy of using this problematic term.</p>

Policy		Evaluation	Why?
H.I.c	Coordinate plans for new housing development with plans for expansion of utilities.	Supportive	Coordination of housing capacity and utility expansion can encourage new housing development, including moderate density housing development.
H.I.d	Collaborate with regional jurisdictions to meet housing growth targets and address housing issues that cross jurisdictional boundaries.	Supportive	<p>Collaboration with other jurisdictions can support the creation of adequate housing for various needs.</p> <p>Each jurisdiction is required to ensure housing development opportunity for all economic segments. Regional collaboration can improve each jurisdiction's ability to address all housing needs.</p> <p>Middle housing can help support regional growth plans by creating more housing capacity for units potentially affordable for moderate-income households, including ownership housing opportunities.</p>
H.I.e	Develop implementation plans and strategies to ensure that adequate housing is available for all community members in the future, in accordance with the policies contained in the Comprehensive Plan.	Approaching	<p>Planning for housing for all community members supports racial equity. However, the policy could be strengthened and better aligned with state law by specifying that affordable housing will be made available for households at all income levels.</p> <p>Middle housing is one strategy to achieve adequate housing for all community members.</p>
H.I.f	Support a long-term strategy to convert existing development from septic systems to sanitary sewer, recognizing that alternative technologies may be appropriate in certain situations if they can be shown to produce treatment at acceptable standards and where a long-term maintenance plan is in place.	Approaching	Sanitary sewer systems better support middle housing than septic systems. While conversion to sanitary sewer can support higher-density housing (which is more likely to serve lower-income populations than single family housing), it can come at a high cost. Policy should also include measures to prevent displacement of existing residents who may be unable to absorb costs to connect to newly available utilities.
Goal H.II	Encourage housing design that provides quality living spaces and contributes to the character of existing neighborhoods.	Challenging	<p>Neighborhoods should grow and change as community needs grow and change. The policy does not define "quality" or "character," making them subjective and potentially used to exclude housing types and groups of people from neighborhoods. While this policy may benefit homeowners in existing neighborhoods, it creates burdens and barriers for other community members with unmet housing needs.</p> <p>If the character of existing neighborhoods is defined as single-family, the policy can create a barrier to middle housing types.</p>
H.II.a	Encourage high quality construction that is safe, durable and sustainable.	Supportive	All residents should have access to safe, durable, and sustainable homes. High-quality construction lasts longer, so new units can provide long-term housing.
H.II.b	Encourage universal design to maximize building lifecycle and accessibility.	Supportive	Universal design creates housing that serves a wide range of household needs.

Policy	Evaluation	Why?
H.II.c	Promote building design characteristics that are consistent with surrounding uses and with Edgewood’s heritage as a rural community.	<p>Challenging</p> <p>Though Edgewood has a heritage as a rural community, it is an incorporated urban area with a legal obligation to accommodate housing for residents at all income levels. Additionally, by providing housing in designated urban areas the region will be able to protect critical land for agricultural and ecological services.</p> <p>Emphasis on preserving Edgewood as it was many years ago will create exclusionary effects for households of some income levels and historically disadvantaged groups. This policy could more explicitly encourage certain architectural styles or other features that honor rural heritage without overly restricting housing.</p> <p>Clarifying that middle housing can be compatible with existing neighborhoods and rural heritage would strengthen the policy.</p>
H.II.d	Promote site planning techniques that create quality outdoor spaces and are in harmony with neighboring properties.	<p>Challenging</p> <p>An emphasis on being “in harmony with neighboring properties” could be used to impose expensive or prohibitive requirements on certain types of housing in predominantly single family neighborhoods.</p> <p>Adding greater specificity to “quality outdoor spaces” would clarify the policy intent. In addition, tracking the implementation of this policy can identify if the benefits and burdens of this policy are distributed equitably.</p>
H.II.e	Encourage cluster residential developments in areas designated for higher-density housing, in order to preserve open spaces and contribute to City’s legacy of having large natural areas.	<p>Challenging</p> <p>While Edgewood may have a legacy of large natural areas, it is an urban, incorporated city. Under the Growth Management Act, urban areas are required to accommodate population and job growth to preserve open space and resource lands in designated rural areas. Clarifying that residentially-zone lands are intended for housing and the location of designated open space will help balance the policy’s objectives and prevent confusion in the community. Consider removing language that ties the City’s “legacy” to “large natural areas” which could be interpreted as a reason to limit housing options.</p>
H.II.f	Provide guidelines for transitions and buffers around different types of residential uses, in order to mitigate any negative impacts associated with higher intensity uses and foster quality living environments for all community members.	<p>Challenging</p> <p>“Buffering” has been historically used to isolate and disinvest in areas where communities of color live. This policy appears to intend to “protect” single family uses from other housing types. This policy may contribute to stigma around multifamily housing and exclusion in housing.</p> <p>The use of the word “quality” in this context is also vague and could be used to prevent certain housing types from being developed.</p>
Goal H.III	Promote a mix of housing types to meet the needs of current and future residents.	<p>Supportive</p> <p>A mix of housing types will serve a variety of needs. A mix of housing types includes middle housing.</p>

Policy		Evaluation	Why?
H.III.a	Preserve and maintain the City's existing structurally sound housing stock.	Supportive/Challenging	Preservation of existing housing may help to prevent displacement. However, since single-family residences are historically the dominant housing type, this policy could be a barrier to adaptive reuse and new, more affordable, and denser housing types from being built (including middle housing).
H.III.b	Consider providing a housing rehabilitation program to provide information and financial incentives to help homeowners maintain or repair their homes.	Supportive	Some households could benefit from funds and information about maintaining and repairing their homes. In addition, incentivizing rehabilitation for rental properties could create more safe and healthy housing for renters.
H.III.c	Encourage residential infill development on vacant or underutilized sites in areas with appropriate land use designations.	Approaching	The wording of this policy is vague and should be clarified. "Appropriate land use designations" could be used in an exclusionary way. This policy could support the development of new housing, including middle housing types, if made clearer (for example, by replacing "appropriate land use designations" with "all residential and mixed-use zones").
H.III.d	Increase the diversity of the City's housing stock by encouraging construction of moderate- and higher-density housing, such as apartment buildings, mixed use developments, townhomes, cottage housing and garden apartments, in appropriate land use designations.	Approaching	It is unclear what "appropriate land use designations" means, and it is unclear if it has the same meaning as Policy H.III.c. Since current zoning uses "Single-Family" in the zone name, this language could be used to justify the exclusion of moderate and higher density housing and, by extension, people with housing needs not met by single-family housing. Consider removing the term "appropriate" and specifying the areas intended for increasing the diversity of housing stock.
H.III.e	Encourage a range of unit sizes to accommodate different household types, including single person households, two-person households, households with children, households with seniors and group households with unrelated people living together.	Supportive	A variety of housing sizes is important for meeting all the community's housing needs. However, the policy could be strengthened to address neighborhood choice and prevent household segregation by housing size.
H.III.f	Encourage a supply of rental units in the City to provide housing choice for community members who are not home buyers.	Approaching	The supply of rental units is important for meeting all housing needs. The policy can be strengthened by specifying that rental units are needed for all income levels. Middle housing can be rented units and are often more affordable than single-family home rentals.
H.III.g	Expand options within the City Code to allow accessory dwelling units in single family residential areas, in order to meet a variety of housing needs.	Approaching	Accessory dwelling units can serve a variety of housing needs and can create more neighborhood choices for small households who wish to live in established neighborhoods. Describing areas as "single family" is not accurate and can create challenges for people wishing to add middle housing types in established neighborhoods. Alternatives such as "low-density residential" would relieve the policy of this problematic term.

Policy	Evaluation	Why?
H.III.h	Promote construction of housing types to accommodate the growing senior population, such as senior group housing facilities and individual residences designed for people who would like to “age in place.”	Supportive Housing types for seniors are needed. Middle housing types can be a good fit for some seniors.
Goal H.IV	Promote a range of housing costs that are affordable for all community members.	Supportive Promoting a range of housing options affordable to a range of household incomes is a new GMA obligation and can address observed housing disparities. Middle housing supports this goal.
H.IV.a	Work with public and private sector partners to provide a supply of housing that is affordable for low income and moderate income households in Edgewood.	Supportive Promoting a range of housing options affordable to a range of household incomes is a new GMA obligation and can address observed housing disparities. Partnering with public and private partners can help to address housing disparities experienced by renters and the Hispanic and Latino communities. Middle housing can be a good fit for some moderate-income households.
H.IV.b	Consider ways to incentivize private developers to build affordable housing, such as density bonuses, height increases, tax incentives and reduced design requirements.	Supportive Promoting a range of housing options affordable to a range of household incomes is a new GMA obligation and can address observed housing disparities. Incentives for private developers could support the creation of more middle housing. Coupling incentives with community preference provisions can help address observed housing disparities by renters and the Hispanic and Latino communities.
H.IV.c	Coordinate with the Pierce County Housing Authority and non-profit groups to explore opportunities for acquiring funding to address affordable housing needs in Edgewood, including private foundations and federal, state and local programs.	Supportive Promoting a range of housing options affordable to a range of household incomes is a new GMA obligation and can address observed housing disparities. Coupling incentives with community preference provisions can help address observed housing disparities by renters and the Hispanic and Latino communities
H.IV.d	Support non-profit organizations that construct and manage affordable housing.	Supportive Promoting a range of housing options affordable to a range of household incomes is a new GMA obligation and can address observed housing disparities. Coupling incentives with community preference provisions can help address observed housing disparities by renters and the Hispanic and Latino communities

Policy		Evaluation	Why?
H.IV.e	Promote the preservation and rehabilitation of the City's existing affordable housing stock, including manufactured homes, apartments and moderately-priced single family homes.	Supportive/Challenging	<p>Preservation and rehabilitation of existing affordable housing are important for preventing displacement and ensuring housing meets community needs. However, existing housing stock is predominantly single-family homes, and emphasizing the preservation of single-family homes may preclude a mix of affordable housing options in the future. Therefore, changing the policy's emphasis from preserving housing units to supporting stability for low income households would make it a more effective anti-displacement policy.</p> <p>This policy does not mention middle housing, perhaps because this housing type is not common.</p>
H.IV.f	Encourage the location of new affordable housing units near community amenities and services, in order to provide low transportation costs for future residents.	Supportive	The placement of affordable housing near services and amenities supports the needs of lower-income residents. However, depending on how the policy is implemented, directing affordable housing to areas near commercial services can exclude affordable housing from purely residential areas. Consider defining community amenities and services to include schools, parks, and other services outside car-oriented commercial services.
H.IV.g	Encourage energy efficient design features in new affordable housing units, in order to provide low utility costs for future residents.	Supportive	Encouraging, but not requiring, energy-efficient design can help lower utility costs for residents without creating a prohibitive and expensive requirement for affordable housing developers.
H.IV.h	Expand opportunities for affordable housing by ensuring that manufactured housing and modular housing is allowed in all single-family zones, and is not regulated differently than site-built housing.	Supportive	This policy meets a state requirement. Manufactured homes can provide housing options that are more affordable to lower incomes. Making information on siting manufactured and modular housing on residential lots more accessible can make the policy more effective.
H.IV.i	Connect residents to programs that teach financial literacy and that offer homeownership counseling.	Approaching	These educational resources can support residents in pursuit of homeownership and financial security. Since Edgewood has a disparity in homeownership rate among Hispanic or Latino households, this policy could better address racially disparate impacts by ensuring programs are advertised and supported in Spanish. The city could also partner with community-based organizations serving the Hispanic and Latino communities.
H.IV.j	Consider the impacts of City regulations on housing cost and supply, and take steps to mitigate any negative impacts.	Supportive	<p>Reducing costs could encourage the development of more middle housing types.</p> <p>This policy could be strengthened by including a provision to prevent inequities in regulations and costs associated with different housing types.</p> <p>Mentioning housing affordable to all economic segments and to address racially disparate impacts and displacement would strengthen the policy.</p>
Goal H.V	Work with community partners to provide housing for special needs populations.	Supportive	Special needs housing is a necessary housing type for housing equity.

Policy		Evaluation	Why?
H.V.a	Work with community and regional partners to understand the demand for special needs housing in Edgewood.	Supportive	Understanding special housing needs housing will help the City make future policy and partnership decisions.
H.V.b	Support organizations that provide special needs housing in Edgewood.	Approaching	This policy could be strengthened by clarifying what "support" means (Is this financial support, logistic support, etc.).

- Policies could be added that directly mention expanding diverse and affordable homeownership opportunities to help address the **disparity in homeownership rates experienced by Hispanic or Latino households**.
- Improved policies relating to creating diverse and affordable housing options could help reduce the **disparity in housing cost burden among BIPOC households** (46% experiencing cost burden, as opposed to 24% of white households).

Fife

Findings from the Racial Equity and Anti-Displacement Analysis

- The White alone population has the highest rate of homeownership of all racial and ethnic groups (55%) and is the only group in which a majority of households own their own home. This suggests **a racially disparate impact in homeownership for people of color.**
 - Households with a householder that identifies as Black have a household median income of \$71,853, roughly \$9,000 less than white households, but a homeownership rate of 25%, a full 30 percentage points lower than the rate for Fife’s white households. This suggests **a racially disparate impact in homeownership for black households.**
- Some areas in Fife have **high displacement risk.**
- Fife has a relatively high share of **renters** and a greater representation of households with household income of less than \$75,000 compared to other study cities. Following this, many households in Fife are experiencing housing cost burden. About two-fifths (40%) of households that identify as white and 48% of Fife’s households of color are experiencing housing cost burden. The disparity of 8 percentage points suggests **a slight disparate impact in housing cost burden.**

Documents Reviewed

- [Fife Comprehensive Plan](#)
- [Fife Development Code](#)

Policy Review

Policy	Evaluation	Why?
Goal:	Provide for adequate housing for all income ranges	Supportive
		Housing needs vary by income range. HB1220 also requires that jurisdictions plan for housing for all income levels. Middle housing can support this goal.
Policy 1	Provide for a variety of housing densities and types throughout the area, with emphasis on owner-occupied residences.	Supportive/Challenging
		A variety of densities and typologies is needed to support community housing needs. Policies that support homeownership are especially important considering the disparity in homeownership experienced by BIPOC households. However, policies should balance all housing needs. Finally, affordable rental housing in a community is critical to allowing households to save money in order to enter homeownership. Middle housing can offer a variety in home types and provide more options for homeownership.
Implementation 1.1	Allow manufactured housing in all areas zoned for residential uses in the City.	Supportive
		This policy meets a state requirement. In addition, manufactured homes can provide housing options that are more affordable to lower incomes.
Implementation 1.2	Ensure that adequate land is designated for a variety of housing densities and types on the City's Comprehensive Plan Land Use Map.	Supportive
		A variety of housing densities and types is key for meeting community needs. This includes middle housing types.

Policy		Evaluation	Why?
Implementation 1.3	Implement and maintain policies and plans that encourage single family, detached housing as the residential pattern of choice while including a mixture of housing types and densities in appropriate areas.	Challenging	<p>A prioritization of single-family, detached housing benefits higher income groups and some racial groups over others. This also conflicts with the overall goal to provide capacity for adequate housing for all income ranges.</p> <p>This policy does not clarify “appropriate areas” for other housing types. If the policy intends to segregate housing by type and, by extension, cost, it can create racially disparate impacts through segregation and exclusion.</p>
Implementation 1.4	Encourage public and non-profit agencies with expertise in housing practices and special needs, such as the Pierce County Housing Authority, to be major partners in implementing housing techniques and incentive programs in Fife.	Supportive	Partnership and collaboration can support the provision of adequate housing.
Policy 2	Promote preservation and improvement of the existing single family and multifamily units.	Challenging	Preservation of all housing, particularly existing affordable housing, can support identified housing needs. However, the policy only specifies two housing types and excludes middle housing types.
Implementation 2.1	Support neighborhood revitalization through available grants from the state, federal, and local government levels to maintain and improve existing residences.	Approaching	<p>The emphasis on existing residences inherently prefers single-family housing since this is the predominant housing type. Also, anti-displacement measures should accompany policies that invest in neighborhood improvements.</p> <p>The policy could be made stronger by defining what “revitalization” is and ensuring the benefits of that process are equitably shared.</p>
Implementation 2.2	Explore and identify opportunities to reutilize and redevelop existing parcels where rehabilitation of the buildings is not cost-effective.	Approaching	<p>Redeveloping parcels with existing improvements that cannot be effectively rehabilitated could provide more affordable units. This could also be an opportunity to build more housing on the same lot.</p> <p>However, emphasis on redevelopment could have displacement impacts. Providing programmatic support for households to rehabilitate their homes could help mitigate this.</p>
Implementation 2.3	Develop and adopt code provisions that provide relaxation of appropriate development standards to parties engaged in rehabilitation or preservation of existing housing.	Supportive/Challenging	<p>Preserving existing housing helps retain some affordable housing units, since older buildings tend to be less expensive to rent or buy. This could help address the high displacement risk in some parts of the city.</p> <p>However, since the existing housing stock is predominantly single-family units, this policy inherently prefers the single-family housing type at the expense of other housing types, which could be exclusionary.</p>
Policy 3	Monitor the housing market and the effectiveness of the housing policies.	Approaching	This policy could be improved by including mention of racially disparate impacts and displacement.
Implementation 3.1	Assess the effectiveness in meeting housing demands and monitor the achievement of the housing policies not less than once every 5 years.	Approaching	This policy could be improved by including mention of racially disparate impacts and displacement.

Policy		Evaluation	Why?
Policy 4	Investigate a wide variety of code amendments providing new incentives that encourage the provision of housing that is affordable to the lower income groups in the community and adopt appropriate code amendments.	Approaching	<p>Incentives for affordable housing support housing equity.</p> <p>Depending on the incentives, this could support the provision of middle housing.</p> <p>It is unclear what is meant by “appropriate” regarding potential code amendments.</p>
Implementation 4.1	Use incentive techniques to encourage the creation of housing for the extremely low, very low, low, and moderate income groups in the city. Use Incentives compatible with those in surrounding jurisdictions.	Supportive	Incentives for affordable housing support housing equity. HB1 220 requires that jurisdictions plan for housing for all income levels. Middle housing can serve households in different income levels.
Implementation 4.2	Provide increased attention to design criteria such as landscaping, lot coverage, open space, and parking in residential developments to enhance aesthetic appeal and to better blend with surrounding developments.	Challenging	Detailed design criteria focused on aesthetics and blending with surrounding developments can make it harder to build housing types different from existing conditions (in this context, predominantly single-family housing). If the design criteria overly restrict the configuration of middle housing, it can challenge the ability to meet the housing needs of all economic segments of the community.
Implementation 4.3	Encourage residential infill development on existing lots in the City, including the preparation of an inventory of potentially available lots with utilities, adoption of a zone code amendment that facilitates development of substandard lots for infill residential development, and amendments to appropriate codes to simplify and encourage consolidation of substandard lots to facilitate residential infill.	Supportive	Infill development can support a broader range of housing types to support community needs.
Implementation 4.4	Allow mixed residential/commercial and mixed density developments to increase economic feasibility of housing developments.	Supportive	<p>Improving the economic feasibility of varying housing densities supports access to housing.</p> <p>Middle housing types can be part of mixed density developments.</p>
Implementation 4.5	Explore and identify opportunities for non-profit developers to build affordable housing.	Supportive	Affordable housing is a necessary tool for housing equity.
Implementation 4.6	Maximize available local, state, and federal funding opportunities and private resources in the development of affordable housing (County-Wide Planning Policy #4).	Supportive	Affordable housing is a necessary tool for housing equity.
Implementation 4.7	Include commercial/residential multi-use within commercial zones.	Supportive	<p>Allowing residences in the same building as commercial uses creates more opportunities for housing.</p> <p>This policy could support the creation of live-work units.</p>
Implementation 4.8	Continue zoning code provisions that allow for the development of cluster and cottage housing, as well as planned residential development provisions that enable higher densities	Supportive	<p>Allowing a greater variety of housing types at higher densities supports housing equity.</p> <p>This policy supports middle housing (cottages) but could be improved by including other housing types (duplexes, triplexes, etc.).</p>

Policy		Evaluation	Why?
	above base density when increased amenities are provided.		
Policy 5	Accept County-Wide Planning Policy requirements to distribute a fair share of affordable housing units for extremely low to moderate-income households throughout the City.	Supportive	Distributing a fair share of affordable housing units is supportive of housing equity.
Implementation 5.1	Strive to implement the City's "fair share" of affordable housing units as outlined in the cooperative effort among Pierce County jurisdictions.	Supportive	Distributing a fair share of affordable housing units is supportive of housing equity.
Implementation 5.2	Include a report of recent housing development activity in the community as part of background data gathered in preparation for each update of the Comprehensive Plan. Use this information to assess market trends and the affect of land use and housing policies on them and to assist updating the Comprehensive Plan.	Approaching	<p>This policy could be improved by specifying reporting on housing affordability, racially disparate impacts, and displacement.</p> <p>This analysis could support the provision of middle housing and help identify barriers to its development.</p>
Policy 6	Identification of lands for extremely low to moderate-income households could be located in the Mixed Commercial/High Density Residential land use designations.	Approaching	<p>Focusing on mixed commercial/high density land use designations misses the opportunity to include middle housing types, which may be affordable to moderate incomes, in predominantly single-family areas. There may also need to be more capacity in the mixed commercial/high density land use designations to provide adequate housing for these income groups.</p> <p>Middle housing types can support a range of incomes while also fitting into single-family neighborhoods aesthetically, so it should not be restricted to mixed commercial and high density zones.</p>
Policy 7	Actively engage in discussion with the Pierce County Assessor, state officials, legislators, and other jurisdictions to affect a change in "highest and best use" taxation policies. This should be done under the provision in state law that the activities of state and local agencies should be compatible with and support local comprehensive plans.	N/A	
Implementation 7.1	Direct staff to pursue discussion with the Pierce County Assessor, state officials, legislators, and other jurisdictions, to affect a change in "highest and best use" taxation policies.	N/A	

- Policies could be added in support of affordable homeownership opportunities and programming to support first-time homebuyers to address the **disparity in homeownership between white and BIPOC households (particularly Black households)**.
- Policies could be added for displacement prevention, **since some areas of the city were found to have high displacement risk** in the Racial Equity Analysis Report. This could include programmatic

support for households to rehabilitate their homes and apply for property tax exemptions, where applicable.

- Improved policies to support housing affordability could help **address housing cost burden, particularly among BIPOC households** (40% of white households and 48% of BIPOC households).

Gig Harbor

Findings from the Racial Equity and Anti-Displacement Analysis

- There is a racially disparate impact in housing cost burden.** For renters, 46% of households are housing cost burdened, with 27% falling into the severely cost-burdened category.
For people of color, the cost burden rate jumps to 67%, a full 19 percentage points higher.
- An area of higher displacement risk in the (census tract 72407),** approximately 21% of which falls within Gig Harbor’s city limits. Most of this census tract lies south of Gig Harbor between Highway 16 and the shoreline of the Tacoma Narrows. The area has relatively higher rates of renter households than the county-wide mean (fourth quintile) and evidence of fewer households in 2020 than in 2010 earning less than 80% of AML. Relative to other parts of Pierce County, the area had lower rents in 2015 and saw high appreciation between 2010 and 2020.

Documents Reviewed

- [Gig Harbor Comprehensive Plan](#)
- [Gig Harbor Development Code](#)

Policy Review

Policy	Evaluation	Why?
<p>GOAL 6.1</p> <p>Maintain and protect the scale and character of existing neighborhoods</p>	Challenging	<p>The existing scale and character are predominantly single-family homes, which is exclusionary to some income and race groups. More diverse housing types will be needed to accommodate current and future community needs.</p> <p>Focusing on “protecting” single-family character may preclude middle housing options.</p>
<p>6.1.1.</p> <p>Encourage infill</p> <p>Encourage infill of existing residential neighborhoods with housing types, designs, and sizes similar to prominent and/or historical structures.</p>	Approaching	<p>Encouraging infill can help produce more housing and more diverse housing. However, emphasis on prominent or historical structures may need to provide more flexibility to make denser, more affordable housing types feasible.</p>
<p>6.1.2.</p> <p>Develop design guidelines</p> <p>Develop guidelines which define how larger multi-family structures may be designed to reflect the massing and scale of smaller existing structures.</p>	Approaching	<p>Neighborhoods are meant to change as housing needs change. Overly constraining the design of new housing to make it resemble older housing prioritizes the aesthetic preferences of some community members over the housing needs of other residents.</p> <p>Established design guidelines should be easy to follow and not overly prescriptive.</p>
<p>GOAL 6.2</p> <p>Encourage high density housing which maintains Gig Harbor’s historic visual characteristic as a single family community</p>	Approaching	<p>Encouraging high density housing can support housing access and equity. However, specifying that high density housing should align with the historic aesthetics of a single-family community is prohibitive.</p>

Policy	Evaluation	Why?
		Describing communities as “single family” can also be challenging to middle housing types. Alternatives such as “low-density residential” would relieve the policy of this problematic term.
6.2.1.	<p>Identify areas where small lot sizes are appropriate</p> <p>a) Develop maximum lot sizes for single family homes, e.g, 5,000 - 7,000 square feet.</p> <p>b) Allow zero lot line development on smaller lots to retain optimal use of private yard areas.</p>	Approaching
6.2.2.	<p>Minimize appearance of multi-family structures</p> <p>Avoid high and visually prominent concentrations of multi-family structures on major thoroughfares and boulevards.</p> <p>a) Require increased setbacks from street edge with landscaped green space oriented to both the public and residents of the multi-family units. The walled "compound" look as seen from the street should be avoided.</p> <p>b) Define stepped height standards which require lower building heights nearer the street edge, and stepping up away from the street.</p> <p>c) Identify areas of high-density housing throughout the City to avoid over-concentration in one area.</p> <p>d) Retain multi-family structures near the fringe of established single-family neighborhoods or in strategic locations where larger structures will not abruptly alter the single family character.</p> <p>e) To the extent possible, incorporate single family design into multi-family housing through the following design techniques:</p> <ul style="list-style-type: none"> i. Unit clustering and separation ii. Variation in unit design iii. Modulation of facade and roof lines. iv. Avoidance of "book-matched" or symmetrical designs on duplexes and larger units. 	Challenging
6.2.3.	<p>Reward acceptance of density with corresponding benefits</p> <p>High-density areas should be associated with increased areas of</p>	Approaching
		This policy could preclude middle housing types if it results in requirements that increase development costs. It may also prevent the introduction of higher-density development away from existing neighborhoods if the lot

Policy	Evaluation	Why?	
	open space and other amenities to the public and home owners.	size does not allow for the dedication of open space. Density is necessary to achieve the housing capacity to meet the housing needs of all economic segments of the community. Requiring additional amenities above and beyond what is required for other housing forms can disincentivize the development of needed moderate-density housing.	
GOAL 6.3	Encourage maintenance and/or adaptive reuse of existing structures for residential use.	Supportive	
		<p>Converting buildings from other uses to residential could be a strategy for providing housing that is more affordable than new buildings and can make creative reuse of the community's existing assets.</p> <p>Adaptive reuse of existing single-family houses, and other buildings, can support some middle housing types.</p>	
6.3.1.	<p>Provide renovation incentives</p> <p>Allow retention of existing heights and setbacks of historic structures which are renovated for residential use (e.g, do not apply standard "50% clause" requiring demolition of structure if more than 50% of structure is effected in renovation).</p>	Supportive	<p>Converting buildings from other uses to residential could be a strategy for providing more affordable housing than new builds.</p> <p>Some historic structures could be renovated as middle housing types.</p>
6.3.2.	<p>Provide financial incentives</p> <p>Identify fees that might be waived for repair or renovation work as an incentive.</p>	Supportive	<p>Making repairs and renovations of older buildings more cost-effective could provide more affordable units.</p> <p>Reducing costs of renovation could result in more middle housing types.</p>
6.3.3.	<p>Sponsor clean-up campaigns</p> <p>Provide regularly scheduled clean-up help and trash collection in neighborhoods.</p>	N/A	
GOAL 6.4	Maintain a "no net loss" policy toward affordable housing units	Supportive	The need for affordable housing is growing: ensuring no net loss is important to address this need.
6.4.1.	<p>Discourage demolitions</p> <p>Discourage demolition of existing smaller houses which have a reasonable potential for being salvaged.</p> <p>a) Consider fee waivers for building permits to renovate or repair existing houses.</p> <p>b) Consider high demolition permit fees with the proceeds applying toward other affordable housing programs in the Gig Harbor area.</p> <p>c) Support "existing use" tax assessment as opposed to taxation based upon speculative highest and best use.</p>	Supportive/Challenging	<p>Preservation of existing smaller houses, which may provide more affordable housing than average-sized houses, could prevent displacement.</p> <p>However, the policy prefers single-family types at the expense of other housing types.</p>
6.4.2.	Mitigate effects of gentrification	Supportive	Ensuring that the land is available for affordable housing development is necessary

Policy	Evaluation	Why?
	<p>Compensate market "sell up" of units (i.e., gentrification) with a corresponding supply of land available for affordable replacement units.</p> <p>a) Solicit the help of local real estate community to identify the number of units which sell for more than 30% of their previous purchase price or value.</p> <p>b) Assure that there is sufficient land area zoned for affordable-type development to compensate for loss of affordable units and for account for projected need.</p>	<p>to prevent net loss of affordable units. This could help address areas of high displacement risk, mostly affecting Gig Harbor's renter households.</p>
<p>6.4.3.</p>	<p>Monitor and assess the success in allocating the countywide housing needs to accommodate the 20-year population in conjunction with the County process established.</p> <p>a) In 2020, fund a housing needs assessment in coordination with the local housing authority that includes the following:</p> <ul style="list-style-type: none"> i) Analysis of housing needs for City residents based on age and special needs. ii) An estimate of housing needs by income groups. iii) Policy recommendations to increase rental affordability. <p>This assessment will provide additional information regarding housing needs for the 2023 Major Periodic Review of the Comprehensive Plan.</p> <p>b) Support the development and ongoing operations of supportive housing with appropriate services for people with special needs throughout the county and region.</p>	<p>Supportive</p> <p>Analysis of housing needs, policy recommendations for rental affordability, and support for supportive housing types all support housing equity.</p>
<p>GOAL 6.5</p>	<p>Preserve Gig Harbor as a place to live for people of all occupations, incomes and abilities.</p>	<p>Supportive</p> <p>Ensuring that households of all income levels can live in Gig Harbor is necessary for housing equity. HB1220 requires that jurisdictions plan for housing for all income levels. Middle housing can create options for moderate income households and various family sizes.</p>
<p>6.5.1.</p>	<p>Accommodate group housing</p> <p>Develop standards for senior citizen, foster care facilities, and group housing arrangements as permitted uses in designated zones.</p> <p>a) Consider defining maximum family size of unrelated individuals sharing a housing unit according to the ability of the structure to accommodate more persons:</p>	<p>Challenging</p> <p>Use of a maximum family size of unrelated individuals could be discriminatory to households outside of the nuclear family structure. If the intent is for the building's size and rooms to dictate the maximum household size, then family relations should be irrelevant.</p> <p>Requiring a certain amount of parking based on licensed drivers could also be prohibitive: for example, four licensed drivers in a group home with two cars could only need two parking spots but be required to have four. A</p>

Policy	Evaluation	Why?
	<p>i. Are there sufficient numbers of bedrooms to avoid overcrowding.</p> <p>ii. Is there adequate parking to meet the needs of licensed drivers within the facility.</p> <p>b) Redefine density standards to allow for higher numbers of single room occupancy units (SRO's) and increased numbers of beds in senior or group housing complexes.</p>	<p>family or related individuals could also have four licensed drivers but would not be burdened in the same way.</p>
6.5.2.	<p>Encourage accessory units</p> <p>Provide incentives to single family homeowners to build accessory units on their property, e.g, reduction or waiver of city fees.</p>	<p>Supportive</p> <p>Incentives for accessory dwelling units can support housing that suits the various needs of the community.</p> <p>Disincentivizing accessory dwelling use for short term rentals can help meet the local housing needs.</p>
6.5.3.	<p>Address the relationship between employment and housing</p> <p>The adopted 2030 total employment target for Gig Harbor according to the Pierce County 2014 Buildable Lands Report is 9,954. Our 2010 total employment estimate is 9,155 and from development currently underway 500 estimated jobs will be added bringing us to just under 200 jobs short of our 2030 goal. The Economic Development Element has further information on the relationship between employment and housing.</p>	<p>N/A</p>
6.5.4.	<p>Allow the transfer of City owned property for affordable housing needs</p> <p>Appropriate properties owned by the City of Gig Harbor should be considered to address affordable housing needs</p>	<p>Approaching</p> <p>This policy supports the creation of more affordable housing units, which support the needs of the population making less than 80% AML.</p> <p>It is not clear what is meant by "appropriate."</p>
GOAL 6.6	<p>Support county-wide fair share housing allocations</p>	<p>Supportive</p> <p>County-wide fair share housing allocations support the regional provision of adequate housing. HB1220 requires that jurisdictions plan for housing for all income levels.</p>
6.6.1.	<p>Require fair share housing in new subdivisions or housing developments</p> <p>Require new subdivisions or developments to provide a "fair-share" allocation of affordable housing within the subdivision or residential developments.</p> <p>a) Develop a per-lot formula which identifies the number of required affordable units within a subdivision or housing project.</p> <p>b) Assure that impact fees are assessed to encourage affordable housing rather than hinder it.</p>	<p>Supportive</p> <p>Requiring affordable housing in new subdivisions and developments helps support the overall affordable housing supply and resident needs.</p> <p>If middle housing types are allowed, developers may choose to build middle housing types to meet affordable housing requirements since they are less expensive to build per unit.</p>

Policy	Evaluation	Why?
<p>6.6.2.</p> <p>Allow flexible zoning standards</p> <p>Consider flexible zoning standards which encourage innovative development of affordable housing units including the following:</p> <ul style="list-style-type: none"> a) Housing units above or connected to commercial shops. b) Allowances for Single Room Occupancy (SRO) housing. c) Studio apartments. d) Accessory apartments. e) Parks for full sized and "efficiency" sized manufactured housing units. 	<p>Supportive</p>	<p>Allowing more flexibility can support the development of more affordable housing units.</p> <p>This policy could be improved by adding middle housing types to the list.</p>
<p>6.6.3.</p> <p>Encourage conversions</p> <p>Encourage the redevelopment of abandoned or blighted structures which could be converted to quality low-income or affordable housing.</p>	<p>Supportive/Challenging</p>	<p>This policy supports the provision of more affordable housing. However, much of the existing housing is single-family, so this policy could inherently prefer single-family types over other options. The use of the word "blighted" is also outdated and historically associated with harm to BIPOC communities.</p> <p>Some abandoned structures could be converted to middle housing types.</p>
<p>6.6.4.</p> <p>Partner with affordable housing organizations</p> <p>Partner with organizations capable of long-term consistent coordination of housing planning, design, development, funding, and housing management to help meet the affordable housing gap.</p>	<p>Supportive</p>	<p>Partnering with outside organizations supports the provision of more affordable housing.</p>
<p>6.6.5.</p> <p>Meet County-wide fair share affordable housing allocation</p> <p>The City, in working with private and public entities, should satisfy the county-wide goal of 25% of our allocated growth with permanent affordable housing units by 2030.</p>	<p>Supportive</p>	<p>County-wide fair share housing allocations support the regional provision of adequate housing.</p>
<p>6.6.6.</p> <p>Inclusionary Housing Program</p> <p>Implement an inclusionary housing program that incentivizes producing and preserving affordable housing in Gig Harbor, in alignment with the adopted goals and policies of the Comprehensive Plan. The inclusionary housing program, at a minimum, should include incentives for the following:</p> <ul style="list-style-type: none"> a) Tax relief for the inclusion of low-income housing units in mixed use or residential developments as allowed by state law. b) Site appropriate incentives for accessory dwelling units in existing neighborhoods. 	<p>Approaching</p>	<p>This policy supports inclusionary housing, ADUs, and cottage housing. However, restricting these with language like "appropriate incentives" or "preferred areas" could limit the potential for positive impacts.</p>

Policy	Evaluation	Why?	
	<p>c) Allow higher density housing, including cottage housing, in preferred areas. Preferred areas include adopted CoLIs, and transition zones between higher intensity uses and single family development.</p> <p>d) Additional incentives should include fee waivers from development or permitting costs, expedited permit review, and/or parking reductions.</p>		
GOAL 6.7	Minimize direct costs of new housing construction	Supportive	Reducing the costs of new housing supports affordability.
6.7.1.	<p>Minimize costs associated with land</p> <p>Reduce housing costs associated with land through policy reform.</p> <p>a) Identify areas where small lots may be allowed or required to accommodate smaller single family houses, patio houses, or townhouses.</p> <p>b) Encourage condominium development as a means of providing ownership opportunities.</p> <p>c) Provide incentives for increased densities on residential lots or consider density based upon performance standards as opposed to maximum unit allowances.</p> <p>d) Provide for the siting of manufactured housing based upon the same performance standards as other single family units, which address minimum/maximum development parcel size, buffering, landscaping and open space.</p> <p>e) Establish a "no net loss" policy toward land occupied by affordable housing units.</p> <p>f) Identify and retain parcels with the fewest environmental and site constraints for high density and/or affordable housing development.</p> <p>g) Allow (or require) utilization of space over commercial structures to be used for residential units.</p>	Supportive	<p>Reducing the costs of new housing supports affordability.</p> <p>Minimizing costs can support the provision of all housing types, including middle housing. Condominium development is also relevant to middle housing types, particularly cottage housing.</p> <p>This policy meets a state requirement. Manufactured homes can provide housing options that are more affordable to households with low incomes.</p>
6.7.2.	<p>Minimize high material costs</p> <p>Identify ways to minimize the costs and volume of materials as suggested in the following examples:</p> <p>a) Allow and encourage designs which use the least amount of the more expensive materials (e.g, square houses have less outside wall area than rectangular house of the same square footage, hence, less brick or siding is required; vertical house designs are more cost effective than</p>	Supportive	Reducing the costs of new housing supports affordability.

Policy	Evaluation	Why?	
<p>horizontal designs because they have smaller foundation and roof areas; narrow spans of joists and rafters are more cost effective than wide spans because smaller structural members may be used).</p> <p>b) Allow use of substitute materials which provide the same visual quality as natural materials.</p>			
6.7.3.	<p>Support labor cost-saving opportunities</p> <p>Support regulations or programs which provide owner/builder opportunities.</p> <p>a) Provide advice and information to those desiring to build their own homes.</p> <p>b) Encourage financial institutions to provide financing for owner/builders.</p> <p>c) Give priority to permit applications of owner builders needing the full building season to complete their project.</p> <p>d) Encourage housing co-ops and group efforts (e.g., Farm Home owner/builder programs).</p> <p>e) Take advantage of cost savings associated with controlled building techniques, e.g, manufactured or modular housing.</p>	Supportive	Reducing costs of new housing supports affordability.
GOAL 6.8	<p>Eliminate incentives to build larger homes than are needed for typical sized households in Gig Harbor</p>	Supportive	<p>The policy could result in smaller units and greater density, which supports affordability and overall housing supply.</p> <p>Not incentivizing the building of larger homes can make middle housing development a more cost-effective option than single-family for developers.</p>
6.8.1.	<p>Minimize per-unit land values</p> <p>Attempt to minimize value of parcels designated for affordable housing to allow for smaller sized affordable units.</p> <p>a) Minimize per-unit parcel size by allowing increased density.</p> <p>b) Identify areas for affordable housing where the market is least likely to influence land values (e.g., non-view property).</p>	Supportive	<p>Reducing the costs of new housing supports affordability.</p> <p>Allowing increased density supports the development of middle housing.</p>
6.8.2.	<p>Encourage retention of existing smaller houses</p> <p>Consider incentives which encourage owners of smaller houses to retain them for affordable housing units.</p> <p>a) Tax incentives.</p>	Supportive	<p>This policy supports the overall affordable housing supply. While it does retain some existing single-family housing, it focuses on smaller units and provides density incentives for additional development on the same lots.</p>

Policy		Evaluation	Why?
	b) Density incentives on lots with existing affordable units.		This policy could encourage the creation of some middle housing types through density incentives, such as cottage housing and ADUs.
GOAL 6.9	Minimize infrastructure costs associated with housing development	Supportive	Reducing the costs of new housing supports affordability.
6.9.1.	Consider alternatives Clearly specify levels of service and benefits to be achieved through adopted standards and give due consideration to alternative proposals designed to achieve the same end.	Supportive	Reducing the costs of new housing supports affordability.
6.9.2.	Promote cost effective designs The greatest savings of infrastructure costs can be achieved through compact development or expansions of developments with infrastructure already in place. These should be encouraged.	Supportive	Reducing the costs of new housing supports affordability.
GOAL 6.10	Minimize costs associated with permit processing and approvals by streamlining turn around time for new applications for affordable housing	Supportive	Reducing the costs of new housing supports affordability.
6.10.1.	Provide clear standards for development Develop and maintain clear development standards regarding site design and building design.	Supportive	Clear standards help streamline the permitting process and minimize design revisions, which can reduce overall project costs.
6.10.2.	Reduce environmental review time To the extent possible, perform an area-wide analysis of land characteristics and environmental impacts based upon a predetermined use and density.	Supportive	This can incentivize more housing development and reduce housing development costs.
GOAL 6.11	Provide assistance in minimizing indirect housing costs.	Supportive	Reducing the costs of new housing supports affordability.
6.11.1.	Minimize sewer rates for affordable housing Provide city-rate sewer service to affordable housing units outside the city but within the city's urban growth area.	Supportive	Reducing the costs of new housing supports affordability.
GOAL 6.12	Seek funding for implementation of affordable housing Funding sources include the Housing Trust Fund, and federal subsidy funds such as Community Development Block Grant, HOME Investment Partnership, and other sources to implement	Supportive	Fundings gaps affect affordable housing development: seeking new funding sources can help with this barrier.

Policy	Evaluation	Why?
	<p>housing preservation programs outlined in this element.</p>	

- Improved policies to support affordability could help address **disparities in housing cost burden among BIPOC households** (67% of BIPOC households compared to 46% of all households)
- Improved policies to combat renter displacement, establishing Manufactured Home Park zoning, could address the **high displacement risk** in census tract 72407.

Milton

Findings from the Racial Equity and Anti-Displacement Analysis

- Milton has a disparate impact in ownership for households that identify as Hispanic or Latino.** White, not Hispanic or Latino households have a median income of \$84,339 and a homeownership rate of 61%. Hispanic and Latino households have a median income of \$4,000 higher at \$88,813, but a homeownership rate of 16 percentage points lower (45%).
- High displacement risk** in the far northwest corner that overlaps with census tracts in the Fife Heights area. The rest of Milton falls in census tracts with low rates of displacement risk.

Documents Reviewed

- [Milton Comprehensive Plan](#)
- [Milton Development Code](#)

Policy Review

Policy		Evaluation	Why?
Goal 1	The City shall ensure adequate housing for all current and future residents of Milton by achieving and maintaining a high-quality residential housing stock.	Approaching	<p>Providing housing for current and future residents supports housing equity. HB1220 requires jurisdictions to plan housing for all income levels: language to support this could be added. In order to provide for current and future residents, a variety of housing types will be needed, including middle housing.</p> <p>The policy does not define "quality" making this term subjective and potentially used to exclude housing types and groups of people from neighborhoods.</p>
Housing Policy 1.1	The City will strive to set the conditions to encourage the development of a variety of housing types, including providing public facilities.	Approaching	This policy could be improved by encouraging the development of affordable housing types affordable to all income segments.
Housing Policy 1.2	The City shall conserve its existing housing stock through such measures as code enforcement, appropriate zoning, participation in rehabilitation programs, and discouraging the conversion of housing to inappropriate nonresidential uses.	Supportive/Challenging	<p>Conservation of existing housing stock could provide more naturally occurring affordable housing by retaining older buildings. Conservation could also mitigate displacement (an area in the northwest corner of Milton has a high rate of displacement risk compared to other parts of Pierce County).</p> <p>However, most of the existing housing stock is in single-family residences, which are not attainable for some segments of the population. Also, the term "appropriate zoning" could obstruct some types of low density housing, such as middle housing, that can meet broader community needs.</p>
Housing Policy 1.3	The City shall encourage the installation of appropriate supporting infrastructure	Supportive	Infrastructure investments can reduce development costs and encourage the development of more housing units.

Policy		Evaluation	Why?
	in areas that are designated for higher density housing.		
Goal 2	Maintain the City's small-town character and protect existing single-family neighborhoods.	Challenging	<p>Milton is an urban area required to accommodate population growth over time. In addition, neighborhoods are expected to change and evolve as housing needs change and evolve. Policies designed to "protect single-family" neighborhoods can challenge the City's ability to accommodate enough housing to meet the projected need at all income levels and create exclusionary impacts.</p> <p>"Protecting" existing "single-family" neighborhoods inherently excludes middle housing types. Also, describing a neighborhood as "single-family" overlooks the other types of housing and living arrangements that may exist in the neighborhood. Describing neighborhoods as "low density" could resolve this.</p>
Housing Policy 2.1	The city's land use and housing plans should strive to maintain the predominantly single-family residential character of Milton while ensuring adequate capacity to accommodate growth forecasts.	Challenging	<p>Prioritizing single-family neighborhoods challenges the City's ability to provide enough housing to meet projected needs at all income levels. This creates exclusionary impacts for populations that cannot rent or own single-family houses.</p> <p>This policy could be modified to emphasize the need to ensure adequate capacity for growth forecasts while continuing to support low-density housing options.</p>
Housing Policy 2.2	New development should be consistent with the character of existing neighborhoods.	Challenging	<p>Existing character prioritizes single-family typologies, which is exclusionary to populations that cannot afford to rent or own single-family houses.</p> <p>This policy inherently preferences single-family housing over other housing types.</p>
Housing Policy 2.3	The City shall encourage development of housing with a pedestrian orientation that promotes a sense of community and safety. This will ensure that residential neighborhoods are adequately buffered from noise, odors, and other environmental stresses.	Supportive	Adequate pedestrian infrastructure can make it easier for residents to live car-free (or with fewer cars per household), which reduces personal costs. The policy could be most impactful for residents with lower incomes.
Housing Policy 2.4	The City will promote new residential development in the form of single-family homes, townhouses, duplexes, and accessory dwelling units around the Town Center area, at a density that will allow pedestrian access to commercial areas, employment, schools, services, and parks or recreational areas.	Supportive	This policy supports development of middle housing
Housing Policy 2.5	The City shall allow home occupations in residential areas where such home occupations or professions are incidental to the primary residential use and are conducted in a manner that does not change the home's residential character.	Approaching	<p>Allowing home occupations can provide more opportunities for residents to earn a living, which could be especially important for households with lower incomes.</p> <p>The policy does not define "character" making this term subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p>

Policy		Evaluation	Why?
Housing Policy 2.6	Multi Family and mixed-use housing should be located in the areas that are most appropriate to handle the increase impact from higher densities.	Approaching	This policy is unclear. What makes an area the most appropriate for higher densities? Consider defining appropriate areas as those with community amenities and services that include schools, parks, and other services in addition to commercial services.
Housing Policy 2.7	New divisions of land should be laid out and designed in such a way as to preserve neighborhood cohesiveness and match the existing housing pattern.	Approaching	Depending on implementation, this could impact the provision of multifamily, mixed, and middle housing if regulations are overly restrictive.
Housing Policy 2.8	Site and Building design for multifamily and mixed housing should be consistent with the neighborhood design and promote cohesiveness.	Approaching	Depending on implementation, this could impact the provision of multifamily mixed, and middle housing if regulations are overly restrictive.
Housing Policy 2.9	Continually investigate a variety of code amendments in order to protect the small-town character and assure the development regulations implement the Comprehensive Plan.	Challenging	Emphasis on the small-town character could be prohibitive to housing types other than single-family, which serve a broader range of incomes and resident needs.
Housing Policy 2.10	Assure that site, landscaping, building, and design regulations create effective transitions between different land uses and densities.	Approaching	Depending on implementation, this could impact the provision of multifamily mixed, and middle housing if regulations are overly restrictive. If implemented to "protect" the aesthetics of existing neighborhoods, this policy could create barriers to needed housing.
Housing Policy 2.11	The City should utilize available means including code enforcement and grant opportunities to protect neighborhoods from blight and dilapidation.	Challenging	The term "blight" is outdated and has associations with historical harms to communities of color.
Goal 3	Encourage the provision of a variety of housing types and densities, while recognizing the need for a range of affordable housing.	Approaching	This policy supports the provision of affordable and middle housing. HB1220 also requires that jurisdictions plan for housing for all income levels.
Housing Policy 3.1	The City shall implement non-discriminatory zoning regulations for group homes, consistent with the Federal Fair Housing Act, so that different classes of group homes are permitted in appropriate residential neighborhoods.	Supportive	Group homes are a necessary housing type to support a range of needs.
Housing Policy 3.2	The City's strategy for providing "affordable housing" shall rely on: <ol style="list-style-type: none"> 1. Protecting the quality of Milton's older neighborhoods to retain existing, affordable housing stock. 2. Allowing manufactured housing within single family neighborhoods. 3. Allowing manufactured home parks and multiple family developments in appropriate but limited areas. 4. Consideration of inclusionary or incentivized zoning techniques. 	Approaching	Conservation of existing housing stock could provide more naturally occurring affordable housing by retaining older buildings. This should be balanced with other strategies for affordable housing since existing housing stock is primarily single-family homes and other housing types could be better suited to some household needs. "Protecting" existing "single-family" neighborhoods inherently excludes middle housing types. Also, describing a neighborhood as "single-family" overlooks other kinds of housing and living arrangements that may exist in the neighborhood. Describing neighborhoods as "low density" could resolve this.

Policy		Evaluation	Why?
	5. Encourage multi-family development in centers where urban services currently exist.		<p>The policy does not define "quality" making this term subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p> <p>This policy meets a state requirement. Manufactured homes can provide housing options that are more affordable to households with low incomes.</p>
Housing Policy 3.3	The City will coordinate its affordable housing policy with the applicable affordable housing policies adopted by King County and Pierce County.	Supportive	Regional coordination is needed to provide adequate affordable housing.
Housing Policy 3.4	The City shall provide for accessory dwelling units in residential zones for low to moderate income, small family, single persons, or seasonal occupants, as long as the unit maintains the appropriate residential character and quality living environment.	Approaching	<p>ADUs are an important part of an affordable and diverse housing stock.</p> <p>However, the use of "appropriate residential character" could suggest barriers to implementation of ADUs if regulations are overly restrictive.</p> <p>The policy does not define "quality" or "character" making these terms subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p>
Housing Policy 3.5	The City should compile and make available housing and housing agency services information to assist low- and moderate-income families in finding adequate housing and to assist non-profit developers in locating suitable sites for affordable housing.	Supportive	This service can support the affordable housing supply and support households in finding housing to meet their needs.
Housing Policy 3.6	The City's development regulations should not unnecessarily add to housing costs.	Supportive	Lowering housing costs supports provision of all housing types, including middle housing.
Housing Policy 3.7	The City should explore participation in State housing programs, such as the Housing Assistance Program and the State Housing Finance Commission's homeownership loan program, that facilitate home ownership by low- and moderate-income families.	Supportive	This could support the housing needs of low- and moderate-income families.
Housing Policy 3.8	Manufactured homes should be treated the same as stick build homes and be allowed in the same zones in which the City authorizes single family residential development.	Supportive	This policy meets a state requirement. Manufactured homes can provide housing options that are more affordable to lower incomes.
Housing Policy 3.9	Partnerships with United Way and other non-profit or religious entities should be explored to assist in low-income housing and people with housing crisis.	Supportive	Partnerships can support the provision of more affordable and emergency/transitional/supportive housing.

- Since Milton has a **disparity in homeownership among Hispanic or Latino households** (45% of Hispanic or Latino households compared to 61% of white, not Hispanic or Latino households), the City may consider adding policies and programming to support homeownership opportunities. Programs for first-time homebuyers, particularly those that offer support in Spanish and partner with community organizations, could also address this disparity.

- Policies to prevent displacement, such as those that address affordability and building rehabilitation, would help address the far northwest corner area of Milton with **high displacement risk**.
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University Place

Findings from the Racial Equity and Anti-Displacement Analysis

- A disparate impact in homeownership access for Hispanic or Latino households.**
 The Hispanic and Latino median household income is slightly higher than the citywide median of \$91,875 though the homeownership rate lags behind the White and Asian household rate. The Hispanic or Latino homeownership rate is 44%, 20 percentage points less than the White homeownership rate.
- A disparate impact in homeownership access for Black households.** Comprising 9% of the population in 2020, the median household income of Black households is \$64,350, approximately \$20K less than the citywide median of \$84,673. The homeownership rate is only 16%, 48 percentage points less than the homeownership rate for White households. Income constraints are likely driving low homeownership among black households, though other barriers may be specific to the Black households.
- Three census tracts in University Place have high displacement risk** (census tracts 72307, 72311, and 72312). Each of these census tracts have higher scores of social vulnerability, primarily driven by high rates of renter households and moderate to high proportions of people of color and low income households relative to the county. All these areas saw a decrease in the share of households that earn 80% of countywide AMI or less between 2010 and 2020. Additionally, rents in both the northeastern areas (census tract 72311) and central University Place (census tract 72307) have increased faster than countywide patterns.

Documents Reviewed

- [University Place Comprehensive Plan](#)
- [University Place Development Code](#)

Policy Review

Policy	Evaluation	Why?
GOAL HS1	Preserve and enhance existing residential character of neighborhoods.	Challenging
		<p>The existing character is predominantly single-family homes. Emphasis on preserving this character is exclusionary to people who cannot afford to rent or buy single-family homes.</p> <p>The policy does not define “character”, making this term subjective.</p>
Policy HS1A	Effectively implement zoning regulations, including design standards and guidelines, to help support the stability of established residential neighborhoods. Where comprehensive plan policies and zoning classifications support the introduction of a range of housing types into existing neighborhoods, enforce design standards and guidelines to ensure that	It is not clear what is meant by “stability”.

Policy	Evaluation	Why?
	<p>new development is well designed, integrated compatibly into the neighborhood context, and contributes to an enhanced community aesthetic.</p>	
<p>Policy HS1B</p>	<p>Encourage repair and maintenance of existing housing, including the City's substantial stock of smaller bungalows and cottages built through the 1940s and split level and rambler style housing built during the 1950s through the 1970s, to support neighborhood stability and provide affordable housing opportunities within University Place in a cost effective manner. Provide information to citizens about existing programs that offer maintenance and repair assistance. Work with entities such as Paint Tacoma-Pierce Beautiful, a program that organizes volunteer crews to paint the exterior of homes of low income, elderly and disabled homeowners, to explore whether services could be expanded to include University Place. Support Block Watch activities to reduce crime in support of neighborhood stability.</p>	<p>Approaching</p> <p>Older housing is often more affordable, however, as the city grows more housing will be needed in different typologies. Other policies should be added to ensure that a variety of housing options are possible.</p> <p>It is not clear what is meant by "stability".</p>
<p>Policy HS1C</p>	<p>Promote home ownership opportunities for people at various income levels to foster stable neighborhoods and support investments in the community as a whole. Encourage maintenance of existing older housing stock and the development of small lot attached and detached housing, townhouses, live/work units, cottage housing, and cluster housing to provide more opportunities for affordable home ownership – thereby supporting neighborhood stability.</p>	<p>Supportive</p> <p>This policy supports affordable ownership housing, which contributes to housing equity. This is especially important in light of the homeownership disparities among Hispanic or Latino and Black households.</p>
<p>Policy HS1D</p>	<p>Encourage residential development on vacant lots in areas that are already adequately served by utilities and transportation. Support such development as the utilities, services, and street improvements are in place and available and the cost of developing this housing is generally lower than in completely new subdivisions. Support appropriately designed and well-constructed infill development in order to enhance the stability of existing neighborhoods.</p>	<p>Supportive/Challenging</p> <p>Developing in areas with adequate infrastructure may reduce building costs, which can make housing more affordable. However, developers often pay into the development of new infrastructure. Limiting new multifamily housing to areas with existing infrastructure could artificially restrict the amount of housing that can be built and keep housing types, and therefore different groups of people segregated, creating an exclusionary impact for some people.</p> <p>It is not clear what is meant by "appropriate" or "stability".</p>
<p>Policy HS1E</p>	<p>Maintain economic viability and neighborhood and community stability by providing housing choices for people of all ages and stages of life, thereby enabling changing households to remain in the same home or neighborhood.</p>	<p>Supportive</p> <p>A variety of housing choices are needed to support diverse community needs. This could also mitigate displacement, by providing local options as household needs change. High displacement risk affects three census tracts in University Place (per the Racial Equity Analysis Report).</p>

Policy		Evaluation	Why?
GOAL HS2	Achieve a mix of housing types to meet the needs of diverse households at various income levels.	Supportive	A mix of housing types is essential to provide housing for all income levels (as required by HB1220). Middle housing can help achieve a mix of housing types.
Policy HS2A	Support and encourage innovative and creative responses, through the use of appropriate incentives, to meet University Place's needs for housing affordability and diversity for a variety of household sizes, incomes, types and ages.	Supportive	Incentivizing affordable housing can help get it built. Middle housing can help achieve a mix of housing types.
Policy HS2B	Support increased housing choices, especially for smaller households, to help the overall housing supply better match the needs of an increasingly diverse population. Effectively administer existing regulations that allow development of housing that satisfies varied consumer preferences, including but not limited to: cottage housing, small lot development, cluster housing and attached units (two or three units per building) that are designed to fit the general character of, and have scale and bulk comparable to, other single-family homes in the neighborhood in which the new housing is located. As new and different housing styles become available, give consideration to how they might fit within existing single-family neighborhoods to provide increased affordability for low- and moderate-income families and increased options for seniors and small households.	Supportive	This policy supports provision of middle housing types.
Policy HS2C	Adopt regulations that encourage the construction of live/work units in the City's Regional Growth Center in accordance with subarea planning goals and objectives.	Supportive	Live/work units are a middle housing type that can be a good fit for some households.
Policy HS2D	Encourage increased density residential development in mixed-use zones, especially those located within the City's Regional Growth Center, subject to compliance with appropriate development and design standards. Discourage or prohibit new detached single-family dwellings in these areas to promote more intensive use of commercial and mixed-use properties in order to accommodate an increasing share of the City's anticipated future population growth.	Supportive	Discouraging or prohibiting single-family dwellings in the Regional Growth Center in favor of higher density housing could help create more units, which would serve the current and future population.
Policy HS2E	Encourage preservation of the existing stock of mobile home parks as a viable source of affordable housing. Continuation of two existing mobile home parks containing about units	Supportive	Mobile home parks serve the needs of some households at more affordable rates than other housing types.

Policy		Evaluation	Why?
	<p>combined – Sunrise Terrace on Chambers Creek Road and Korey’s Court on Hanna Pierce Road, will support housing choice by serving residents with lower incomes.</p>		
Policy HS2F	<p>Permit accessory dwelling units in conjunction with single-family dwellings to increase the affordable housing options, provide supplementary income, offer semi-independent living for people with special needs, and provide for increased personal and home security. Design ADUs to maintain the single-family housing character of the property in which they are located. Ensure that modifications to the exterior of an existing home to accommodate an ADU are architecturally consistent with the existing design. Design detached ADUs to be architecturally compatible with the principal residence.</p>	Approaching	<p>ADUs are one middle housing typology that can be less expensive to rent than other housing types.</p> <p>The policy does not define “character”, making this term subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p>
Policy HS2G	<p>Allow manufactured homes in all zones where single-family housing is permitted, consistent with state law that precludes local jurisdictions from regulating manufactured homes differently from site-built homes. Ensure that manufactured homes comply with all University Place design standards applicable to all other homes within the neighborhood in which the manufactured home is to be located.</p>	Supportive	<p>This policy meets a state requirement. Manufactured homes can provide housing options that are more affordable to lower incomes.</p>
Policy HS2H	<p>Prevent discrimination and encourage fair and equitable access to housing for all persons in accordance with state and federal law.</p>	Supportive	<p>This policy supports housing equity.</p>
GOAL HS3	<p>Encourage the availability of housing affordable to all economic segments of the population.</p>	Supportive	<p>This policy encourages development of housing that meets community needs. HB1220 requires that jurisdictions plan for housing for all income levels. Middle housing can help meet the needs of some economic segments of the population.</p>
Policy HS3A	<p>University Place shall determine the extent of the need for housing for all economic segments of the population, both existing and projected for its jurisdiction over the planning period – consistent with CPP AH1. For the purpose of this and additional housing policies, the following definitions apply:</p> <ul style="list-style-type: none"> • “Affordable housing” means housing affordable to households earning up to 80 percent of the countywide median income. • “Low income households” means households earning 80 percent or less of the countywide median income. 	Supportive	<p>This policy encourages development of housing that meets community needs. HB1220 requires that jurisdictions plan for housing for all income levels.</p>

Policy	Evaluation	Why?
	<ul style="list-style-type: none"> • “Moderate income households” means households earning 80 to 120 percent of the countywide median income. • “Special needs housing” means supportive housing opportunities for populations with specialized requirements, such as the physically and mentally disabled, the elderly, people with medical conditions, the homeless, victims of domestic violence, foster youth, refugees, and others. • “Housing affordability” is a measure of household’s ability to afford housing, whether ownership or rental property, based on the percentage of gross monthly income that goes toward housing expenses, regardless of income level. For ownership housing, this percentage typically includes taxes, insurance and other related housing expenses. For rental housing, a utility allowance is included in the 30 percent figure. A household in which housing costs exceed 30 percent of gross monthly income is considered to be “cost burdened”; if costs exceed 50 percent of gross monthly income, the household is severely cost burdened. Another measure, the H+T Index, offers an expanded view of affordability -- one that combines housing and transportation costs and sets the benchmark at no more than 45 percent of household income. 	
Policy HS3B	<p>Explore and identify opportunities to reutilize and redevelop existing parcels where rehabilitation of the buildings is not cost-effective – consistent with CPP AH2, provided the same is consistent with the countywide policy on historic, archaeological, and cultural preservation. Communicate with land owners and developers on a regular basis regarding redevelopment opportunities. Encourage use of the City’s Technical Review Committee process to facilitate initial review of potential projects with respect to opportunities, challenges and obstacles.</p>	<p>Supportive</p> <p>Some existing parcels may be well suited to new units that could meet a variety of housing needs (such as middle housing or multifamily units).</p>
Policy HS3C	<p>Encourage the availability of housing affordable to all economic segments of the population – consistent with CPP AH3.</p>	<p>Supportive</p> <p>This policy encourages development of housing that meets community needs.</p> <p>Middle housing can help meet the needs of some economic segments of the population.</p>
Policy HS3D	<p>Encourage the development of housing affordable to low-to-moderate income households in a manner that reflects University Place’s unique demographic characteristics, Comprehensive Plan</p>	<p>Approaching</p> <p>This policy encourages development of housing that meets community needs.</p> <p>Describing neighborhoods as “single family” can be challenging to middle housing types: using alternatives such as “low-density</p>

Policy	Evaluation	Why?
	<p>vision, policies and objectives, development and infrastructure capacity, location and proximity to job centers, local workforce, and access to transportation -- consistent with CPP AH3.2.1. Increase housing diversity and affordability, improve the City's jobs-housing balance, support innovations in housing, and focus a relatively large share of this new housing in the City's Regional Growth Center rather than in existing low density single family neighborhoods.</p>	<p>residential would relieve the policy of this problematic term.</p>
Policy HS3E	<p>Achieve a minimum of 25 percent of the Pierce County 2030 growth population allocation for University Place through affordable housing -- consistent with CPP AH-3.3.</p>	<p>Supportive</p> <p>More affordable housing is needed to meet community needs.</p>
Policy HS3F	<p>Support efforts by Pierce County and other municipalities in the County to establish a countywide program by an organization capable of long-term consistent coordination of regional housing planning, design, development, funding, and housing management -- consistent with CPP AH4.</p>	<p>Supportive</p> <p>Regional coordination could support the creation of more affordable housing.</p>
Policy HS3G	<p>University Place should meet its affordable and moderate-income housing needs goal by utilizing a range of strategies that will result in the preservation of existing, and production of new, affordable and moderate-income housing that is safe, adequate and healthy -- consistent with CPP AH5. These include:</p> <ul style="list-style-type: none"> • Supporting the use of techniques to preserve existing affordable and moderate income housing stock such as repair, maintenance, and/or rehabilitation and redevelopment in order to extend the useful life of existing affordable housing units -- consistent with CPP AH5.1. • Seeking and securing state funds such as the Housing Trust Fund, and federal subsidy funds such as Community Development Block Grant, HOME Investment Partnership, and other sources to implement housing preservation programs -- consistent with CPP AH5.1.1. • Promoting the use of reasonable measures and innovative techniques (e.g., clustering, accessory dwelling units, cottage housing, small lot developments and mixed use) to stimulate new higher density affordable and moderate-income housing stock on mixed-use- and residentially-zoned vacant and underutilized parcels -- consistent with 	<p>Approaching</p> <p>More affordable housing is needed to meet community needs. Supporting preservation of existing affordable and moderate income housing stock could help minimize displacement, of which some areas of University Place are at high risk.</p> <p>Reasonable measures and innovative techniques (bullet 3) could support the provision of some middle housing types.</p> <p>The policy does not define "character", making this term subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p>

Policy	Evaluation	Why?
	<p>CPP AH5.2, while ensuring compatibility with University Place's character.</p> <ul style="list-style-type: none"> • Promoting affordable housing and ensure access to services and jobs by considering the availability and proximity of public transportation, governmental and commercial services necessary to support residents' needs -- consistent with CPP AH5.3. 	
Policy HS3H	<p>Provide incentives to developers and builders of affordable housing for moderate- and low-income households -- consistent with CPP AH5.4. Encourage property owners and housing developers and builders to take advantage of the opportunities provided by the City's innovative (cottage) housing provisions, small lot development standards and increased densities to build a variety of housing types that help meet the demand for more affordable, yet high quality, housing. Explore alternative development regulations that reduce development cost in exchange for housing that is ensured to be affordable consistent with CPP AH5.4.1. Consider providing financial incentives -- consistent with CPP AH5.4.2, and technical assistance to affordable housing developers -- consistent with CPP AH5.4.3.</p>	<p>Approaching</p> <p>Developer incentives for affordable housing could lead to more units being built.</p> <p>This policy supports cottage housing and housing variety, which relate to middle housing.</p> <p>The policy does not define "quality", making this term subjective and potentially used to exclude types of housing and groups of people from neighborhoods.</p>
Policy HS3I	<p>Consider inclusionary zoning measures as a condition of major rezones and development -- consistent with CPP AH5.5. As part of any rezone that increases residential capacity, consider requiring a portion of units, up to 25% of the total number of units within future developments, to be affordable to low- to moderate-income households. Design such units to have an exterior appearance comparable to that of market rate units. Develop incentives to help achieve a higher percentage of affordable units within new development.</p>	<p>Supportive</p> <p>Inclusionary zoning supports the provision of more affordable units.</p>
Policy HS3J	<p>Work with Pierce County and other municipalities and entities in the County to cooperatively maximize available local, state, and federal funding opportunities and private resources in the development of affordable housing for households -- consistent with CPP AH6 by:</p> <ul style="list-style-type: none"> • Jointly exploring opportunities to develop a countywide funding mechanism and the potential for both voter approved measures (bond or levy), and nonvoter approved sources of revenue to support the development 	<p>Supportive</p> <p>Funding is a key piece to creating more affordable housing.</p>

Policy	Evaluation	Why?
	<p>or affordable housing -- consistent with CPP AH6.1.</p> <ul style="list-style-type: none"> • Supporting state legislative changes to give local jurisdictions the authority to provide tax relief to developers of affordable housing -- consistent with CPP AH6.2. • Exploring opportunities to dedicate revenues from sales of publicly owned properties, including tax title sales, to affordable housing -- consistent with CPP AH6.3. • Exploring the feasibility of applying additional resources to facilitate the development of affordable housing through an entity such as a new countywide organization (based on inter-local agreements), a countywide land trust, the Pierce County Housing Authority, and expansion of existing nonprofit partnerships -- consistent with CPP AH6.4. 	
Policy HS3K	<p>Explore and identify opportunities to reduce land costs for non-profit and for-profit developers to build affordable housing – consistent with CPP AH7 by:</p> <ul style="list-style-type: none"> • Exploring options to dedicate or make available below market rate surplus land for affordable housing projects -- consistent with CPP AH7.1. • Exploring and identifying opportunities to assemble, reutilize, and redevelop existing parcels -- consistent with CPP AH7.2. • Periodically reviewing and streamlining development standards and regulations if warranted to advance their public benefit, provide flexibility, and minimize costs to housing -- consistent with CPP AH7.3. 	<p>Supportive</p> <p>Reducing development costs can lead to more housing being built, and to more affordable units.</p>
Policy HS3L	<p>Periodically monitor and assess the City's success in meeting housing needs to accommodate its 20-year population allocation – consistent with CPP AH8 by:</p> <ul style="list-style-type: none"> • Utilizing the available data and analyses provided by federal, state, and local sources to monitor its progress in meeting housing demand as part of any required GMA comprehensive plan update process -- consistent with CPP AH8.1. • Supporting countywide efforts to periodically monitor, evaluate and determine if countywide needs are being adequately met -- consistent with CPP AH8.2. 	<p>Supportive</p> <p>Data monitoring can help the city strategize on meeting affordable housing needs.</p>

Policy	Evaluation	Why?
	<ul style="list-style-type: none"> • Making available data concerning the quantity of affordable housing units created, preserved, or rehabilitated within University Place since the previous required update -- consistent with CPP AH8.3. • Establishing minimum densities for future subdivision development within its single-family districts to help ensure that such development is generally consistent with the density assumptions relied upon for the City's 20-year population and housing allocations. 	
Policy HS3M	<p>Ensure that policies, codes and procedures do not create barriers to affordable housing opportunities. Ensure that existing regulations, procedures or practices do not increase the cost of housing without a corresponding public benefit. Strive to increase benefits to the community while lowering housing costs by periodically reviewing, at a minimum, the following areas for possible revision or amendment:</p> <ul style="list-style-type: none"> • Comprehensive plan policies • Zoning and subdivision regulations • Infrastructure requirements • Development standards • Building and fire codes • Administrative procedures • Processing times • Fees and exactions • Inspection procedures 	<p>Supportive</p> <p>Removing barriers to affordable housing is essential to creating more units. Reducing the cost of housing makes all housing development, including middle housing, more feasible.</p>
Policy HS3N	<p>Craft and implement regulations and procedures to provide a high degree of certainty and predictability to applicants and the community-at-large to minimize unnecessary time delays in the review of residential permit applications, while still maintaining opportunities for public involvement and review. Encourage the use of innovative development review processes to promote flexibility in development standards, affordability in housing construction, and the development of housing types and designs that can meet present, as well as future, needs of individuals and the community.</p>	<p>Supportive</p> <p>Reducing development uncertainty can reduce costs, leading to more housing production and possibly more affordable units. This impacts all housing types, including middle housing.</p>
GOAL HS4	<p>Support opportunities for the provision of special needs housing, including group homes, assisted care facilities, nursing homes and other facilities.</p>	<p>Supportive</p> <p>Special needs housing is a key part of an equitable housing mix.</p>

Policy		Evaluation	Why?
Policy HS4A	Work with agencies, private developers and nonprofit organizations to locate housing in University Place intended to serve the community's special needs populations, particularly those with challenges related to age, health or disability.	Supportive	Collaboration can support provision of special needs housing.
Policy HS4B	Encourage and support the development of emergency, transitional and permanent housing with appropriate on-site services for persons with special needs.	Supportive	Emergency, transitional, and permanent supportive housing are a key part of an equitable housing mix.
Policy HS4C	Support actions to secure grants and loans tied to the provision of special needs housing by agencies, private developers and nonprofit organizations.	Supportive	Funding the provision of special needs housing is crucial for the development of more units.
Policy HS4D	Encourage the provision of a sufficient supply of special needs housing – consistent with CPP AH3.4. Such housing should be dispersed throughout University Place while avoiding the creation of significant impacts from inappropriate scale and design. Some clustering of special needs housing may be appropriate if proximity to public transportation, medical facilities or other essential services is necessary.	Approaching	<p>Special needs housing is a key part of an equitable housing mix. Dispersing this housing can ensure that residents have equitable access to jobs, services, and amenities.</p> <p>The word “appropriate” should be better defined, so as not to be used to block or delay future special needs housing development.</p>
Policy HS4E	Ensure development regulations allow for and have suitable provisions to accommodate a sufficient supply of housing opportunities for special needs populations in University Place.	Supportive	Special needs housing is a key part of an equitable housing mix.
Policy HS4F	Encourage a range of housing types for seniors affordable at a variety of incomes, such as independent living, various degrees of assisted living and skilled nursing care facilities. Strive to increase opportunities for seniors to live in specialized housing.	Supportive	Special needs housing is a key part of an equitable housing mix.
Policy HS4G	Encourage and support accessible design and housing strategies that provide seniors the opportunity to remain in their own neighborhood as their housing needs change.	Supportive	Opportunities to remain in place support the health and wellbeing of seniors. Middle housing can be a strategy to support aging-in-place.
Policy HS4H	Support the strategic plan contained in the Consolidated Plan for Pierce County to increase the level of support for meeting the region's demand for special needs housing, as well as other types of affordable housing. Support efforts by the Urban County funding partnership, comprised of Pierce County and 19 of its cities, including University Place, to obtain funds from the federal government, including Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME) and Emergency	Supportive	Special needs housing is a key part of an equitable housing mix.

Policy	Evaluation	Why?
	Sneider Grant (ESG) funds, for housing and community development activities. Ensure these funds will be used to meet priority needs locally.	
Policy HS4I	Work with other jurisdictions and health and social service organizations to develop a coordinated, regional approach to homelessness.	Supportive A coordinated effort will be needed to address homelessness.

- In light of **disparities in homeownership** among Hispanic or Latino (44%) and Black households (16%, compared to 64% of white households), additional policies could be added to support affordable ownership opportunities and programming for first-time homebuyers (offered in Spanish, and possibly in collaboration with community organizations).
- Policies to prevent displacement could also be strengthened, to mitigate the **high displacement risk** in three census tracts in University Place (per the Racial Equity Analysis report).



RESOLUTION NO. 2023-06

**A RESOLUTION OF THE EXECUTIVE BOARD OF THE SOUTH SOUND
HOUSING AFFORDABILITY PARTNERS AMENDING RULES AND
PROCEDURES**

WHEREAS, Section 5(d)(ii) of the South Sound Housing Affordability Partners (“SSHA³P”) Intergovernmental Agreement (“IGA”) authorizes the Executive Board to “adopt procedures for the administration of SSHA³P ... and for the conduct of meetings.”

NOW, THEREFORE, THE EXECUTIVE BOARD RESOLVES as follows:

Section 1. The Executive Board amends and adopts the Rules and Procedures in substantially the same form as in Exhibit A.

Section 2. This Resolution will take effect and be in full force on passage and signature.

Dated and Signed this _____ day of _____, 2023.

SOUTH SOUND HOUSING AFFORDABILITY PARTNERS

HUNTER GEORGE, CHAIR

ATTEST:



Exhibit A

SOUTH SOUND HOUSING AFFORDABILITY PARTNERS

RULES AND PROCEDURES

ADOPTED February 4, 2022

AMENDED August 4, 2023

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SSHAP

I. AUTHORITY:

The authority to adopt and amend Rules and Procedures for the operations of the South Sound Housing Affordability Partners (“SSHA³P”) is derived from the Intergovernmental Agreement (“IGA”) providing for the formation of SSHA³P executed by the Parties.

Unless otherwise specifically provided for in these Rules, these Rules apply to the Executive Board provided for in the IGA.

In the event of conflict between these Rules and Procedures and the guidance provided in the IGA, the IGA will take precedence.

II. MEETINGS:

1. Regular meetings shall be held at the time(s) and place(s) established by the Executive Board. The time and location of a meeting may be changed with at least 24 hours’ notice.
2. If the scheduled meeting date is a legal holiday, the regular meeting shall be held on the next business day.
3. Special meetings of the Board may be called by the Chair. Special meetings of the Board may also be called by a majority of the Board. A minimum notice of 72 hours shall be provided for special meetings in accordance with State law.
4. If no matters over which the Board has jurisdiction are pending upon its calendar, a meeting may be canceled at the notice of the SSHA³P Chair or Manager provided at least 24 hours in advance.
5. Per the terms of the IGA, meetings of the Board shall be conducted in conformity with the requirements of the Washington State Open Public Meetings Act, Chapter 42.30 of the Revised Code of Washington (RCW). Executive sessions can only be held in accordance with the provisions of Section 42.30.110 RCW.
6. The Board may conduct business in closed session as allowed in conformity with Section 42.30.140 RCW.
7. An agenda shall be prepared in advance of every regular and special meeting of the Board. Meeting agendas and materials regarding items on an agenda for a regular meeting shall be provided to members of the Board not less than five working (5) days in advance of the regular meeting. Meeting agendas and materials regarding items on an agenda for a special meeting shall be provided to members of the Board as promptly in advance of the meeting as can reasonably be accomplished.

8. For purposes of providing adequate and broad public notification of meeting details, discussion topics, and decisions of the Board, the Administering Agency will include representatives of each member of the SSHAP partnership in its public notice distribution list.

III. ELECTION OF OFFICERS:

1. Per the terms of the IGA, the officers of the Board shall consist of a Chair and Vice Chair elected from the appointed members of the Board and such other officers as the Board may, by the majority vote, approve and appoint.
2. The election of officers shall take place once each year at the Board's first final regular meeting of each calendar year, ~~or as soon thereafter as possible~~. The term of office of each officer shall run until the subsequent election. Officers may serve no more than two years in each position.
3. If the Chair or Vice Chair vacates their position mid-term, the Board will re-elect officers at their next scheduled meeting and as their first order of business. If it is the Chair position that has been vacated, the Vice Chair will administer the election proceedings.

IV. CHAIR:

1. The Chair shall preside over the meetings of the Board and may exercise all the powers usually incident of the office. The Chair is a member of the Board and has the full right to have their own vote recorded in all deliberations of the Board.
2. The Chair shall have power to create ad hoc committees of one or more members. Standing committees of the Board shall be created at the direction of the Board and appointed by the Chair. Standing or ad hoc committees may be charged with such duties, examinations, investigations and inquiries relative to one or more subjects of interest to the Board. No standing or ad hoc committee shall have the power to commit the Board to the endorsement of any plan or program without the approval at the regular or special meeting of the Board.
3. The Vice Chair shall, in the absence of the Chair, perform all the duties incumbent upon the Chair.
4. In the event of the absence of the Chair and Vice Chair, the Chair shall delegate the responsibility to another member.

V. QUORUM:

Per the terms of the IGA, a simple majority of the appointed members or alternates shall constitute a quorum for the transaction of business. If at any time during the meeting, a quorum is no longer present, the meeting may only continue for the time and duration necessary to fix a time for adjournment, adjourn, recess or take measures to obtain a quorum. Members may participate by phone or video conferencing for all purposes, including voting and establishing a quorum.

VI. VOTING:

1. Per the terms of the IGA, a simple majority of the Board members present at a meeting where a quorum exists is required to approve any action, except that a 2/3rds majority of all board members is required to appoint the Administrative Agency, or to modify the contribution methodology for dues and assessments.
2. The Chair, or on request from a Board member, may take a roll call vote.
3. It is the responsibility of each member of the Board to vote when requested on a matter before the full Board. However, a member may abstain from discussion and voting on a motion because of a stated conflict of interest. Any member, including the Chair, not voting or not voting in an audible voice shall be recorded as abstaining on the motion.
4. If any member of the Board wishes to abstain, or has disclosed a conflict of interest and must abstain from a vote on the motion, that member shall so advise the Chair and, if there is no objection to the abstention, shall not participate in any deliberations, and considerations of the motion, and shall have no further participation in the matter.
5. If the intended abstention can be anticipated in advance, the member should notify the Board Chair as soon as practicable.
6. If a tie vote exists, after recording the Chair's vote, the motion fails. However, a motion for denial that fails on a tie vote shall not be considered an approval.
7. The IGA offers flexibility in the method used by the Executive Board to take action. At a minimum, in order to ensure an efficient, clear and organized record of Executive Board decision making, the following types of actions shall be taken under Resolution:
 - a. Annual budget
 - b. Annual work plan

- c. Adoption and amendments to Rules and Procedures
- d. Establishment of the frequency, day and time of the Executive Board's meeting schedule in order to ensure meetings are categorized as a general meeting
- e. Amendments to the Intergovernmental Agreement
- f. Determination of Administering Agency
- g. Adding new member jurisdictions

VII. RULES OF ORDER:

Except as modified by these Rules and Procedures, all meetings of the Executive Board shall be conducted in accordance with the latest edition or revision of Robert's Rules of Order.

VIII. AMENDMENT:

The Rules and Procedures may be amended at any regular meeting of the Board by a majority vote of a quorum. The proposed amendment shall be presented in writing at a preceding regular meeting.

TO: SSHA³P Executive Board
FROM: Jason Gauthier, SSHA³P Manager
SUBJECT: May 2023 Manager Report
DATE: August 1, 2023

AFFORDABLE HOUSING DEVELOPMENT

Department of Natural Resources Property

Continuing our work with between Pierce County and Department of Natural Resources (DNR) on the acquisition of a transition land property in Frederickson for future affordable housing development. County and DNR staff are in negotiations regarding the interagency transfer and the property transaction is planned to occur in early 2024. This property shows moderate development capacity for 20-26 low density units, most suitable for an affordable homeownership model.

Pierce Transit Property

Facilitating discussions between Pierce Transit (PT) and Multi-Services Center (MSC) regarding a PT property located near 72nd & Portland and its possible usage for transit-oriented affordable housing development. MSC has communicated their intent to submit a response to the property RFP in 2023.

Affordable Housing on Religious Owned Property

SSHA³P staff are working with County staff and stakeholders to consider opportunities to support religious organizations who are considering the utilization of their property for affordable housing development and are currently providing introductions between religious organizations and development consultants for this purpose. The SSHA³P Executive Board will receive a presentation in 2023 on this topic.

Regional Fund Pooling of 1406 Resources

Planning continues with staff from the cities of Auburn, Fife, Sumner, and Puyallup and Pierce County to consider the pooling of 1406 funds for regional investments. Staff met on, again, on July 21st to collaborate on the development of a document to guide management of a regional fund.

HOUSING POLICY & PLANNING

Middle Housing Grant

SSHA³P's Middle Housing Grant work has been closed out and we anticipate having this completed work available on the SSHA³P website by end of Q3, 2023. SSHA³P staff

City of Fife and MFTE Program

SSHA³P staff have been supporting the City of Fife on a proposal to amend to municipal code to designate a Residential Targeted Area (RTA) and institute the 12-year Multi-family Property Tax Exemption (MFTE) program.

Comprehensive Planning

As members update their Comprehensive Plan housing elements, SSHA³P staff are available to assist in addressing HB 1220's "adequate provision" requirements, engaging with affordable housing developers, and conducting community engagement. Currently, staff are conducting stakeholder research for the City of Fife and providing feedback on an initial draft of the Town of Steilacoom's Comprehensive Plan housing element.

Comprehensive Plan Information Matrix

Staff continue to update [Comprehensive Plan resources](#) with new resources as they become available. Recent additions include information on rulemaking for recent housing legislation, a link to sign up for rulemaking updates, and links to housing market data sources.

EDUCATION & OUTREACH

Philanthropy Roundtables on Affordable Housing

Staff is working with the Greater Tacoma Community Foundation and Bamford Foundation on scheduling regular Philanthropy Roundtables on Affordable Housing for project updates, development education, information sharing between private and public funders, and alignment of affordable housing investments. The first Roundtable event is scheduled for October and is currently in planning.

Affordable Housing Developer Engagement and Database

As a part of SSHA³P staffs' meetings with members of the affordable housing development community, staff will utilize information learned in these meetings to develop a developer database, including: primary contact information, housing typology specialty, income level and special populations served, and previous experience in Pierce County. This database will be made available on the SSHA³P website in our *Comprehensive Plan Support* section, and we expect that member government staff will utilize it when conducting affordable housing stakeholder work as part of their Comprehensive Plan update.

Developer Portal

Staff have begun work on a "developer portal," which will be a section of the SSHA³P website where developers can learn about developing in SSHA³P member jurisdictions, including funding and incentives for affordable housing development. Staff have received feedback from affordable housing developers on what information would be most useful in the portal. Next, staff will engage with member governments to get their feedback on the portal's design.

July Presentations of Note

Puget Sound Regional Council Growth Management Policy Board – July 6

City of Fife Planning Commission – July 10

Affordable Housing Mapping

SSHA³P's [affordable housing mapping](#) additions for 1/1/2022 – 12/31/2022 is nearly complete. We expect this update to be completed by the end of August 2023.

ADMINISTRATION & GOVERNANCE

SSHAP³ Advisory Board

The Advisory Board has brainstormed policies and programs to consider for inclusion in their work plan and has begun development of an evaluation framework that will be used to filter ideas and develop a draft Work Plan for Executive Board review. During the July meeting, the Advisory Board formed a S Sub Committee to assist in the development of the Work Plan. Staff expect that the Executive Board will provide feedback on a draft Advisory Board work plan at its November meeting. The next Advisory Board meeting is on August 15 at 5:30 PM.

South Sound Housing Affordability Partners

Budget Performance Report

2023 Quarter 2 Update

South Sound Housing Affordability Partners

Year 3: 2023 Budget vs Actual as of June 30, 2023

SSHA3P Fund	2023 BUDGET	Q1 2023 ACTUAL	Q2 2023 ACTUAL
OPERATING REVENUES			
Auburn	5,175**		
Dupont	5,175**		
Edgewood	5,175**		
Fife	5,175**		
Fircrest	3,105**		
Gig Harbor	5,175**		
Lakewood	20,700**		
Milton	3,105**		
Puyallup	12,420**		
Puyallup Tribe	3,105**		
Steilacoom	3,105**		
Sumner	5,175**		
Tacoma	65,000**		
University Place	12,420**		
Unincorporated Pierce County	130,000**	98,498*	
Outside Sources; Philanthropy, In Kind Donations	27,000		
TOTAL Revenue	311,010	98,498	
EXPENDITURES			
Salaries and Benefits - Manager	164,969	37,165	47,190
Salaries and Benefits - Admin and Policy Support	70,003	11,419	21,523
Other	67,338	1,825	8,184
TOTAL Expenditures	302,310	50,409	76,897

*Pierce County contribution will catch up in 2023

**2023 Invoices will be sent out to members in Q3