

JUNE 2024

STAKEHOLDER OUTREACH REPORT

South Sound
Housing
Affordability
Partners

SSHAP³

Alcove Ballard, a 43-unit co-living development in Seattle
acquired and renovated by Great Expectations

Mary Connolly

Coordinating Low-Income
Housing Planning Grant

TABLE OF CONTENTS

- [Introduction](#) 3
- [Data Sources](#) 4
- [About Co-Living Housing](#) 6
- [HB 1998](#) 9
- [Facilitating Development of Co-Living Housing:](#)
- [Development Regulations](#)10
- [Facilitating Development of Co-Living Housing:](#)
- [Beyond Development Regulations](#)11
- [Communication Strategies](#)14
- [Appendix A: Developer Interview Questions](#)16
- [Appendix B: Photograph Sources](#)17

The Village, a co-living community in Portland with 4 homes and 26 units, developed by Open Door

Introduction

The research contained in this report was conducted by the South Sound Housing Affordability Partners (SSHA³P)¹ staff as a part of a project completed in partnership with the Cities and Towns of DuPont, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Puyallup, Steilacoom, and University Place. The purpose of the project is to support implementation of Washington State House Bill (HB) 1998 (2024)² and identify strategies to facilitate the development of co-living housing, especially for low and very low-income households. This work is funded by the Department of Commerce’s Coordinating Low-Income Housing Planning (CLIHP) Grant, and the scope of work includes the following deliverables:

- **Deliverable 1:** Report summarizing research conducted on background information regarding co-living housing and stakeholder input on the development of co-living housing.
- **Deliverable 2:** Materials to support communication with Councils, Planning Commissions, and the public regarding co-living housing types.
- **Deliverable 3:** Model ordinance for co-living housing consistent with RCW 36.70A and tailored to participating jurisdictions’ context.
- **Deliverable 4:** Final recommendations for participating jurisdictions on implementing the model ordinance and removing barriers to development of co-living housing to meet the needs of low and very low-income households.

This report serves as deliverable 1 and will inform the development of deliverables 2, 3, and 4.

Westward Studios, a 17-unit co-living development in Seattle acquired and renovated by Great Expectations



¹ Established in 2021, the South Sound Housing Affordability Partners (SSHA³P) is an intergovernmental collaboration between the Cities and Towns of Auburn, DuPont, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Puyallup, Sumner, Steilacoom, Tacoma, and University Place, Pierce County, and the Puyallup Tribe of Indians, working together to create and preserve affordable, attainable, and accessible housing throughout our communities.

² <https://app.leg.wa.gov/billsummary?BillNumber=1998&Initiative=false&Year=2023>

Data Sources

Interviews

The information in this report is primarily a summary of semi-structured interviews that SSHA³P staff conducted in April and May 2024 with developers who have experience developing co-living housing in the Puget Sound region.

Staff developed a list of questions to serve as a starting place for conversation with developers; these questions can be found in Appendix A. Because these interviews were semi-structured, staff allowed the interview to flow as a conversation and asked additional questions outside of this list.

Staff also interviewed advocates and government employees to learn additional information about the benefits of co-living housing and application of development regulations and the building code to co-living housing. These interviews were unstructured or semi-structured. Questions differed based on the subject matter expertise of the interviewee.

A list of interviewees can be found in Table 1.



Common space at the Freya in Seattle, designed by Neiman Taber Architects



A unit at Spring Park Flats in Seattle, acquired and renovated by Great Expectations

Table 1 - Interviewees

| Organization | Name | Stakeholder Type | Notes |
|--------------------------------|--|--|---|
| AARP Washington | Cathleen MacCaul, Advocacy Director | Advocate | AARP Washington was a supporter of HB 1998. |
| Bode | Jenifer Vanway, Managing Director | Developer of Co-Living Housing | Vertically integrated developer building in the Puget Sound region from Olympia to Everett to Bremerton, including Pierce County. |
| City of DuPont | Ray Shipman, Building Official | Government | Provided information on how the building code may be applied to co-living housing. |
| City of Fife | Norman Brickhouse, Community Navigator Manager | Government | Provided information on the housing needs of homeless outreach clients. |
| City of Tacoma | City of Tacoma Staff (group interview): <ul style="list-style-type: none"> Chris Seaman, Commercial Building Review Supervisor Debbie Bingham, Program Manager, Community and Economic Development Department Dustin Lawrence, Development Services Program Coordinator Shirley Schultz, Interim Division Manager, Planning & Development Services Stephen Antupit, Senior Planner, Urban Design Studio | Government | Staff provided insight into co-living development patterns and regulations in Tacoma. |
| Great Expectations | Benjamin Maritz, Chief Executive Officer | Developer of Co-Living Housing | Builds and acquires in Portland, Seattle, Tukwila, and Tacoma. |
| Housing Diversity Corporation | Brad Padden, Chief Executive Officer | Developer of Co-Living Housing | Builds in Los Angeles and Seattle. |
| Natural and Built Environments | Angela Rozmyn, Director of Sustainable Development | Developer of Co-Living Housing | Builds in Redmond and Kirkland. Builds LEED Platinum co-living buildings. |
| Neiman Taber Architects | David Neiman, Partner | Architect and Developer of Co-Living Housing | Primarily designs and builds in Seattle. |
| Sightline Institute | Dan Bertolet, Senior Director of Housing and Cities Program | Advocate | Sightline Institute was the primary advocate for HB 1998. |
| | Claude Remy | Developer of Co-Living Housing | Experience developing in Pierce County. |

Other Data Sources

Jeff Tate, Director of Community Development at the City of Auburn, provided data via email on co-living housing production in Auburn.

Online articles, American Community Survey (ACS) data, and data from Rent.com also informed this report and are cited in footnotes.

About Co-Living Housing

HB 1998 defines “co-living housing” as: “a residential development with sleeping units that are independently rented and lockable and provide living and sleeping space, and residents share kitchen facilities with other sleeping units in the building.” Other names that may refer to co-living housing include:

- Congregate living facilities
- Single room occupancy
- Rooming house
- Boarding house
- Lodging house
- Residential suites
- Eco-flats, eco-units

The primary features of co-living housing as defined by HB 1998 are:

- *Sleeping units that are independently rented and lockable*
- *Shared kitchen facilities*

Co-Living in the Building Code

According to Ray Shipman, the City of DuPont Building Official, co-living housing will usually be considered a “congregate living facility” under the International Building Code (IBC): “a building or part thereof that contains sleeping units where residents share bathroom or kitchen facilities, or both.”³ Congregate living facilities with 16 or fewer non-transient occupants are classified as Residential Group R-3.⁴ Congregate living facilities with more than 16 non-transient occupants are classified as Residential Group R-2.⁵ Shipman said that the IBC requires a minimum number of bathrooms and kitchens in congregate living facilities based on the number of sleeping units.

Co-Living Units and Amenities

Units built by interviewed developers range in size from 150 to 220 square feet. According to interviewees, in most co-living buildings, each unit has a “kitchenette” or “convenience center” with a microwave, sink, and appliance outlet to support appliances such as hot plates and air fryers. One developer said that they have developed a building where kitchenettes are shared between two units. Interviewees also noted that in most co-living buildings, each unit has its own bathroom. One developer said that 5% or less of their co-living units have bathrooms that are shared between two units, while also noting these units lease the fastest due to their lower prices.

By definition, co-living housing has shared kitchen facilities.⁶ In addition to shared kitchen spaces, co-living buildings often have other shared amenities, including common spaces, bike rooms, and coworking spaces.

³ https://codes.iccsafe.org/content/IBC2021P2/chapter-2-definitions#IBC2021P2_Ch02_Sec202

⁴ https://codes.iccsafe.org/content/IBC2021P2/chapter-3-occupancy-classification-and-use#IBC2021P2_Ch03_Sec310.4

⁵ https://codes.iccsafe.org/content/IBC2021P2/chapter-3-occupancy-classification-and-use#IBC2021P2_Ch03_Sec310.3

⁶ While there are developers who develop buildings where each unit has a kitchenette but there are no shared full kitchens, these buildings would not technically fall under HB 1998’s definition of co-living housing.

Cost

Co-living units tend to be rented at more affordable rates than one-bedroom apartments, studios, and small efficiency dwelling units (SEDUs) in the same area. The following are some data points on the cost of co-living units:

- Two developers said they aim to rent their units for a certain percentage of the cost of studio apartments in the same area; for example, one developer said they aim for their prices to be 50-60% of the cost of a studio apartment in the area, while another said they aim for 70-80%.
- The 2022 American Community Survey reports that in Pierce County, the median gross rent for units with no bedrooms⁷ was \$1072,⁸ while in June 2024, Rent.com reported the average rent for a studio in Pierce County to be \$1,448.⁹
- Rents for co-living units in buildings developed by interviewees range in price from less than \$1000 to \$1400.
- According to the Sightline Institute, “Rents in newly constructed, market-rate co-living homes in the Puget Sound region are commonly affordable to people earning as low as 50% of the area median income (AMI). Rents in older co-living buildings can be even lower.”¹⁰
- In Pierce County, a one-person household earning 50% of AMI (\$40,550)¹¹ is considered to have affordable housing-related expenses if they spend \$1014¹² or less on housing-related expenses, including utilities, per month.
- Jeff Tate, director of Community Development at the City of Auburn, said that Auburn has seen recent development of mid-rise co-living buildings in their downtown and reported that market rate rents for these units are generally affordable households to making about 50% of the AMI.¹³

Tudor Apartments, a 61-unit co-living development in Redmond, WA developed by Natural and Built Environments



⁷ For the purpose of this report, these are assumed to be studios.

⁸ 2022 ACS 1-yr estimates: https://censusreporter.org/data/table/?table=B25031&geo_ids=05000US53053&primary_geo_id=05000US53053

⁹ <https://www.rent.com/washington/tacoma-apartments/rent-trends>

¹⁰ “FAQ: Co-living for Washington State” flyer by the Sightline Institute

¹¹ [https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn?](https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn?inputname=METRO42660MM8200*Tacoma%2C+WA+HUD+Metro+FMR+Area&wherefrom=%24wherefrom%24&selection_type=hma&year=2024)

[inputname=METRO42660MM8200*Tacoma%2C+WA+HUD+Metro+FMR+Area&wherefrom=%24wherefrom%24&selection_type=hma&year=2024](https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn?inputname=METRO42660MM8200*Tacoma%2C+WA+HUD+Metro+FMR+Area&wherefrom=%24wherefrom%24&selection_type=hma&year=2024)

¹² 30% of the household’s monthly income.

¹³ Most of the City of Auburn is located in King County, which has a different Area Median Income than Pierce County.

Related Terms

Micro-housing “is an umbrella term that refers to housing options that are smaller than average.”¹⁴ Micro-housing includes but is not limited to co-living housing.

Small Efficiency Dwelling Units (SEDUs) are undersized studios with a full kitchen and bathroom. They are a type of micro-housing but are not the same as co-living housing.¹⁵

Shared housing typically refers to a living situation in which rooms are rented out in a house to separate households or a homeowner rents out a room in their house. Norman Brickhouse, Community Navigator Manager at the City of Fife, supports unhoused people in finding housing and says shared housing is a helpful transitional option for his clients before they find a more traditional apartment. There may be opportunity for shared housing to be built as co-living housing, and it appears that a single-family home with independently rented and locked bedrooms may be included in HB 1998’s definition of co-living housing. However, this report primarily focuses on co-living housing built as multifamily housing.

Co-housing refers to communities with communal spaces and private homes.¹⁶ Co-housing is not the same as co-living housing.

¹⁴ <https://www.sightline.org/2016/09/06/how-seattle-killed-micro-housing/>

¹⁵ <https://www.sightline.org/2016/09/06/how-seattle-killed-micro-housing/>

¹⁶ <https://www.cohousing.org/>

¹⁷ <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/multi-family-housing-property-tax-exemption-program>

¹⁸ <https://www.aboutamazon.com/impact/community/housing-equity>

¹⁹ <https://epath.org/>

²⁰ https://www.hud.gov/topics/housing_choice_voucher_program_section_8

²¹ https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/vash

²² <https://www.lacda.org/section-8/project-based-vouchers>

²³ <https://lalgbtcenter.org/>

²⁴ <https://planning.lacity.gov/plans-policies/transit-oriented-communities-incentive-program>

²⁵ In Washington, this exemption is authorized by [RCW 84.36.560](#).

Financing

Interviewees said that most co-living housing in the region was built by private developers and, in the recent past, has been primarily financed with private funding sources. Even without public subsidy, the rents for co-living units are often low enough that the developments would be eligible to receive funding from affordable housing programs; however, co-living housing developers have not needed federal and state funding sources to make their deals financially feasible and therefore have not pursued them due to their complexity. Some have opted for local incentives, such as the Multifamily Property Tax Exemption (MFTE),¹⁷ and local funding sources such as private funds from Amazon.¹⁸

Several developers said that more recently, due to the increasing costs of developing housing, they are beginning to consider additional public funding sources that they have not needed before, including tax credits, tax exempt bonds, and recycled bonds.

One developer said that they are also considering using creative financing strategies in Washington that they have piloted elsewhere. For example, in Los Angeles, CA, this developer rents one of their buildings to the Los Angeles Homeless Services Authority to be used as permanent supportive housing. For another one of their developments in Los Angeles, they work with a group called People Assisting the Homeless (PATH),¹⁹ who connects people with vouchers to their units and provides them with wraparound services. In this building, 36% of units are rented as market-rate units, 12% are rented to extremely-low income households, and 52% are rented to people with vouchers, including Housing Choice Vouchers,²⁰ HUD-VASH vouchers,²¹ Los Angeles County Development Authority vouchers,²² and vouchers from the Los Angeles LGBT Center.²³ This building was developed through Los Angeles’ Transit Oriented Communities Incentive Program.²⁴ Finally, this developer is considering applying for the State of Washington’s property tax exemption²⁵ for affordable housing.

HB 1998

The purpose of HB 1998 (2024) is to facilitate the development of co-living housing by requiring cities and counties to allow the development of co-living housing on certain lots and setting limitations on development regulations that may be imposed. HB 1998 includes the following requirements for cities and counties planning under Washington State's Growth Management Act ([RCW 36.70A](#)), which must be implemented by December 31, 2025:²⁶

- Jurisdictions must allow co-living housing on any lot within an urban growth area where at least 6 multifamily units are allowed, including lots zoned for mixed-use development.
- The following may not be required of co-living housing:
 - Room dimensional standards larger than those required by the state building code.
 - A mix of unit sizes or number of bedrooms.
 - Other uses, such as space for commercial use.
- Within 0.5 miles of a major transit stop, parking may not be required for co-living housing. Everywhere else, no more than 0.25 off-street parking spaces may be required per unit.
- Jurisdictions may not impose development regulations stricter than standards for other multifamily residential uses in the same zone and may not require additional review, notice, or public meetings for co-living housing that are not required for other types of residential uses in the same area.
- For the purposes of counting unit density, each sleeping unit may not be treated as more than 0.25 of a dwelling unit.
- Co-living housing cannot be excluded from participating in affordable housing incentive programs.
- Sewer connection charges for each sleeping unit may not exceed 50% of charges for a dwelling unit.



A unit at Yobi Apartments in Seattle, designed by Neiman Taber Architects

²⁶<https://lawfilesexternal.wa.gov/biennium/2023-24/Pdf/Bills/Session%20Laws/House/1998-S.SL.pdf?q=20240527133158>

Facilitating Development of Co-Living Housing: Development Regulations

Interviewees identified the following additional zoning-related policies beyond HB 1998 that can facilitate the development of affordable housing.

Parking

Every interviewed developer identified parking requirements as one of the biggest barriers to building co-living housing. HB 1998 requires that no off-street parking be required for co-living housing within 0.5 miles of a major transit stop, and otherwise, that up to 0.25 parking stalls may be required per sleeping unit. Most developers said that having no parking minimums are best, pointing out that surface parking is the only financially feasible way to meet parking requirements for co-living housing, and that surface parking is only possible where land is inexpensive. However, one developer who builds primarily in Redmond and Kirkland said that 0.2 to 0.3 off-street parking stall requirements are reasonable. They have been able to include structured ground floor parking in fully-co-living developments and below-grade parking in buildings with both co-living and standard-sized apartments.

A few developers provided estimates on how many of their residents own cars:

- One developer who primarily develops and acquires co-living buildings in Seattle, Portland, Tukwila, WA, and Tacoma, WA said that about 10-15% of residents in their buildings have cars.
- Another developer who develops in Redmond and Kirkland said that 20-40% of their co-living residents have cars, and all park on-site in structured parking. (As noted above, for buildings with only co-living units, structured parking is usually at grade.)
- Another developer said that in Seattle, about 25% of their residents in co-living units and SEDUs have cars. Residents park on the street or rent parking spaces at nearby buildings.

- Another developer who works across the Puget Sound region said about 25% of their residents in co-living units have cars, and all park off-site.

Density

The second regulation type mentioned most often as a barrier to building co-living housing is density requirements. HB 1998 requires that sleeping units be treated as 0.25 of a dwelling unit for the purpose of calculating density. However, jurisdictions may choose to enact additional density requirements that are friendly to co-living housing development. One developer said that unlimited density limits are helpful.

Per-Unit Requirements

One developer pointed out that certain per-unit requirements can create de facto limits on allowed density of co-living units. Such per-unit requirements may be for a certain amount of open space, landscaped area, or playground space per unit. The developer pointed out that the City of Seattle requires a percentage of open space per land area, rather than per unit, which is more favorable to development of co-living housing.

Energy Requirements

One developer pointed out that rules regarding energy use can be a barrier to development. For example, they said that the City of Seattle's energy code²⁷ restricts energy use per square foot of the building, which is difficult to achieve when units in the building are very small. Additionally, they pointed out that residents of co-living housing already use less energy than residents of larger apartments. The developer cautioned against jurisdictions adding additional energy requirements beyond the State's requirements.

²⁷ [https://www.seattle.gov/sdci/codes/codes-we-enforce-\(a-z\)/energy-code#2018seattleenergycode](https://www.seattle.gov/sdci/codes/codes-we-enforce-(a-z)/energy-code#2018seattleenergycode)

Facilitating Development of Co-Living Housing: Beyond Development Regulations

Beyond development regulations, interviewees identified the following additional policies that can support the development of co-living housing.

Permit Processes & Fees

One developer noted that streamlining the permitting process and reducing permit fees helps facilitate the development of co-living housing. They pointed to two pieces of legislation that have streamlined the permitting process for housing in Seattle:

- In August 2023, the City of Seattle adopted temporary legislation which exempts affordable housing projects from the design review process.²⁸ The legislation is in effect until August 2025, and the City plans to use results from this policy to inform a proposal for permanent legislation.
- Senate Bill 5412 (2023)²⁹ requires the City of Seattle to categorically exempt residential or middle housing units from the State Environmental Policy Act (SEPA) until September 30, 2025.³⁰

The developer said that together, these policies have reduced permitting timelines for their projects by up to a year.

Private developers cannot access the Washington State Housing Trust Fund without a partner organization who is an eligible applicant, such as a local government, housing authority, nonprofit, or federally recognized Indian tribe ([RCW 185A.040](#)). This restriction is a barrier to co-living developers, who are primarily private developers. A change to this policy would require legislative action by the State legislature.



A unit at the Kärsti in Seattle, designed by Neiman Taber Architects

²⁸ <https://www.seattle.gov/sdci/codes/changes-to-code/affordable-housing-design-review-amendments>

²⁹ <https://app.leg.wa.gov/billsummary?BillNumber=5412&Initiative=false&Year=2023>

³⁰ [https://www.seattle.gov/sdci/codes/codes-we-enforce-\(a-z\)/state-environmental-policy-act-\(sepa\)-code](https://www.seattle.gov/sdci/codes/codes-we-enforce-(a-z)/state-environmental-policy-act-(sepa)-code)

Financing

Some developers noted reasons why they had not yet built in Pierce County. In Pierce County, lower median incomes than in King County result in lower allowed rents for projects funded with public dollars. Additionally, in the recent past there have been few local funding sources, which are needed for projects funded by tax credits to make them competitive. As a result, it has been difficult for a developer to make a project pencil in Pierce County. New funding sources, such as the Sales and Use Tax for Housing and Related Services³¹ and the Affordable and Supportive Housing Sales Tax³² have created public funding sources that may help attract developers to this area.

Jurisdictions can support the development of affordable co-living housing by offering support to developers beyond capital funding, such as waiving impact fees or providing municipal-owned real estate to make tax credit projects more competitive.

Private developers cannot access the Washington State Housing Trust Fund without a partner organization who is an eligible applicant, such as a local government, housing authority, nonprofit, or federally recognized Indian tribe (RCW 185A.040). This restriction is a barrier to co-living developers, who are primarily private developers. A change to this policy would require legislative action by the State legislature.

Multifamily Property Tax Exemption

The Multifamily Property Tax Exemption (MFTE) is one financing tool that co-living developers use to finance their projects. Developers suggested some ways that local programs can be structured or improved to support the development of co-living housing. Two developers said that the City of Seattle's MFTE program has different requirements for affordability depending on the unit type. Co-living units (referred to as "congregate residence sleeping rooms" in code) must be affordable to households earning 40% of the AMI, while others have higher rent thresholds (e.g. 50% AMI for SEDUs, 60% AMI for studio units, and 70% AMI for one-bedroom units.)³³ These developers said that as a result, there is more incentive to build one-bedrooms instead of co-living housing or SEDUs.

Another developer who has developed co-living housing in the City of Tacoma said that it would be helpful for the residential target areas to be expanded to other areas.

Implementing jurisdictions may want to consider the following:

- Calibrating their incentive programs to ensure that all unit types are properly incentivized.
- Ensuring that MFTE residential target areas include areas where they would like to see co-living housing development.

³¹ Authorized by RCW 82.14.530 and enacted by Pierce County, City of Tacoma, Town of Ruston, and City of Orting.

³² Authorized by RCW 82.14.540 and enacted by Pierce County and the Cities of Auburn, Fife, Sumner, Puyallup, University Place, Bonney Lake, Tacoma, and Lakewood.

³³ SMC 5.73.040 (B)(2).

Pre-Approved Plans

One developer suggested that jurisdictions could provide pre-approved plans for small co-living apartment buildings. They pointed to Seattle's pre-approved detached accessory dwelling unit (DADU) plans³⁴ as a model for this kind of program. Seattle's program offers developers a gallery of 10 pre-approved designs, and developers who use these designs can usually get a permit in 2-6 weeks.

Staff Training

One developer noted that they have encountered local government staff who are not familiar with or have negative perceptions of co-living housing. They said it would be helpful for jurisdictions to ensure their staff are familiar with co-living housing and understand the benefits to residents and the community. Some developers are willing to provide tours to their facilities so local government staff can better understand what co-living housing is.

Building Code Changes

Two developers noted building code changes that would be helpful in the development of co-living housing. These changes would need to be made at the state level:

- Allowing buildings with up to 6 units and up to 3 stories to be built under the International Residential Code (IRC) instead of the International Building Code (IBC); and
- Removing the requirement for a second set of stairs in certain multifamily buildings up to 6 stories, allowing for the development of larger "point access blocks": "compact single stair buildings with dwellings centered around a stairway and elevator core."³⁵ While the Washington State Building Code requires two stairways in multifamily buildings with more than 3 floors, the City of Seattle only requires one set of stairs for multifamily buildings that are 6 stories or less and meet other criteria.³⁶

The Washington State Legislature recently passed two bills related to these building code changes:

- HB 2071³⁷ (2024) directs the State Building Code Council to convene a technical advisory group to make recommendations on policies that would allow multiplex housing (buildings with up to 6 units) to be built under the Washington State Residential Code.
- SB 5491³⁸ (2023) directs the State Building Code Council to convene a technical advisory group to make recommendations on policies that would allow for including one set of stairs in multifamily buildings with up to 6 stories.

Shared kitchen space at the Kärsti in Seattle, designed by Neiman Taber Architects



³⁴ <https://www.seattle.gov/sdci/permits/common-projects/accessory-dwelling-units>

³⁵ https://www.larchlab.com/wp-content/uploads/2023/01/Larch-Lab-PAB_Policy-Brief.pdf p. 1

³⁶ <https://www.seattle.gov/Documents/Departments/SDCI/Codes/SeattleBuildingCode/2018SBCChapter10.pdf> p. 367-36; p. 9-10 of PDF

³⁷ <https://app.leg.wa.gov/bills/summary?BillNumber=2071&Year=2023&Initiative=false>

³⁸ <https://app.leg.wa.gov/bills/summary?Year=2023&BillNumber=5491>

Communication Strategies

Interviewees indicated that the public sometimes has a negative perception of co-living housing. People make assumptions, such as:

- Everyone who lives in co-living housing is in their twenties.
- Adding so many units to the neighborhood will bring too many cars to the street.
- No one wants to live in such a small unit.

The following communication strategies identified by interviewees explain the benefits of co-living housing to the residents and the community while dispelling myths and alleviating concerns.

Co-Living housing is affordable workforce housing.

Developers and advocates agree that communication strategies should emphasize the affordability of these units for low and moderate-income households. Co-living housing units can be rented at affordable prices because of the small unit sizes. One developer said that building co-living housing is the only way to build naturally occurring affordable housing:

“The units are small because you can’t build an affordable apartment without public money that’s any bigger.”

Co-living housing allows low and moderate-income households (people who staff grocery and retail stores, work in the service industry, teachers, medical workers, nannies, and others) to live near where they work in a private space for an affordable price, avoiding long commutes and reducing the amount of traffic on the road. Because terms such as “microunits” have a negative connotation, one developer suggested using the term “workforce housing” while another suggested “affordable apartments.”

Residents of co-living housing come from all walks and stages of life.

Residents of co-living housing include many kinds of people in many stages of life. One developer said that many of their buildings’ residents live in co-living housing to be closer to their jobs. Additionally, they see many residents who are experiencing a life transition, such as the end of a relationship or their children moving out. Another developer said that residents of co-living housing are disproportionately women and people of color. A KUOW article from January 2024 highlights the experience of seniors living in affordable housing, including a 79-year-old barber who lives in Kirkland.³⁹ Residents also experience benefits from opportunities for social connection and community building.

“All types of micro-housing unlock a more affordable and small but independent home for someone who wants it.”

- David Neiman⁴⁰

³⁹ <https://www.kuow.org/stories/why-some-seniors-are-choosing-dorm-sized-apartments>

⁴⁰ <https://www.sightline.org/2016/09/06/how-seattle-killed-micro-housing/>

Co-living housing has positive environmental impacts.

Several interviewees noted that co-living housing has positive environmental impacts. Transit-oriented development decreases the transportation impacts of residents and the workforce. When people can live near where they work, there are less commuters on the road. Because co-living units are small, residents also see reduced heating and cooling costs compared to larger units.

Co-living housing is an old type of housing.

Co-living housing used to be more common across the country and has always been one of the most affordable market rate housing options.⁴¹ Ariel Aberg-Riger's book *America Redux: Visual Stories from Our Dynamic History* describes the importance of co-living housing and other types of shared housing as affordable options to shelter workers in rapidly growing cities around the turn of the last century. She writes, "Shared living was so pervasive, it's estimated that anywhere from one-third to one-half of all urban Americans either boarded or took boarders at some point in their lives."⁴² During the 1930s, flexible housing types with shared rooms, bathing facilities, and/or kitchens became known as "SROs" (single-room occupancy).⁴³ In Seattle, SRO residential hotels were primarily built between 1880 and 1920. Many were located in the Chinatown-International District. Residents had their own bedrooms and shared bathing facilities. At first, the buildings primarily provided rooms for transient people, but over time they became permanent housing for very low-income households.⁴⁴

During the second half of the 20th century, as jurisdictions prioritized planning for single-family homes in the suburbs, many co-living units across the US were lost (including 15,000 in Seattle), and cities created policies to restrict construction of new co-living units. Aberg-Riger writes, "By the 1980s, the SROs that remained were being converted into luxury co-ops. And increasingly, people became unhoused."⁴⁵

From 2008 to 2014, Seattle experienced a boom in market-rate construction of SROs⁴⁶ when developers began building SRO housing in a way that bypassed lengthy design review process and, in some cases, did not require on-site parking. At the time, rents for these units averaged \$660, significantly less than \$1,367, the average rent for studios. Following this construction boom, the City effectively banned construction of SRO housing and microunits⁴⁷ through a series of development regulations and judicial decisions that made development financially infeasible. One study estimates that as a result of these policies, 829 less affordable units are produced in Seattle each year.⁴⁸

Reversing policies that discourage development of co-living housing and implementing policies that facilitate this type of development can allow the production of a housing type that has served as naturally occurring affordable housing since the turn of the last century.

⁴¹ <https://www.kuow.org/stories/why-some-seniors-are-choosing-dorm-sized-apartments>

⁴² <https://www.bloomberg.com/news/features/2023-05-02/a-visual-history-of-single-room-occupancy-sro-affordable-housing>

⁴³ <https://www.bloomberg.com/news/features/2023-05-02/a-visual-history-of-single-room-occupancy-sro-affordable-housing>

⁴⁴ <https://www.historylink.org/File/11135>

⁴⁵ <https://www.bloomberg.com/news/features/2023-05-02/a-visual-history-of-single-room-occupancy-sro-affordable-housing>

⁴⁶ Here, SRO refers to units with communal kitchen and/or bathroom facilities.

⁴⁷ Here, microunits are units with private bathrooms and kitchens that are smaller than traditional studios.

⁴⁸ <https://www.huduser.gov/portal/pdredge/pdr-edge-trending-062518.html>

Appendix A: Developer Interview Questions

1. Tell me about the type of housing that you build.
2. Tell me about the financing that you use to develop co-living housing.
3. What policies facilitate or cause barriers to the development of co-living housing?
4. Are there communication messages or strategies that you have found increase support amongst elected officials, Planning Commission members, and/or the public for co-living housing?
5. Is there anything else that you would like to share or that we should know?
6. What other resources would you recommend, and who else should we talk to?



Arete Apartments in Kirkland, a building with 228 co-living units and 52 1-3 bedroom units, developed by Natural and Built Environments

Appendix B: Photograph Sources

The photos in this report are used with permission from the following organizations:

- Great Expectations: <https://grtexp.co/>
- Natural and Built Environments: <https://www.naturalandbuilt.com/>
- Neiman Taber Architects: <https://www.neimantaber.com/>
- Open Door: <https://opendoor.io/>



The Village, a co-living community in Portland with 4 homes and 26 units, developed by Open Door

JUNE 2024



The Kärsti, a mixed-use co-living building in Seattle with 52 units designed by Neiman Taber Architects

South Sound
Housing
Affordability
Partners

SSHAP³

Mary Connolly

Coordinating Low-Income
Housing Planning Grant