

Housing Committee

City of Leavenworth Conference Room
4:30 - 5:00 PM
June 23, 2020

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Members:

Mia Bretz
Clint Strand
Zeke Reister*

Agenda Items:

1. Review of past Committee work
 - a. Feedback from the County on the Housing Letter sent in March
2. First Zero Lot Line development to be submitted on Burke and Cedar
3. Housing Action Plan - Update on process & handout of tools
4. Mandatory Housing Affordability & Puget Sound Regional Council website
5. Next Month Agenda Items
 - a. Suggestions

Committee Goals:

- a. Initiating a discussion regarding the collaboration on regional housing issues and potential regional solutions.
- b. Exploring possible funding options for assistance of work force level housing.
- c. Reviewing and monitoring the implementations of municipal code language as it is developed and approved via the City Council and Planning Commission. The Committee shall evaluate the effectiveness of implementation of the code language.



City of Leavenworth

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City Council

Carl J. Florea - *Mayor*
Carolyn Wilson
Mia Bretz
Sharon Waters
Clint Strand
Jason Lundgren
Zeke Reister

Anne Hessburg – *Mayor Pro Tem*
Vacant - *City Administrator*

Chelan County Commissioners
400 Douglas Street Suite 201
Wenatchee, WA 98801

Dear Commissioners,

The City of Leavenworth has been specifically focused on community housing needs for several years, starting with the formation of the Housing Task Force in 2016, the completion of a Housing Needs Assessment in 2017, the formation of a Council Housing Committee in 2018, diligent code review with the Planning Commission in 2018 and several code amendments in 2019.

One of the Council Housing Committee goals has been to support “collaboration on regional housing”. To support this goal, the Committee would like to engage with the County on how to improve housing options regionally. It is the Committee’s hope that the County is open to meeting on a regular basis to consider how both jurisdictions can address housing in a complementary way.

The 2017 Housing Needs Assessment¹ contained eleven findings which are intended to identify housing needs within the Cascade School District boundary. Several of those recommendations would benefit from a regional approach and have been summarized below.

Item 1. At least 36% of the housing stock is for seasonal, recreational or occasional use. The Leavenworth area includes a significant share of vacation homes and short-term rentals.

Item 2. Very low vacancy in the long-term rental housing market.

The Housing Committee would like to work with the County on ways to reduce the impact of vacation rentals on housing inventory. A loss of 36% of all housing inventory is a substantial impact to the housing options to residents. The City has been able to clearly define vacation rentals as a longstanding prohibited use and would support enforcing this within the Urban Growth Area or with future County code amendments.

Item 3. Almost a third of households are cost burdened. Three out of ten households in the greater Leavenworth area spend more than 30% of their income on housing.

Item 4. A growing number of workers are commuting long distances to work.

Item 5. Wages are significantly lower than needed to afford local housing costs. Workforce housing will likely be a significant challenge in the years ahead.

¹ BERK report, attached

The Housing Committee would like to work with the County on ways to encourage housing and employment development, including workforce housing, within the City and Urban Growth Area. At the same time, the City recognizes that many of its employees travel from other areas of the County affecting housing costs². As people search for more affordable housing, they often move to more rural areas but incur higher travel costs, which is a factor in housing costs. The impacts to the City and County include an increase in road maintenance, actual or perceived increase in traffic related issues and environmental impacts with more vehicles on the road and for longer commutes. The Housing Committee is interested in finding ways to address the commute to work factor, including possible options to increase transit ridership.

Item 8. Home production has not matched needs, particularly within the City of Leavenworth.

Until recently, land within the City has not developed as quickly as the County, in part, due to land and development costs. As the County land has become more limited the City has started to see new subdivisions and multifamily development. The City would like to encourage the preservation of rural lands and the focus of more housing within the City where infrastructure for water, sewer and transportation can be focused and efficiently used.

Item 9. Zoning and public land ownership within the school district limits development potential.

Item 10. Housing production in and around Leavenworth is constrained by environmental factors.

Item 11. Providing services to housing in Leavenworth and the surrounding area is challenging.

The Housing Committee would like to work with the County on ways to expand the Urban Growth Area to best serve the community and maximize future development. This will require a review of the Urban Growth Area, infrastructure, zoning districts and regulations, and the Memorandum of Understanding.

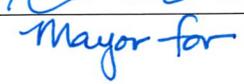
The Housing Committee meets monthly and is open to tackling these items one at a time based on the County's interest and availability. We look forward to meeting with you in the near future and discussing how we can move forward with improving housing options for the region.

Sincerely,


Mia Bretz
City of Leavenworth Council Members


Clint Strand


Zeke Reister


Mayor for

² Housing Policy Guide, 2019 American Planning Association

Implementing Mandatory Housing Affordability (MHA) Citywide

Requiring development to contribute to affordable housing as Seattle grows

Mandatory Housing Affordability (MHA) ensures that new commercial and multifamily residential development contributes to affordable housing. MHA will provide at least 6,000 new rent-restricted, income-restricted homes for low-income people. Affordable housing requirements take effect when the Seattle City Council adopts new zoning that adds development capacity. By enacting affordable housing requirements and increasing development capacity at the same time, MHA is consistent with a state-approved approach used in other Washington cities.

After putting MHA in place in six Seattle neighborhoods in 2017, the City is proposing to implement MHA citywide. Our proposal targets more housing choices close to community assets, such as frequent transit, parks, and jobs. We are proposing less intensive changes in areas with higher risk of displacement, environmentally sensitive areas, and areas with fewer community assets. The maps of proposed zoning changes necessary to implement MHA across Seattle are available at www.seattle.gov/hala.

This proposal is the product of over two years of engagement and reflects many of the themes we heard from the community:

- Create more affordable housing that is rent-restricted for low-income people.
- Minimize displacement of existing residents.
- Support more housing choices, including home ownership and family-size housing.
- Develop more opportunities for people to live near parks, schools, and transit.
- Minimize the impacts of new development on existing neighborhood character.
- Coordinate growth with infrastructure investments.



MHA is part of Seattle's Housing Affordability and Livability Agenda (HALA) that strives to create 50,000 homes by 2025, including 20,000 affordable homes. The development of both affordable housing and market-rate housing is an important strategy for slowing housing cost increases and providing a wider range of housing choices.

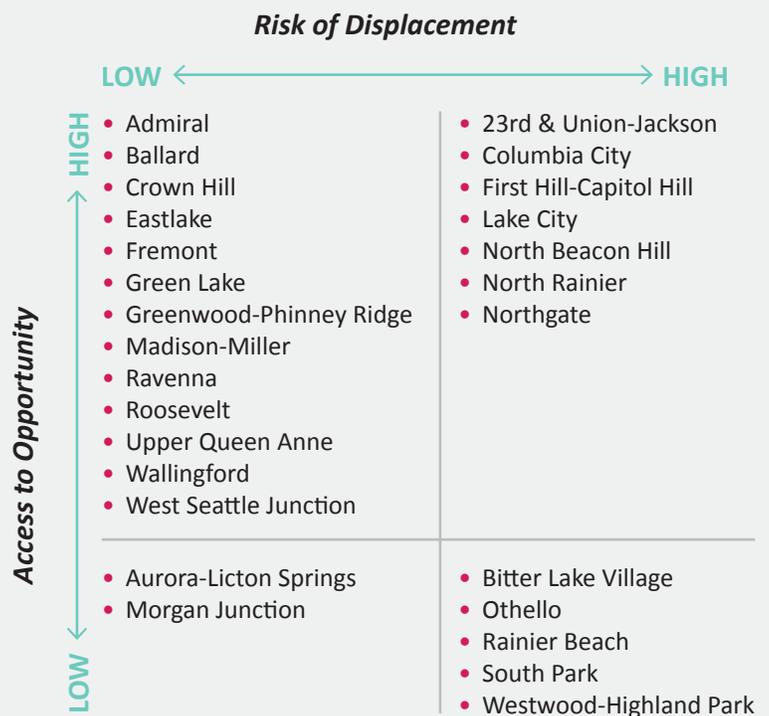
Crafting Our Proposal

Community engagement and a commitment to racial and social equity shapes our proposal to implement MHA. Key elements of the proposal include:

- Apply affordable housing requirements in all multifamily and commercial zones, and all urban villages, consistent with the Seattle 2035 Comprehensive Plan adopted by the City Council.
- Increase housing choices throughout Seattle, with more housing in areas with low risk of displacement and high access to opportunity (transit, parks, jobs and other critical resources).
- In areas with high risk of displacement of low-income people and communities of color, focus increased housing choices and jobs within a 5-minute walk of frequent transit.
- Expand 10 urban villages to provide more housing options within a 10-minute walk of frequent transit.
- Minimize impacts in environmentally sensitive areas and propose less intensive changes within 500 feet of major freeways.

Seattle's Urban Villages

In 1994, Seattle implemented an urban village strategy to guide growth and investments to designated communities across the city. The Seattle 2035 Comprehensive Plan's Growth and Equity Analysis examined demographic, economic, and physical factors to understand current displacement risk and access to opportunity in Seattle's urban villages.



- Incorporate new design standards for buildings to reduce impacts on neighborhood character.
- Improve Green Factor and tree requirements to support environmental goals.
- Make no zoning changes in federally designated historic districts and critical shorelines.

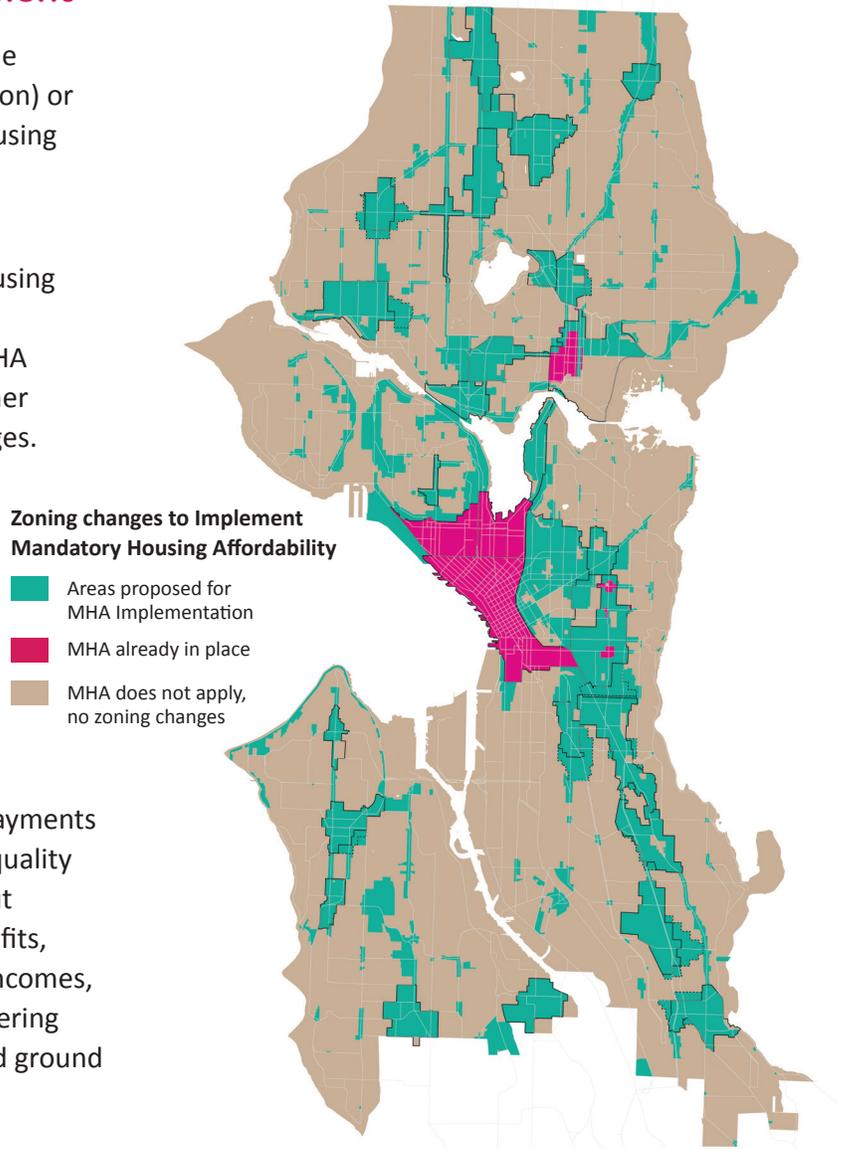
Affordable housing requirements on development

With MHA, new buildings must include affordable housing (performance option) or contribute to the Seattle Office of Housing fund to support the development of affordable housing (payment option).

MHA requirements vary based on housing costs in each area of the city and the scale of the zoning change. Higher MHA requirements apply in areas with higher housing costs and larger zoning changes. With the performance option, between 5 percent and 11 percent of homes in new multifamily residential buildings are reserved for low-income households. With the payment option, development will contribute between \$5.00 and \$32.75 per square foot.

Like the Seattle Housing Levy, MHA payments are leveraged to produce more high-quality affordable housing located throughout Seattle. This also supports other benefits, including serving people with lower incomes, providing family-sized homes, and offering opportunities for community-oriented ground floor spaces and services.

Where would MHA apply?



Who qualifies for affordable housing created through MHA

2017 Income and Rent Limits



Individual

Making less than \$40,320 will pay no more than \$1,008 for a one bedroom



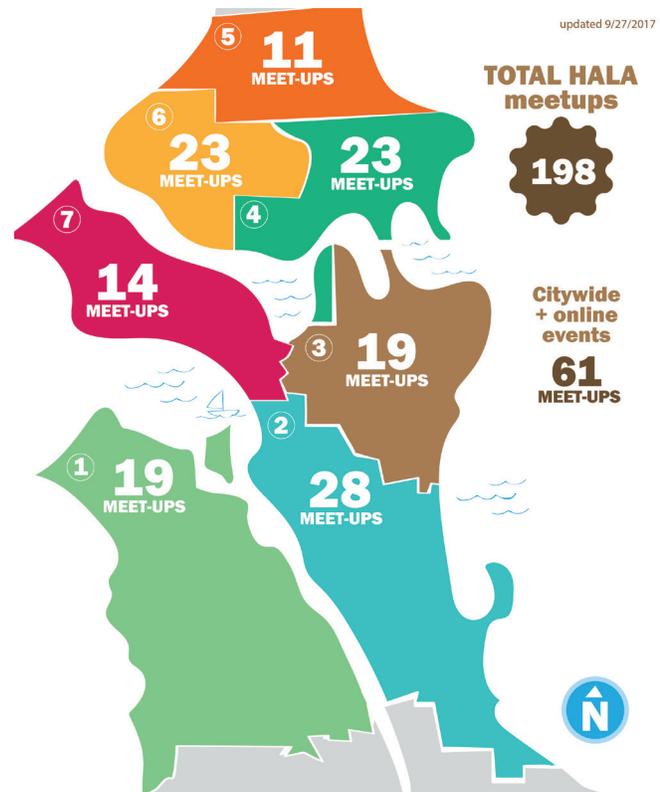
Family of Four

Making less than \$57,600 will pay no more than \$1,296 for a two bedroom.

Two years of community engagement

MHA has been shaped by nearly two years of community engagement led by the Department of Neighborhoods (DON). Community-generated principles, like creating better transitions between areas of higher and lower densities, guided our initial draft proposal released in October 2016. Since then, additional engagement and environmental review shaped the final proposal. Our traditional and innovative approaches to community engagement have included:

- Interactive online conversation at hala.consider.it with more than 2000 community members
- Telephone town halls that reached more than 70,000 Seattle households
- A mailer to 90,000 households to share information and invite residents to public meetings
- Door bellling more than 10,000 homes where zoning changes are proposed
- An email newsletter to 4,700 people



Next Steps

From 2015-2017, City Council voted unanimously to establish MHA requirements and rezones in the following communities: University District, Downtown, South Lake Union, Chinatown-International District, along 23rd Ave in the Central Area, and Uptown.

In 2018, the Council, supported by City staff, will continue to engage communities as it considers MHA implementation citywide. The Council has announced a slate of open houses and hearings across the city through August 2018 so that more community voices can shape the proposal.

Learn more about the City Council process for Citywide MHA at www.seattle.gov/council