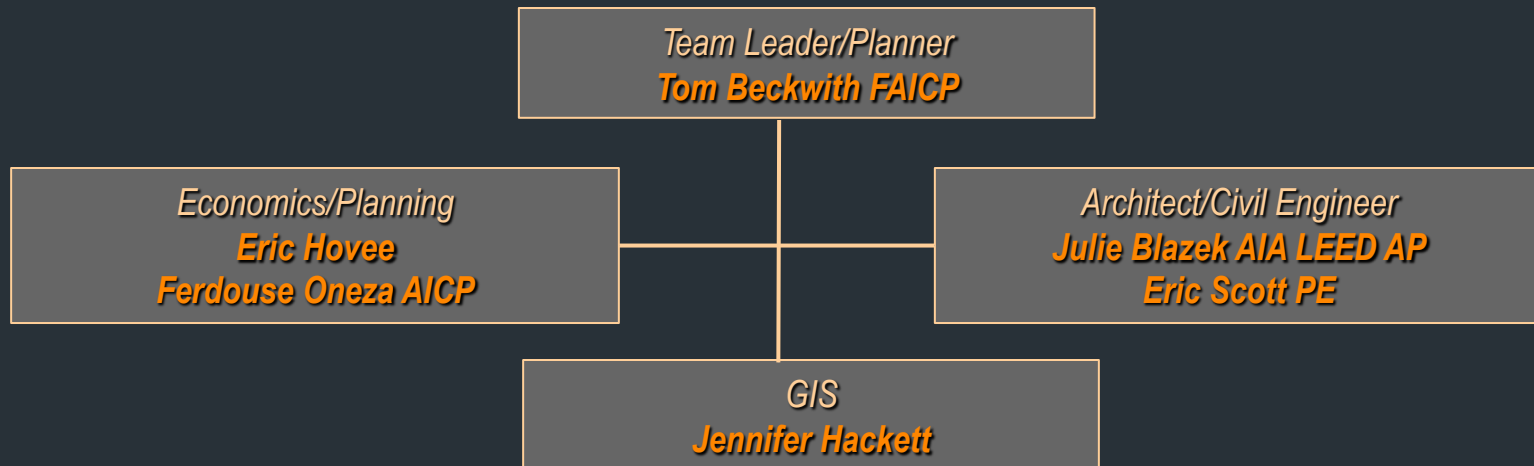


# Selah, Washington Housing Action Plan (HAP)



City Council Briefing  
2 March 2023

# Our award-winning team



Tom Beckwith  
FAICP



Eric Hovee



Ferdouse Oneza  
AICP



Julie Blazek  
AIA LEED AP



Eric Scott  
PE



Jennifer Hackett

# Our experience with comprehensive plans, codes, SEPA

- Comprehensive plans – including environment, land use, housing, transportation, utilities, community facilities, capital improvements programs (CIP) for Forks, Clyde Hill, Sultan, Duvall, Gig Harbor, Bonney Lake, Connell, Puyallup, among others...
- Development regulations – including Form-Based Code (FBC) for University Place and Kennewick, Unified Development Codes (UDC) for Blaine, Duvall, Des Moines, and Gig Harbor, among others...
- SEPA – including programmatic, project-specific, and checklists for Kennewick, Arlington, Bainbridge Island, Fircrest, Marysville, Duvall, Seattle, among others...
- 150 projects completed – with state and federal funding grant requirements

## Our experience with HNA/HAPs

### Housing Needs Assessments (HNA)/Housing Action Plans (HAP)

- *Jamestown S'Klallam Tribe Housing Solutions Study – 2 awards*
- *Colville Housing Action Plan*
- *Winthrop Housing Action Plan*
- *Twisp Housing Action Plan*
- *Poulsbo Housing Action Plan/Commercial Lands Study*
- *Port Angeles Housing Action Plan*
- *Sequim Housing Action Plan & Update*
- *Whatcom County Housing Element - award*
- *Yakima Consolidated Housing Plan*
- *Bellingham/Whatcom County Housing Action Plan - award*
- *Port Townsend/Jefferson County Housing Action Plan*

## Housing projects

- *Echo Lake Mixed-Use Development – with YMCA*
- *Tweedsmuir Close/Copper Hill Mixed-Use Development – with retail*
- *Delridge Neighborhood Plan – Cooper School Reuse Project*
- *LaConner Cultural Arts School - Artist Live-Work Housing*
- *Fairview Elementary School Reuse Project – Artist Live-Work Housing*
- *12th Avenue Feasibility Study – Missing Middle*

## Assisted housing projects – Julie

- *Housing Hope – Twin Lakes Landing for Homeless Families*
- *Swinomish Tribal Community Multi-Function Group Home*
- *Casa Della Buona Forchetta Sustainable Residence*

## Lessons learned – critical components

- *Solicit public opinions of housing conditions and needs*
- *Involve stakeholders in assessments and solutions*
- *Incorporate innovative housing products – ‘missing middle’*
- *Allow innovative construction – manufactured, modular, container*
- *Make affordable housing solutions economically feasible*
- *Make affordable housing permanent – using land trusts*
- *Recruit innovative and affordable niche housing developers*
- *Determine voter priorities of HAP strategies and financing*
- *Measure HAP implementation performance – adapt where necessary*

# Pre-HAP scope checklist

## HB 1220 in 2021:

*In 2021, House Bill 1220 (HB 1220) amended the Growth Management Act (GMA) housing goal to “plan for and accommodate” housing affordable to all income levels, significantly strengthening the previous goal which was to “encourage affordable housing.”*

## RCW 36.70.0760(2) – Comprehensive plan housing elements must:

- *Document existing and projected housing needs*
- *Include mandatory provisions for moderate density housing options*
- *Identify sufficient capacity of land for all housing needs including by income brackets, emergency housing and shelters, and permanent supportive housing*
- *Document barriers and actions to achieve housing availability*
- *Implement policies that address racially disparate impacts, displacement, and exclusion*
- *Establish anti-displacement policies*

*WA Department of Commerce (DOC) will provide guidance to communities to meet the new housing goal and updated requirements for housing elements in RCW 36.70A.070(2) including:*

- *Projected housing needs for moderate, low, very low and extremely low income will be provided at the county level and must be incorporated into local planning efforts. This includes projected need for emergency housing, emergency shelters and permanent supportive housing.*
- *Guidance on provisions for moderate density housing options including but not limited to duplexes, triplexes and townhomes.*
- *Guidance on sufficient land capacity for all projected housing including on how to assess zoning and regulations to allow, encourage, and incentivize housing to meet the projected housing needs in each income band.*
- *Guidance on examining racially disparate impacts, displacement and exclusion in housing policies and regulations, and recommended policies to address them.*



## 2022 Legislature on-going agenda:

- *Allow ADUs in single-family neighborhoods with standards, criteria*
- *Void requirements for owner-occupancy, minimum sizes, et. al.*
- *Provisions for off-street parking within 0.4-mile of major transit stops*
- *Allow transitional or permanent supporting housing in residential zones*

## Schedule and budget

		Percent of project work																	
		Team Leader - Tom Beckwith FAICP												35%					
		Economics - Eric Hovee												20%					
		Planning - Ferdouse Oneza AICP												15%					
		Architecture - Julie Blazek AIA LEED AP												20%					
		Civil Engineer - Eric Scott PE												5%					
		GIS - Jennifer Hackett												5%					
														100%					
		2023																	
															hrs	labor	expense	total	
<b>1</b>	<b>Housing needs analysis</b>																		
1.1	Analyze population/employment trends	X	X	X											16	\$2,960	\$0	\$2,960	
1.2	Identify housing needs	X	X	X											20	\$3,700	\$0	\$3,700	
1.3	Collect data on housing conditions	X	X	X	X	X									24	\$4,440	\$700	\$5,140	
1.4	Evaluate comprehensive plan housing element	X	X	X											16	\$2,960	\$0	\$2,960	
1.5	Review effectiveness of regulations/processes	X	X	X	X										18	\$3,330	\$0	\$3,330	
1.6	Perform in-fill capacity analysis	X	X	X	X	X	X								20	\$3,700	\$0	\$3,700	
1.7	Identify displacement risks	X	X	X	X										12	\$2,220	\$0	\$2,220	
<b>Deliverable - Conditions/housing needs analysis report</b>																	<b>\$24,010</b>		
<b>2</b>	<b>Provide public participation and input</b>																		
2.1	Identify outreach groups	X	X	X											4	\$740	\$0	\$740	
2.2	Review existing information	X	X	X											12	\$2,220	\$0	\$2,220	
2.3	Conduct workshop with public	X	X	X	X					O					16	\$2,960	\$500	\$3,460	
2.4	Conduct survey of voter households	X													32	\$5,920	\$5,000	\$10,920	
2.5	Conduct workshops with stakeholder groups	X	X	X	X	X				O			O		36	\$6,660	\$750	\$7,410	
<b>Deliverable - Public engagement plan/results</b>																	<b>\$24,750</b>		
<b>3</b>	<b>Evaluate/develop policies and tools</b>																		
3.1	Develop strategies to increase supply	X	X	X	X	X									32	\$5,920	\$0	\$5,920	
3.2	Develop anti-displacement strategies	X	X	X	X										24	\$4,440	\$0	\$4,440	
3.3	Review strategies for equity, barriers, gaps	X	X	X	X	X									16	\$2,960	\$0	\$2,960	
3.4	Develop action plan for implementation	X	X	X	X	X									20	\$3,700	\$50	\$3,750	
<b>Deliverable - draft housing action plan (HAP)</b>																	<b>\$17,070</b>		
<b>4</b>	<b>Publish/adopt housing action plan (HAP)</b>																		
4.1	Conduct Planning Commission hearing/edits	X	X	X	X					O				O	16	\$2,960	\$175	\$3,135	
4.2	Conduct City Council hearing/edits	X	X	X	X					O				O	12	\$2,220	\$175	\$2,395	
4.3	Prepare resolution for adoption	X												O	4	\$740	\$0	\$740	
<b>Deliverable - Adopted Housing Action Plan (HAP)</b>																	<b>\$6,270</b>		
															Subtotal	350	\$64,750	\$7,350	\$72,100
															Contingency	4%			\$2,900
															<b>Project budget</b>				<b>\$75,000</b>

**O** Workshops, open houses, and hearings

## 2. Elicit effective public participation

### Conduct stakeholder workshops



#### Participants:

- *Planning Commission and City Council*
- *Stakeholders including, Yakima Housing Authority (YHA), Catholic Charities Housing Services (CCHS), Yakima Valley Partners of Habitat for Humanity, Homeless Network of Yakima County ...*
- *Nonprofit developers – Low-Income Housing Institute (NIHI), Washington Low-Income Housing Alliance, Habitat for Humanity...*
- *Local architects and housing developers...*

#### Discussions:

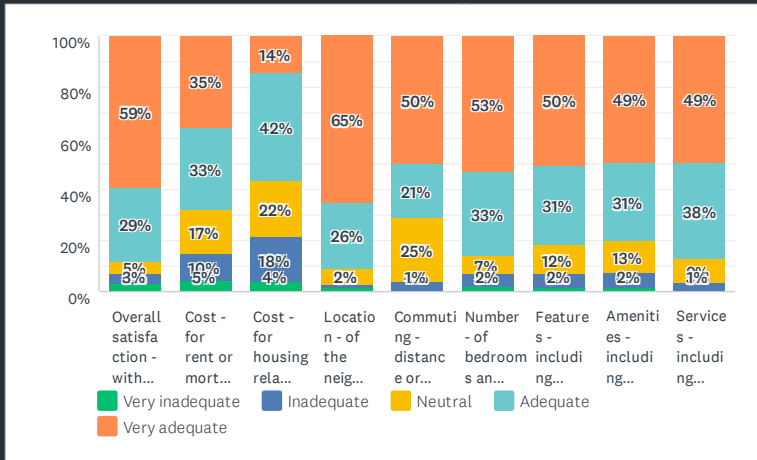
- *What is working?*
- *What is not working?*
- *What ideas do you have?*
- *What are you willing to do?*



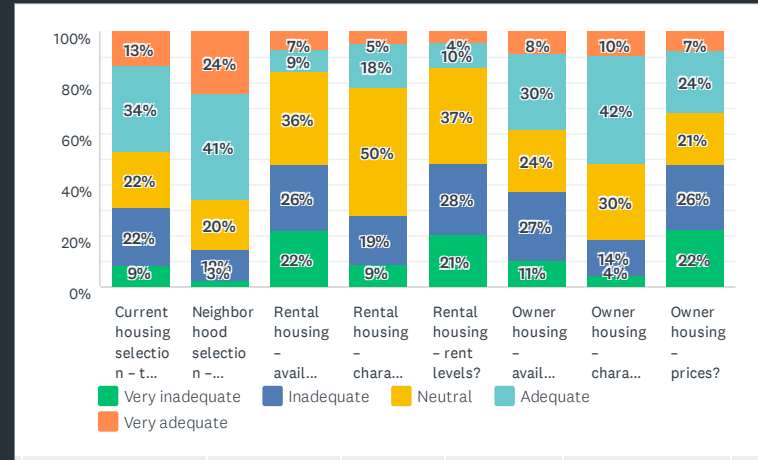
*Port Angeles Housing Action Plan*

# Conduct resident outreach surveys

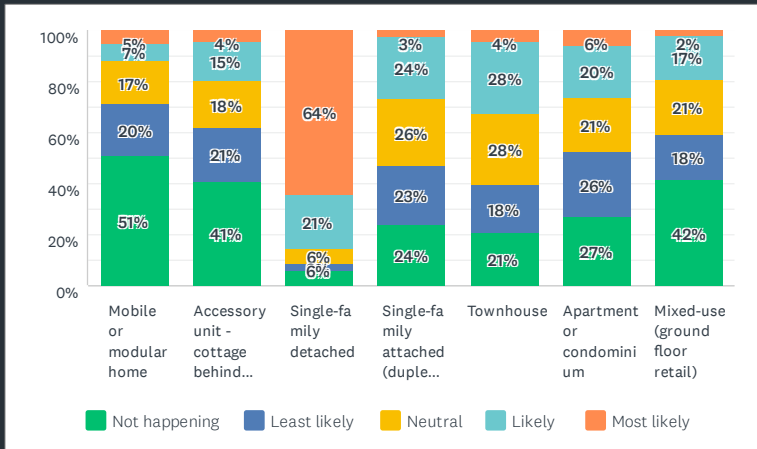
How do you rate your current housing situation?



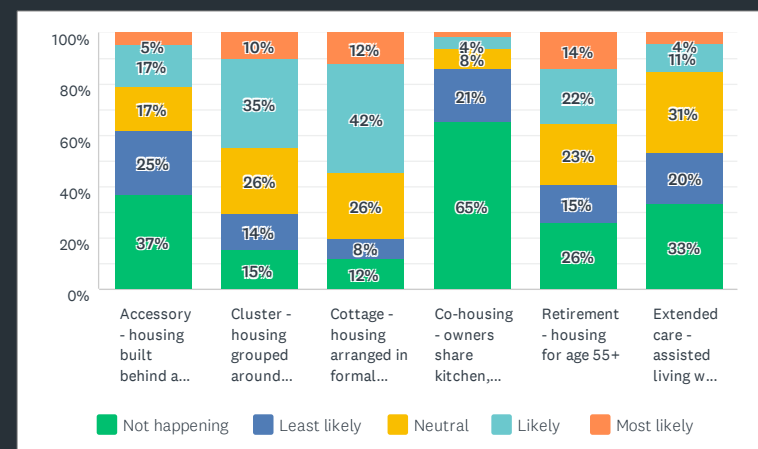
How do you rate the Poulsbo housing market?



What housing type do you prefer to buy or rent?



What development type do you prefer to buy or rent?



Poulsbo Housing Action Plan –On-line Survey with 321 responses

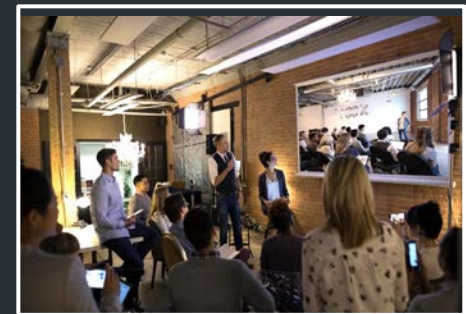
# Conduct open houses, pop-ups, go-to presentations



*Downtown Eugene Redesign Project –  
600 participants*

*Edmonds Strategic Action Plan – 2,500  
participants*

- Social media – websites, e-blast surveys, e-newsletters...
- Community-wide presentations/discussions – with service clubs, business associations, user groups...
- Pop-up exhibits/booths – at festivals, farmers' markets, public facilities...
- Go-to-presentations – to hard-to-reach groups at neighborhood gatherings, schools, churches...
- Gathering place posters and surveys - at Starbucks...



# Test HAP policies and strategies with voters

place on the following possible policies as a means of creating affordable housing in Poulsbo.

	Weight
<b><u>Adopt low impact, smart, and green development guidelines</u></b> - for solar energy, passive heating, increased insulation, energy efficient appliances, stormwater treatment, pervious pavement, recycled materials, and other innovations that may increase initial construction costs but reduce long-term operating and utility costs.	3.54
<b><u>Establish an affordable housing coalition</u></b> - of public, nonprofit, and for-profit representatives to monitor housing conditions in Poulsbo and advise public officials on actions that can be taken over time to resolve quality and affordability concerns.	3.31
<b><u>Encourage innovative housing products</u></b> - possibly including single room occupancy (SRO) units, small efficiency dwelling units (SEDU), cottage housing, cluster housing, live/work, and mixed-use structures in appropriate areas of Poulsbo all with universal design (UD) features.	3.23
<b><u>Initiate a housing renovation loan program</u></b> - where the eligible house is rehabilitated, and the loan is deferred for payment until the house is sold.	3.18
<b><u>Allow innovative land ownership options</u></b> - including land trust where a nonprofit organization owns and leases the land at a low lease rate to a qualified affordable household who buys the house and agrees that when they eventually sell the house it will be at a reduced cost increase to allow purchase by another qualified affordable household.	3.12
<b><u>Adopt cash-offset housing incentives</u></b> - possibly including reduced building permit fees, utility connection charges, parks and traffic impact fees for housing projects that provide a minimum number of affordable housing units.	2.95
<b><u>Exempt property taxes</u></b> - for multifamily projects that	2.76

include affordable housing components within designated areas of Poulsbo for up to 12 years in accordance with Washington State affordable housing policies and legislation.	
<b><u>Encourage innovative housing construction methods</u></b> - possibly including pre-manufactured, modular, and container methods.	2.69
<b><u>Increase housing density allowances</u></b> - possibly including townhouse, condominiums, and mixed-use structures up to 5-stories in appropriate areas of Poulsbo.	2.67
<b><u>Adopt non-cash housing incentives</u></b> - possibly allowing additional height, reduced parking ratios, or increased lot coverage for housing projects that provide a minimum number of affordable housing units.	2.49
<b><u>Voter-approve a 7-year special property tax levy</u></b> - to provide funds to finance the development of a mixed-use, mixed-income demonstration project for innovative housing products and methods in Poulsbo.	2.46

**Policy implications** - survey respondents gave:

- Highest priority to adopting low impact, smart, and green development guidelines and establishing an affordable housing coalition and allowing innovative land ownership options.
- Average enthusiasm for encouraging innovative housing products, initiating a housing renovation loan program, and allowing innovative land ownership options.
- Moderate but not negative enthusiasm to adopting cash-offset housing incentives, exempting property taxes, encouraging innovative housing construction methods, increasing housing density allowances, adopting non-cash housing incentives, and approving a 7-year special property tax levy to provide funds for affordable housing programs.

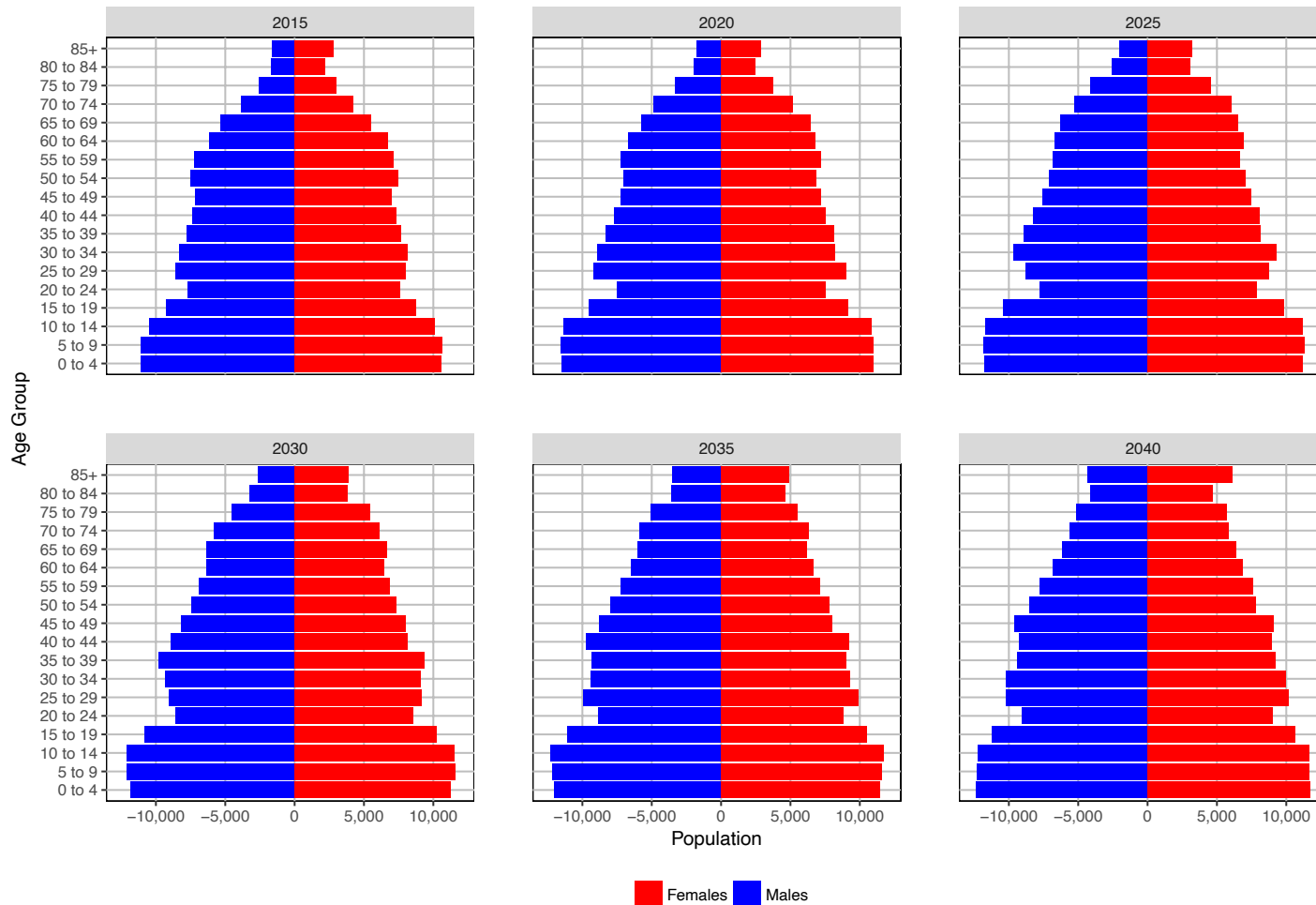
Detailed comments were given by 131 or 41% of respondents.

# 1. Assess existing conditions - HNA

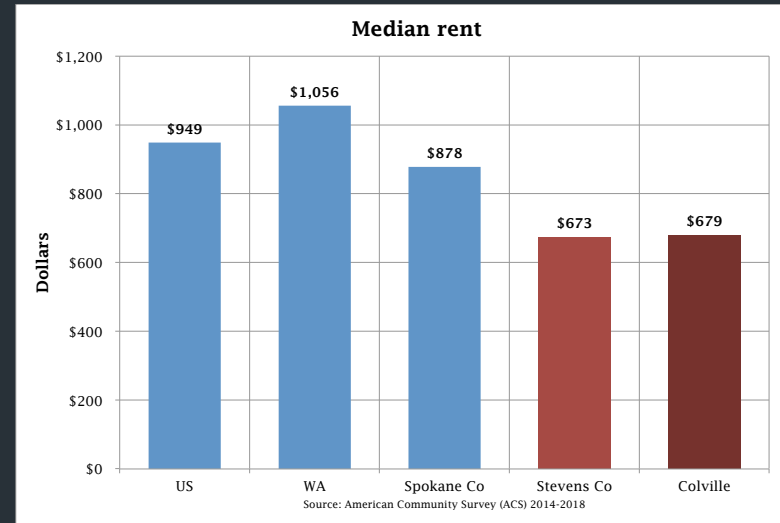
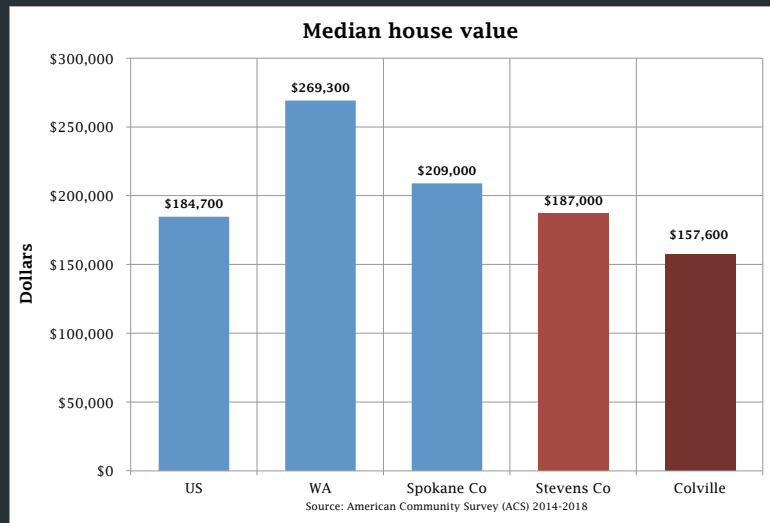
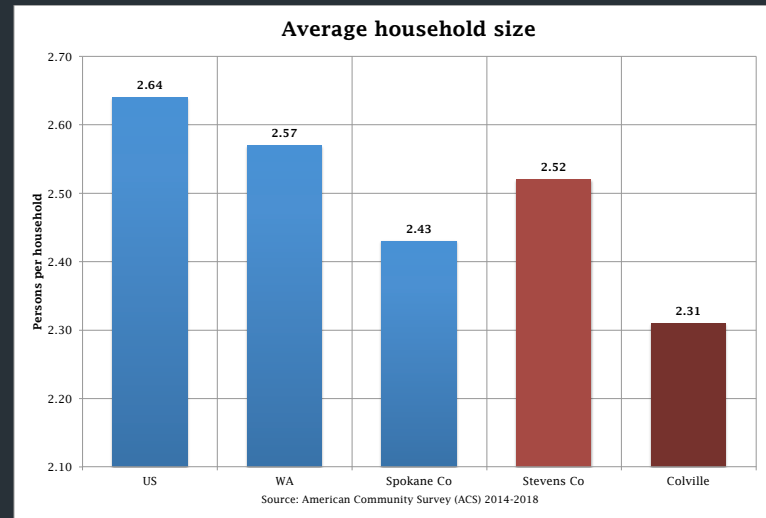
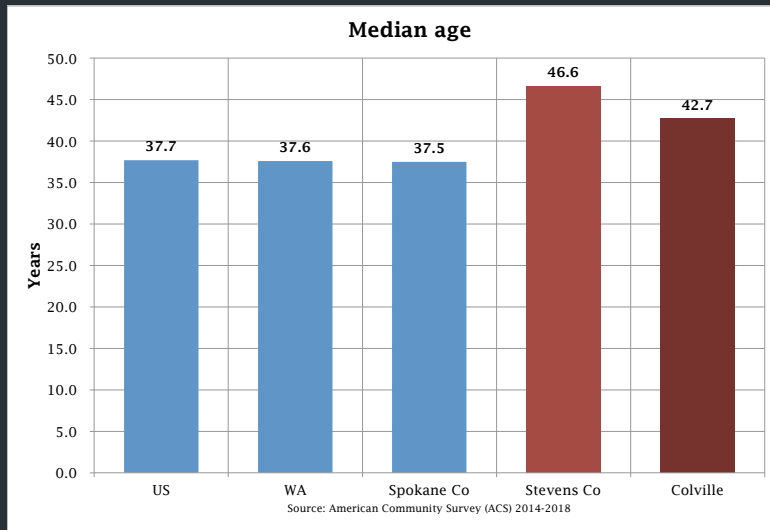
## Project housing market demographics

Yakima County, 2017 GMA Projections

Medium Series Age Distributions



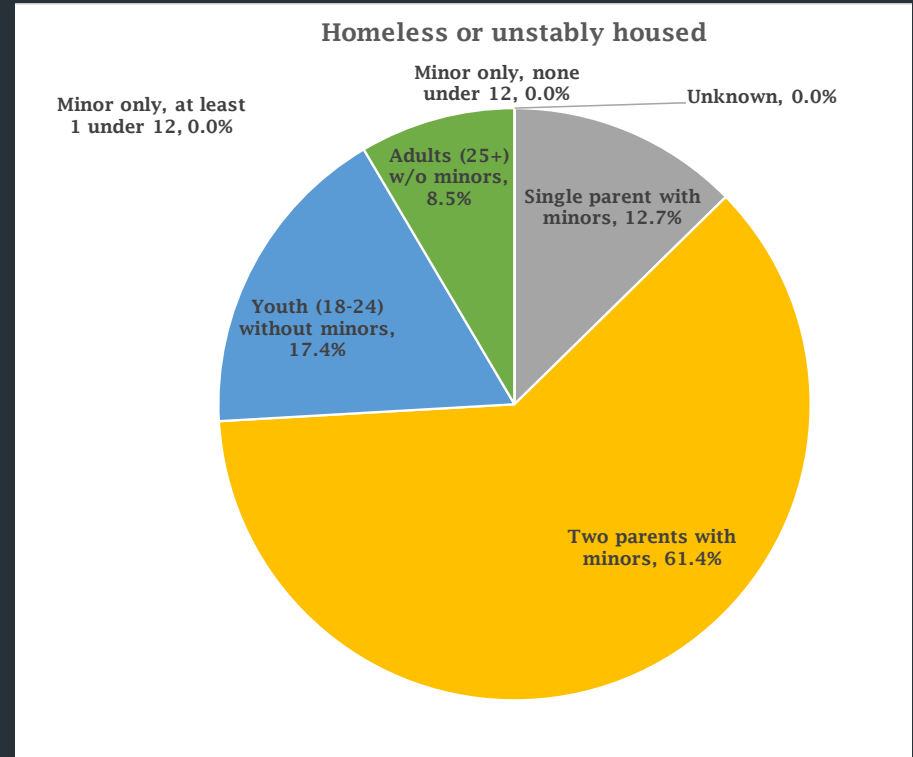
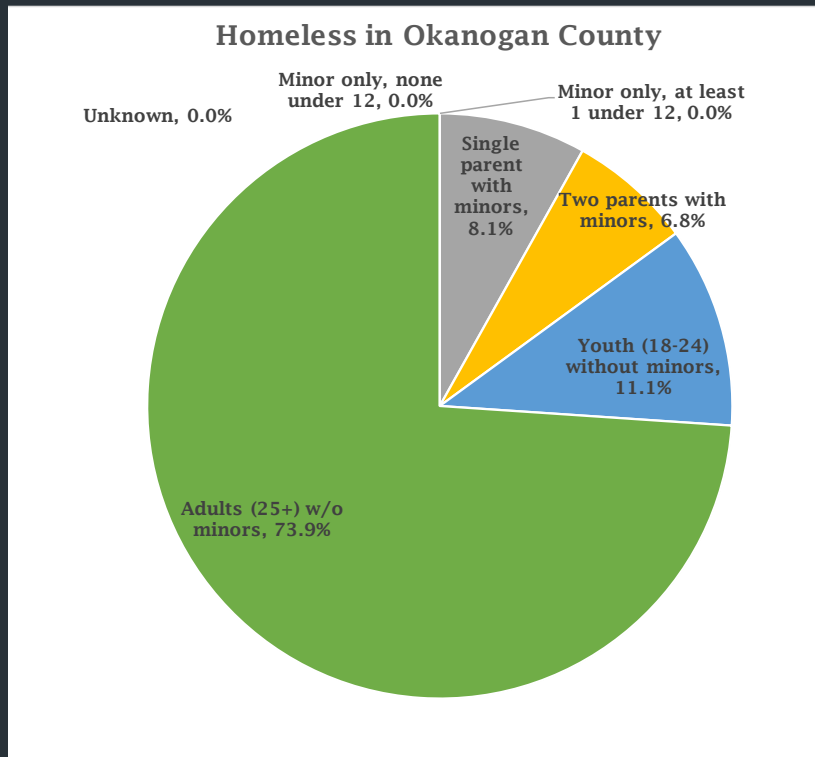
# Compare socioeconomic statistics



Colville HAP - American Community Survey 2016-2020 based on annual sample of 1/38 households

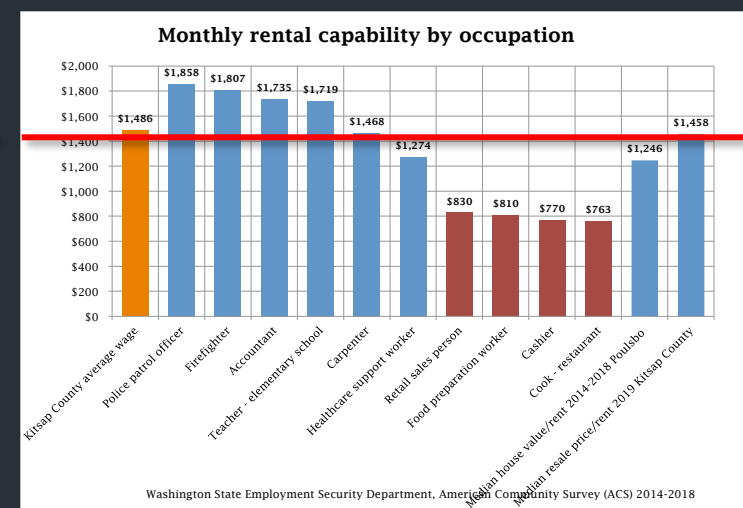
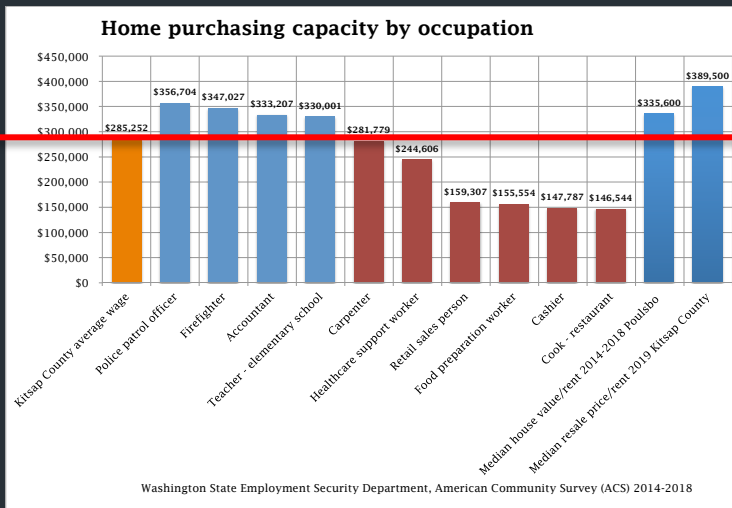
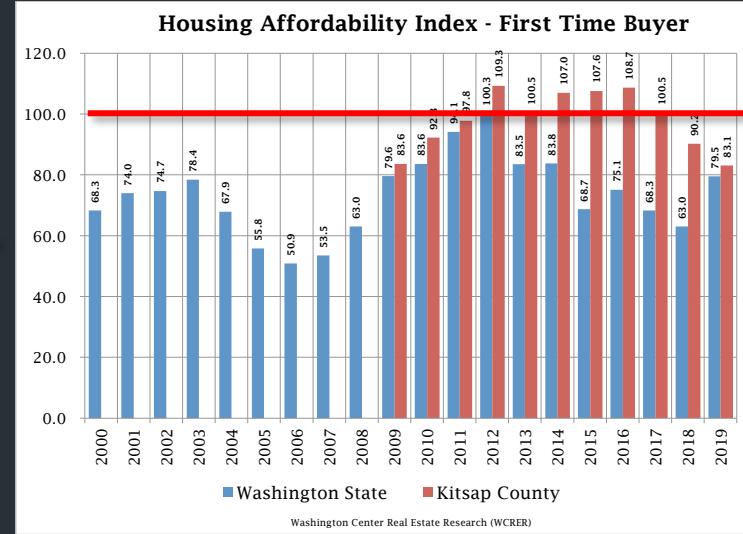
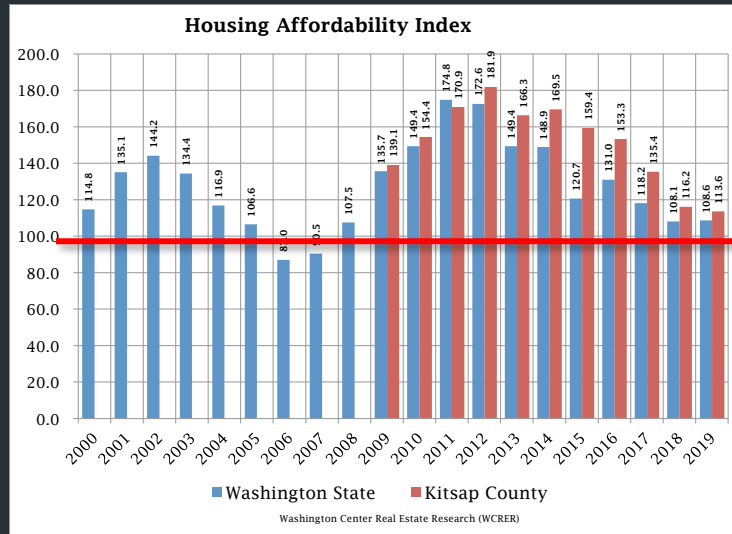


# Identify homeless and unstably housed

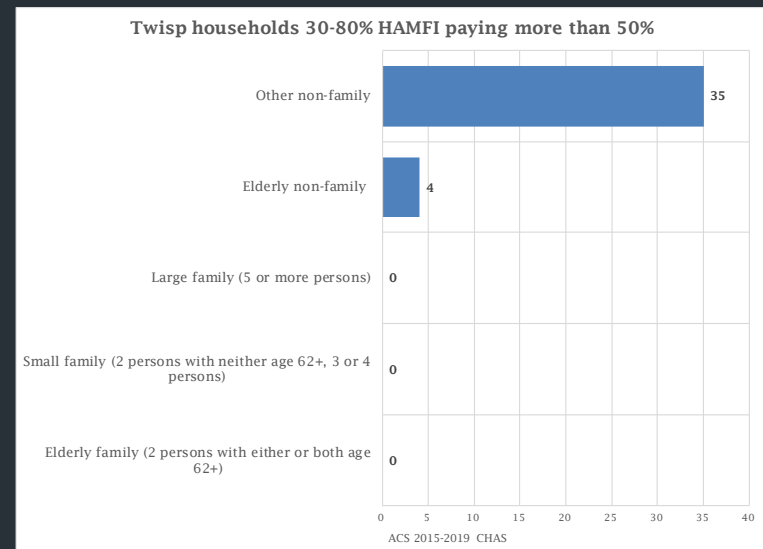
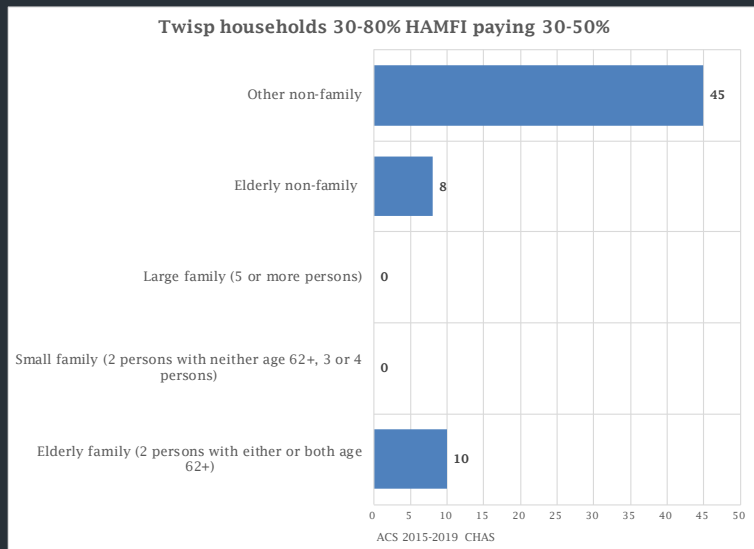
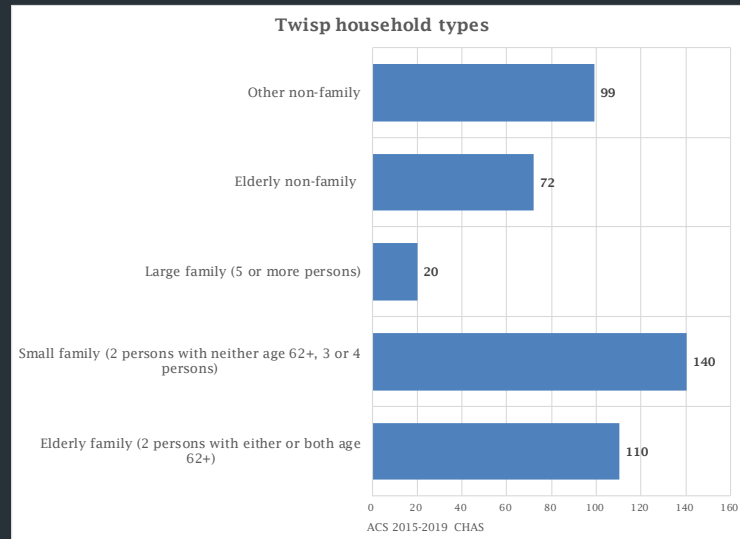


WA DOC Point-in-Time Count 2020  
Unstably housed are temporarily living with family or friends in short-term arrangements

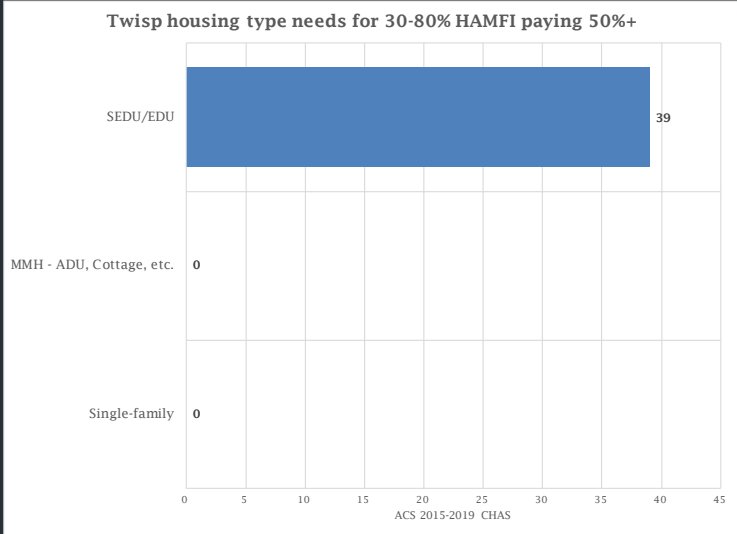
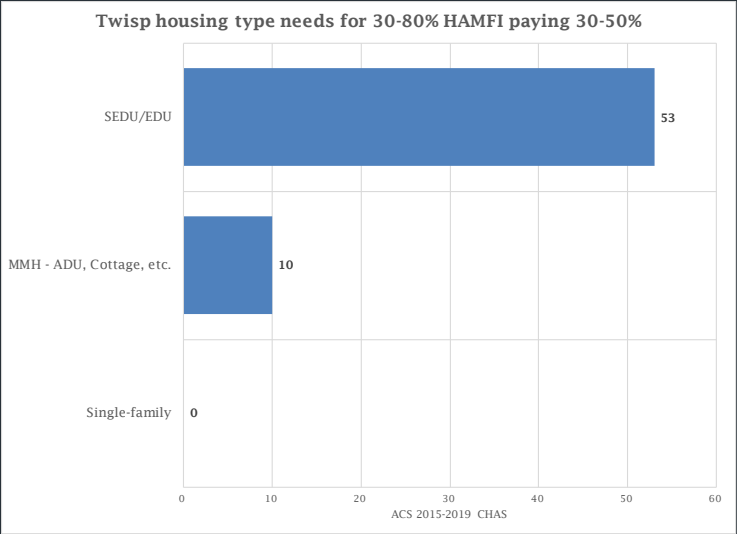
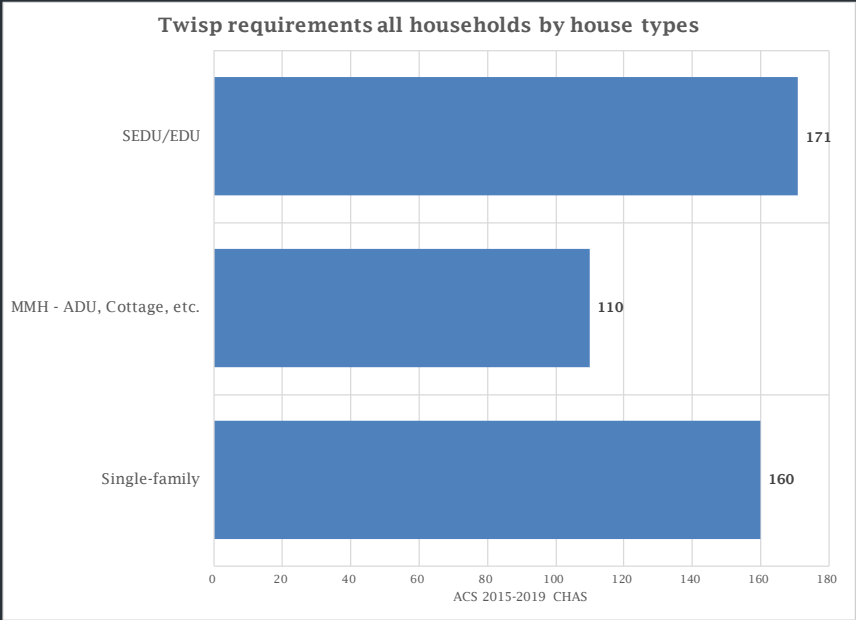
# Assess housing market trends



# Project housing demand/need



*Twisp Housing Action Plan - HUD CHAS data*



# Identify “Missing Middle” options

Accessory Dwelling Unit



Duplex



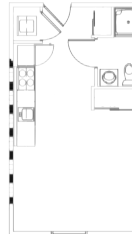
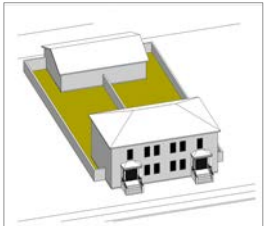
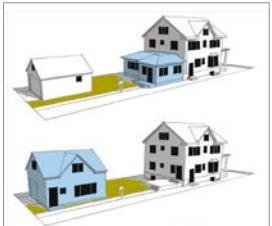
Cottage



Townhouse



- Walkable
- Small footprint
- Lower perceived density
- Smaller unit
- Fewer off-street parking
- Simple construction
- Marketable



Courtyard Building



Multiplex



Live-Work



SEDU

Colville Housing Action Plan  
Arlington Historic Design Standards

# Project housing requirements by type

	2020	2030	2040	2050
Population	11,050	13,272	15,941	19,147
Households	4,623	5,648	6,901	8,435
Vacancy allocation	231	282	345	422
Housing demand	4,855	5,930	7,246	8,857
Less existing housing units	4,250	4,250	4,250	4,250
<b>Housing requirement</b>	<b>605</b>	<b>1,680</b>	<b>2,996</b>	<b>4,607</b>
Additional single-family	249	889	1,659	2,585
Additional attached (2-9)	76	318	628	934
Additional multifamily (10+)	47	240	477	856
Additional mobile home etc.	0	0	0	0

Sources: Poulsbo Comprehensive Plan, ACS 2015-2019, Beckwith Consulting Group

Alleviate cost burden 50%+	2020	2030	2040	2050
Single-family assisted	344	414	498	599
Attached family assisted	12	16	21	25
Multifamily assisted	143	183	231	309
Mobile home assisted	0	0	0	0
<b>Housing requirement</b>	<b>499</b>	<b>612</b>	<b>750</b>	<b>933</b>
Alleviate burden 30-50%+				
Single-family assisted	770	926	1,114	1,340
Attached family assisted	50	65	84	103
Multifamily assisted	298	381	482	643
Mobile home assisted	0	0	0	0

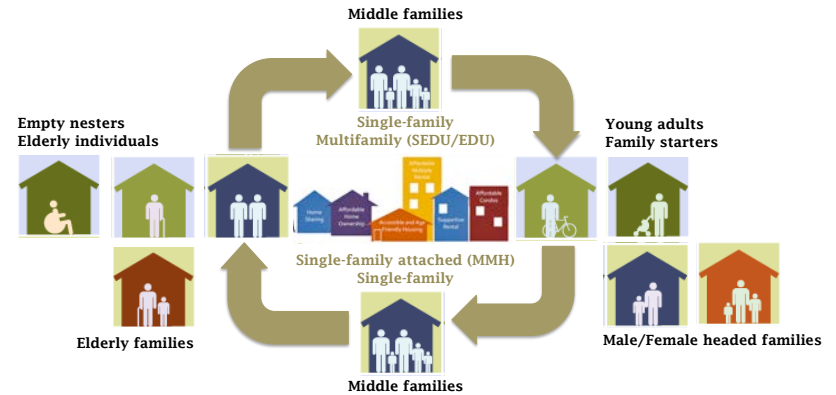
**Housing requirement** 1,118 1,372 1,680 2,086

Sources: Poulsbo Comprehensive Plan, ACS 2015-2019

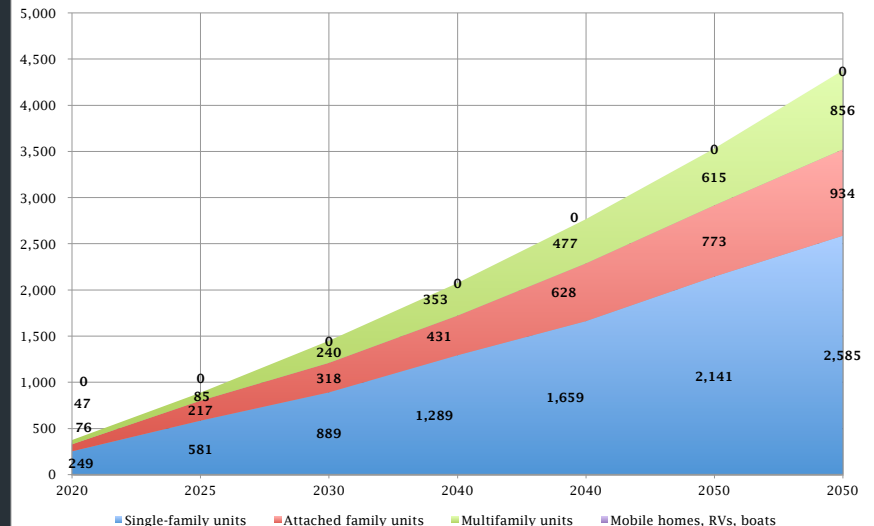
ACS 2013-2017 CHAS data  
Beckwith Consulting Group

*Poulsbo Housing Action Plan*

## Household/Housing Progression



## Additional housing requirements by housing type



# Consider aging policy/population strategies

*Aging population* – will create a greater proportion of all households consisting of older empty nester couples and living alone individuals.

## *“Aging in Place”*

- *Can medical, transportation, social services be economically provided low-density settlements?*
- *Will older households be able to keep housing stock in sound condition or will it deteriorate beyond market interests?*
- *Will retention of older, affordable, family-starter housing off the market imbalance demand and needs for younger, family-starter households – i.e., developing greater proportion of single family than market needs?*

## “Aging in Transitional-Age-Appropriate Housing”

- *Can housing market provide age-appropriate new housing stock at affordable price – i.e., accessory dwelling units, cottage housing, mixed-use, and modular?*
- *Will financial/mortgage market underwrite housing purchases by older households – and of innovative housing products?*
- *Can/will older households be willing to sell and buy or rent transitional-age-appropriate housing in more urban settings?*
- *Can/will younger households be able/willing to buy older single-family housing (some in need of upgrades) in older urban neighborhoods?*



# 3. Evaluate/develop new strategies

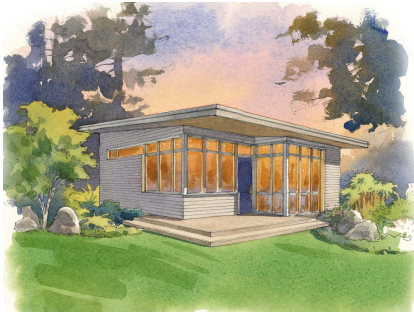
## Retain existing stock/prevent displacement outcomes



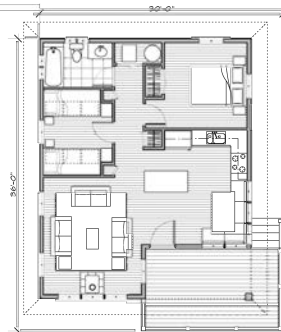
- Home repair and renovation programs – to retain existing housing stock and remain in place
- Special population housing projects – for homeless, disabled, domestic abuse, addictions...
- Home loans or leans on equity – to pay/recover repairs and renovations, reduce utility or mortgage costs until time of sale
- Package properties for redevelopment – if and when existing owner/occupants need/desire to live in more suitable housing
- Assist with relocation/purchase options – for households needing/desiring to move

Sequim Housing Action Plan

# Cottage housing/pocket neighborhoods



FRONT PERSPECTIVE



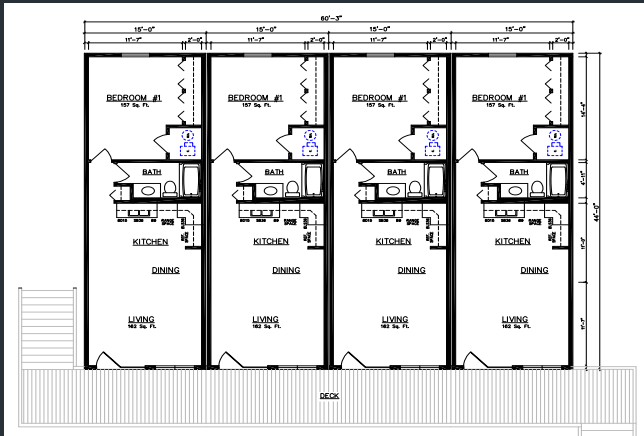
MAIN FLOOR PLAN



*Jamestown S'Klallam Tribe Housing Solutions Study Housing Marketplace - Perfect Little House Company*

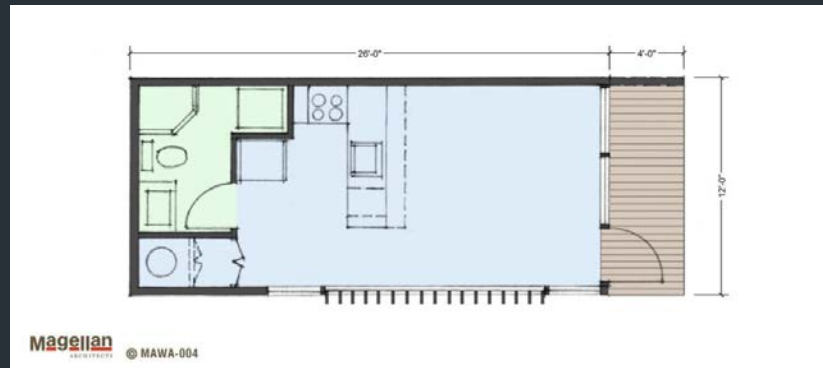
*Alder Forest on Orcas Island - stick-built construction made affordable using smaller units, clustered small lot development, land trust, The Plum 592 sq ft @\$175,000*

# Modular construction - EDUs



*Jamestown S'Klallam Tribe Housing Solutions Study Housing Marketplace – Blokable at Phoenix Rising in Auburn – 315 sq ft of 5 studio, 7 one-bedroom apartments in 2 buildings for 30%-50% AMI residents providing the entire development process  
Financed by the State of WA at \$125,000 per unit, transport @\$4/mile*

# Tiny house options – ADUs/SEDUs

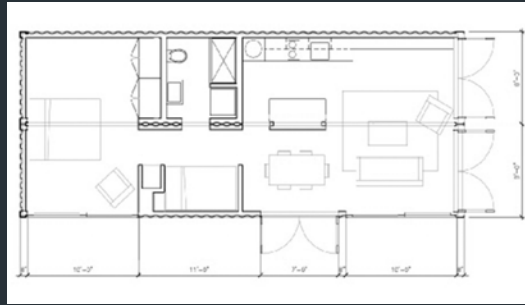
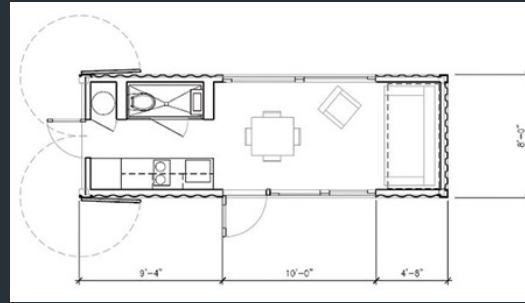


## Background:

- ESSB 5383 – tiny houses on foundation or wheels may be used as permanent housing – is not an RV
- HB 1085 – eliminates minimum gross floor area
- RCW 43.22.450 – allows factory-built tiny homes
- RCW 58.17.040(5) - allows binding site plans
- Chapter 35.21 – allows city ordinances to regulate creation of tiny house communities
- RCW 35.21.684(3) – prohibits ordinances preventing tiny homes from being permanent residences in manufactured/mobile home communities
- Chapter 59.20 – extends tenant-landlord protections

Carriage Houses Northwest in Marysville – *Backyard Cottage*, 260 sq ft \$88,000-108,000 delivered on wheels for site installation (site prep additional)

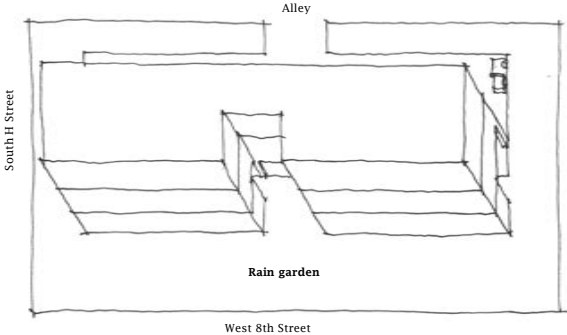
# Shipping container housing - SEDUs



Jamestown S'Klallam Tribe Housing Solutions Study Housing Marketplace – Cargotecture 160 sq ft studio \$53,000, 320 sq ft studio \$123,000 without land  
Example developments – 1000 East Jefferson Street, Louisville, Squirrel Park by AHMM, Oklahoma City

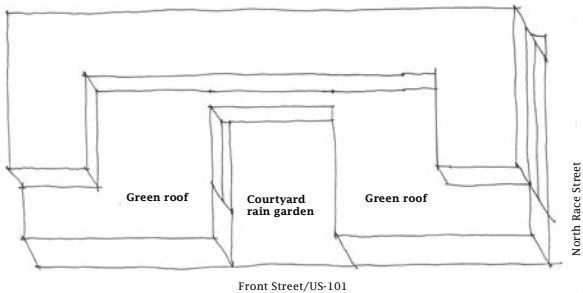
# Analyze housing cost variables

Envelope 1 - G Street & 8th Street (Residential High Density - RHD)



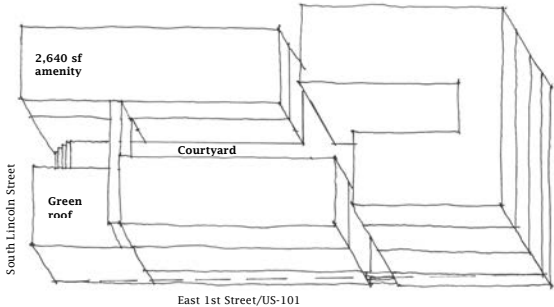
Property is @145'x263' = 38,135 sf = 0.88 ac zoned Residential High Density (RHD) with 35' height limit and 75% site coverage maximum at 40 du/acre. This example locates parking off the alley with 6 units on the ground floor aligned with adjacent single family and 13 units on a second and third floor. Build out would provide 39 parking spaces and 32 dwelling units or 1.22 stalls/du.

Envelope 2a - North Race & Front Street (Commercial Arterial - CA)



Property is @145'x335' = 48,575 sf = 1.12 ac zoned Commercial Arterial (CA) with 35' height limit and 80% site coverage maximum. This example locates unit access from the back of the property to provide dwelling unit views into the courtyard and south of the Olympics. Build out would provide 72 interior parking spaces and 56 dwelling units or 1.36 stalls/du and 7,200 sf of frontage activities.

Envelope 3 - Lincoln & 1st Street (Central Business District - CBD)



Property is @145'x300' = 43,500 sf = 1.00 ac zoned Central Business District (CBD) with 45' height limit and 100% site coverage. This example locates parking off the alley with 5,280 sf retail on the ground floor and 2,640 sf amenity on the upper floor. Build out would provide 84 parking spaces and 90 dwelling units or 0.93 stalls/du.

# Evaluate impact of indirect tools

## Appendix L: Housing cost analysis - 5 story mixed use

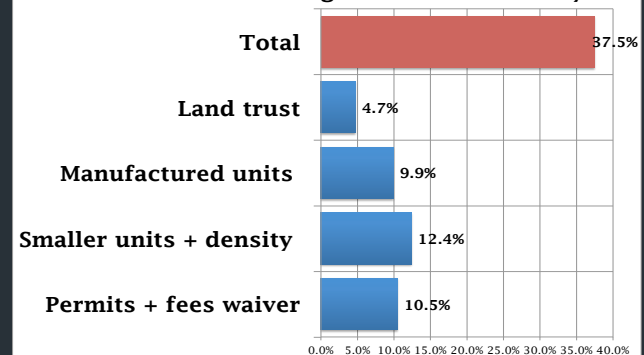
Development costs - Laurel Village (downtown site - platform building)  
Bellingham/Whatcom County Housing Authority Model

9 November 2007

Property	unit	quantity	unit cost	qnty cost	% of total	permits + fees		+ smaller units density incentive		+ manufactured units market incentive		+ land cash reimbursement	
						cash reimbursement	% of total	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total
1 acquire property	acre	0.50	\$1,300,000	\$650,000	6.4%	\$650,000	7.1%	\$650,000	6.9%	\$650,000	6.9%		0.0%
2 title and recording fees, legal, land appraisal	each	1	\$6,548.00	\$6,548	0.1%	\$6,548	0.1%	\$6,548	0.1%	\$6,548	0.1%		0.0%
<b>SUBTOTAL LAND COSTS</b>				<b>\$656,548</b>	<b>6.4%</b>	<b>\$656,548</b>	<b>7.2%</b>	<b>\$656,548</b>	<b>7.0%</b>	<b>\$656,548</b>	<b>7.0%</b>	<b>\$0</b>	<b>0.0%</b>
<b>Site improvements</b>													
3 site preparation, site clearing, soil removal, piling	sq feet	14,243	\$33.27	\$473,939	4.6%	\$473,939	5.2%	\$473,939	5.0%	\$473,939	5.0%		5.4%
4 utilities and infrastructure improvements	sq feet	14,243	\$14.74	\$210,000	2.1%	\$210,000	2.3%	\$210,000	2.2%	\$210,000	2.2%		2.4%
5 street and access paving	sq feet	14,243	\$4.21	\$60,000	0.6%	\$60,000	0.7%	\$60,000	0.6%	\$60,000	0.6%		0.7%
Subtotal				<b>\$743,939</b>	<b>7.2%</b>	<b>\$743,939</b>	<b>8.1%</b>	<b>\$743,939</b>	<b>7.9%</b>	<b>\$743,939</b>	<b>7.9%</b>	<b>\$0</b>	<b>8.5%</b>
<b>Building</b>													
6 construct lower level parking platform	stall	52	\$19,711.54	\$1,025,000	10.0%	\$1,025,000	11.2%	\$1,025,000	12.8%	\$1,382,173	14.6%	\$1,382,173	15.7%
7 construct upper level stick-built dwelling units	sq feet	45,578	\$74.05	\$3,374,890	33.0%	\$3,374,890	36.9%	\$3,374,890	35.9%	\$3,374,890	35.8%	\$3,374,890	38.4%
8 change orders	sq feet	45,578	\$16.15	\$736,127	7.2%	\$736,127	8.0%	\$736,127	7.8%	\$736,127	7.8%	\$736,127	8.4%
Subtotal				<b>\$5,136,017</b>	<b>50.2%</b>	<b>\$5,136,017</b>	<b>56.1%</b>	<b>\$5,308,906</b>	<b>56.5%</b>	<b>\$5,498,190</b>	<b>58.2%</b>	<b>\$5,498,190</b>	<b>62.5%</b>
9 contractor mgt, mobilization, bonds, insurance	11.5%			\$678,110	6.6%	\$678,110	7.4%	\$698,048	7.4%	\$719,301	7.6%	\$719,301	8.2%
10 contractor profit	4.3%			\$252,000	2.5%	\$252,000	2.8%	\$259,409	2.8%	\$267,308	2.8%	\$267,308	3.0%
Subtotal				<b>\$930,110</b>	<b>9.1%</b>	<b>\$930,110</b>	<b>10.2%</b>	<b>\$957,457</b>	<b>10.2%</b>	<b>\$986,609</b>	<b>10.6%</b>	<b>\$986,609</b>	<b>11.4%</b>
<b>SUBTOTAL DIRECT DEVELOPMENT COSTS</b>				<b>\$6,810,066</b>	<b>66.6%</b>	<b>\$6,810,066</b>	<b>74.4%</b>	<b>\$7,010,297</b>	<b>74.6%</b>	<b>\$7,223,738</b>	<b>76.5%</b>	<b>\$7,223,738</b>	<b>82.3%</b>
<b>Washington State Sales Tax</b>													
11 Washington State sales tax (direct + furnishings)	8.2%			\$557,621	5.5%	\$557,621	6.1%	\$574,016	6.1%	\$591,493	6.3%	\$591,493	6.7%
<b>Architectural, engineering, and other fees (direct development)</b>													
12 architectural/engineering fees	4.2%			\$288,529	2.8%	\$288,529	3.2%	\$297,012	3.2%	\$306,055	3.2%	\$306,055	3.5%
13 environmental assessment	0.2%			\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.2%
14 geotechnical study	0.6%			\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%
15 building permits, fees, and hook-ups	0.5%			\$33,630	0.3%	\$33,630	0.0%	\$33,630	0.0%	\$33,630	0.0%	\$33,630	0.4%
16 utility/connection fees/demands	1.4%			\$92,957	0.9%	\$92,957	0.0%	\$92,957	0.0%	\$92,957	0.0%	\$92,957	0.0%
17 impact fees - traffic, parks, schools	0.6%			\$40,351	0.4%	\$40,351	0.0%	\$40,351	0.0%	\$40,351	0.0%	\$40,351	0.0%
18 bid costs	0.0%			\$345	0.0%	\$345	0.0%	\$345	0.0%	\$345	0.0%	\$345	0.0%
19 survey fees	0.1%			\$5,000	0.0%	\$5,000	0.1%	\$5,000	0.1%	\$5,000	0.1%	\$5,000	0.1%
20 legal fees	0.2%			\$14,473	0.1%	\$14,473	0.2%	\$14,473	0.2%	\$14,473	0.2%	\$14,473	0.2%
21 accounting and auditing fees	0.2%			\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%
22 development period utilities	0.0%			\$1,613	0.0%	\$1,613	0.0%	\$1,613	0.0%	\$1,613	0.0%	\$1,613	0.0%
23 construction testing	0.4%			\$25,422	0.2%	\$25,422	0.3%	\$26,169	0.3%	\$26,966	0.3%	\$26,966	0.3%
Subtotal				<b>\$565,359</b>	<b>5.2%</b>	<b>\$398,421</b>	<b>4.4%</b>	<b>\$407,699</b>	<b>4.3%</b>	<b>\$417,590</b>	<b>4.4%</b>	<b>\$417,590</b>	<b>4.8%</b>
<b>Interim costs (direct development, sales tax, AE fees)</b>													
24 construction insurance	0.2%			\$13,005	0.1%	\$12,731	0.1%	\$13,102	0.1%	\$13,496	0.1%	\$13,496	0.2%
25 interest	3.8%			\$302,459	3.0%	\$296,094	3.2%	\$304,707	3.2%	\$308,629	3.1%	\$308,629	3.2%
26 construction loan fees	0.0%			\$47,122	0.5%	\$46,130	0.5%	\$47,472	0.5%	\$48,903	0.5%	\$48,903	0.6%
27 other loan fees (impact capital, state HTF, etc)	1.2%			\$97,990	1.0%	\$95,928	1.0%	\$98,718	1.1%	\$101,693	1.1%	\$101,693	1.2%
Subtotal				<b>\$460,576</b>	<b>4.5%</b>	<b>\$450,884</b>	<b>4.9%</b>	<b>\$463,999</b>	<b>4.9%</b>	<b>\$468,721</b>	<b>4.8%</b>	<b>\$468,721</b>	<b>5.1%</b>
<b>Permanent financing fees (direct development, sales tax, AE fees, interim costs)</b>													
28 permanent loan origination fee	0.5%			\$39,825	0.4%	\$38,987	0.4%	\$40,121	0.4%	\$40,337	0.4%	\$40,337	0.5%
29 permanent loan legal fee	0.0%			\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%
30 permanent loan title fee	0.2%			\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%
Subtotal				<b>\$62,080</b>	<b>0.6%</b>	<b>\$61,242</b>	<b>0.7%</b>	<b>\$62,376</b>	<b>0.7%</b>	<b>\$62,592</b>	<b>0.7%</b>	<b>\$62,592</b>	<b>0.7%</b>
<b>Other soft costs</b>													
31 appraisal and market study	0.0%			\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.1%
32 LIHTC tax credit fees	0.6%			\$65,402	0.6%	\$65,402	0.7%	\$65,402	0.7%	\$65,402	0.7%	\$65,402	0.7%
33 marketing and leasing	0.1%			\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%
Subtotal				<b>\$75,103</b>	<b>0.7%</b>	<b>\$75,103</b>	<b>0.8%</b>	<b>\$75,103</b>	<b>0.8%</b>	<b>\$75,103</b>	<b>0.8%</b>	<b>\$75,103</b>	<b>0.9%</b>
<b>Developer/consultant fees (land, direct, all other indirect costs)</b>													
34 developer fees	9.8%			\$898,686	8.8%	\$898,686	0.0%	\$898,686	0.0%	\$898,686	0.0%	\$898,686	0.0%
35 technical assistance, nonprofit donation	0.8%			\$71,000	0.7%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%
Subtotal				<b>\$969,686</b>	<b>9.5%</b>	<b>\$969,686</b>	<b>0.8%</b>	<b>\$969,686</b>	<b>0.8%</b>	<b>\$969,686</b>	<b>0.8%</b>	<b>\$969,686</b>	<b>0.8%</b>
<b>SUBTOTAL INDIRECT DEVELOPMENT COSTS</b>													
36 operating reserves and replacement reserves	0.8%			\$2,690,425	26.3%	\$1,614,271	17.6%	\$1,654,194	17.6%	\$1,486,499	15.7%	\$1,486,499	16.9%
Subtotal				<b>\$2,690,425</b>	<b>26.3%</b>	<b>\$1,614,271</b>	<b>17.6%</b>	<b>\$1,654,194</b>	<b>17.6%</b>	<b>\$1,486,499</b>	<b>15.7%</b>	<b>\$1,486,499</b>	<b>16.9%</b>
<b>TOTAL DEVELOPMENT COSTS INCLUDING LAND</b>													
Cost per dwelling unit (including 2-bedroom managers unit)		51		\$10,229,233	100.0%	\$9,153,079	100.0%	\$9,393,233	100.0%	\$9,438,979	100.0%	\$8,782,431	100.0%
Cost per square foot of housing		45,578		\$200,573.20		\$179,472.13		\$184,568.53		\$134,611.80		\$125,248.59	
Average square footage per dwelling unit		894		\$224.43		\$200.82		\$206.99		\$207.10		\$199.69	
Number of dwelling units		51		894		894		750		650		650	
Cost reduction/amount of gap financing per unit - per measures				\$1		\$1		\$1		\$1		\$1	
Percent savings over conventional				0.1%		0.1%		0.1%		0.1%		0.1%	
Cost reduction/amount of gap financing per unit - cumulative				\$21,101		\$24,904		\$15,957		\$9,363		\$9,363	
Percent savings over conventional				0.2%		0.3%		0.2%		0.1%		0.1%	

## Port Angeles Housing Action Plan

### Housing cost reduction analysis



# Evaluate Inclusionary Zoning (IZ)

## IZ parameters:

- *Minimum unit/percentage quotas*
- *Target income ranges*
- *Retention time periods*
- *Geographic impact areas*

## Fee-in-lieu options:

- *Fee calculations/credits*
- *Receiving area*
- *Interested affordable housing developer (including city as developer)*

## Considerations:

- *Market feasibility*
- *Market acceptance*
- *Actual results*



# Finance and leverage HAP programs/projects

## Direct local funds

- HB 1590 – 0.1% Local Housing Sales Tax
- REET Housing Authorization – 0.25% of real estate sales
- Housing Property Tax Levy – up to \$0.50 per \$1,000 for construction and foreclosure prevention programs

## Leverage WA Housing Finance Committee (HFC) funds

- HB 1406 – State Sales Tax Housing Fund
- LIHTC - Low Income Housing Tax Credits
- MFTE - Multifamily Tax Exemption
- LAP - Land Acquisition Program
- 80/20 Housing Bonds
- 501c(3) Nonprofit Housing Bonds
- STEP - Streamlined Tax-Exempt Program
- HFA Advantage
- ...

# 4. Publish/adopt HAP

## Monitor HAP progress



Yakima Consolidated Housing Plan

### HAP tools assessments:

- *What was the result of direct strategy applications by all parties?*
- *What was the result of indirect strategy applications by public agencies?*

### Implications:

- *Do the results and cost/benefits meet your short and long-term objectives?*
- *If not – how do you revise direct and indirect strategies to do so?*

Based on the above - should you revise HAP approach or strategies?

Questions?