

Chapter 3: Housing Element





CHAPTER 3: HOUSING ELEMENT

A VISION FOR HOUSING

The city will provide a regulatory framework that supports the creation of high-quality housing (e.g., single-family houses, townhomes and apartments) with a range of densities, which implement community design preferences and are affordable to all community members across the city.

INTRODUCTION

The Housing Element includes:

- A description of the local, regional and state context;
- An inventory and analysis of existing and projected housing needs;
- Goals, policies and objectives;
- Provisions for the preservation, improvement and development of housing;
- Identification of sufficient land for housing; and
- Provisions for existing and projected needs of all economic segments of the community.

Housing includes the entire range of single-family and multifamily dwellings. It also, includes government-assisted housing, housing for low-income families, manufactured housing, group homes and foster care facilities. This element summarizes general countywide housing data and specific trends for Lake Stevens. Readers must remember housing facts and trends are continuously changing. The primary information for this element comes from three main sources:

1. *2010 Census (2011 American Community Survey (ACS) 5-year estimates),*
2. *2014 Housing Characteristics and Needs Report for Snohomish County,* and the
3. *2014 Affordable Housing Profile,* prepared by the Alliance for Housing Affordability.

Providing for all housing needs is a regional issue. Housing demand remains high and gaps exist between what people want and what they can afford. The city of Lake Stevens cooperates with Snohomish County as it maintains on-going housing analysis as a basis for land use and other growth policies. Given the degree of personal mobility and the



dispersion of job opportunities throughout Snohomish County and the region, we have long since passed the time when the majority of people live and work in the same city. The objective of this section is to describe housing trends and outline policies and strategies that will facilitate the long-term housing needs for the projected 46,380 people who will live in Lake Stevens UGA in 2035.

The Land Use Element (Chapter 2) shows that there are sufficient buildable lands within the Lake Stevens UGA to accommodate the projected population through 2035, provided the land is used efficiently and a diversity of housing types is provided. A major challenge for growing communities is to provide a range of housing that meets the desires of those wishing to live there and that meets the housing needs of those who work here.

PLANNING CONTEXT

State Planning

Washington’s Growth Management Act (GMA) encourages a full range of housing types to meet the needs of all segments of the population and to encourage the preservation of the existing housing stock. Specifically, it requires the housing element of local comprehensive plans:

- Include an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth;
- Include a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences;
- Identify sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and
- Make adequate provisions for existing and projected needs of all economic segments of the community.

Regional Planning

The VISION 2040 plan provides a regional strategy for housing planning in the Puget Sound. A primary goal would be to, “preserve, improve, and expand its housing stock to provide a range of affordable, healthy, and safe housing choices for every resident.” VISION 2040’s policies promote establishing local housing targets based on population projections and local housing and employment capacity, particularly for each designated regional growth center. The VISION 2040 housing policies emphasize locating housing near growth and employment centers and along transportation corridors.

Key housing-related elements of this strategy include:



- Providing for diversity and choice in housing and employment options by creating a system of central places within corridors and a regional urban form characterized by compact, well defined communities in coordination with the larger Puget Sound region while respecting unique community characteristics.
- Promoting a balance of jobs to housing within agreed upon service areas to provide the opportunity for more residents to live nearer to jobs and urban activities.
- Providing for higher-density residential areas of new single-family and multiple family homes in urban locations within walking distance of either jobs or transit services.
- Providing enough urban land to allow private enterprise to create the urban structures for housing and employment effectively.
- Preserving existing affordable housing and serve it with transit. Provide affordable housing near all urban centers.

Countywide Planning

“Snohomish County and its cities will promote an affordable lifestyle where residents have access to safe, affordable, and diverse housing options near their jobs and transportation options.”

The countywide planning policies chapter suggests Snohomish County and its cities face the following housing challenges:

1. Adequate supply of affordable housing for all economic segments and all persons in each community.
2. Adequate supply of quality housing options in proximity or satisfactory access to places of employment.
3. Infill housing development and community concerns about density and design.
4. Adequate resources for, and equitable distribution of, low-income and special needs housing across the county.
5. Housing types suitable for changing household demographics and an aging population.
6. Maintenance of existing affordable housing stock, including mobile home and manufactured housing.

To meet these objectives, the countywide planning policies recommend the county and cities support fair and equal access to housing for all persons; make provisions to accommodate existing and projected housing needs, include goals to accommodate affordable housing throughout the County consistent with Vision 2040; participate in a multi-jurisdictional affordable housing program to promote adequate and diversified housing countywide; collaborate to report housing characteristics and assess countywide progress; implement policies that encourage maintenance of existing neighborhoods and



the preservation of existing affordable housing; use consistent housing terminology; respect established residential neighborhoods with the need to site essential public residential facilities for special needs populations; improve the jobs-to-housing balance in Snohomish County; encourage the use of environmentally sensitive development practices; consider the economic implications of regulations; minimize housing production costs by considering the use of a variety of infrastructure funding methods; ensure that their impact fee programs are proportionate to the cost of providing new public facilities to accommodate growth; and consider development incentives for providing affordable housing.

The city has participated with the county and other jurisdictions to develop the countywide housing goals. The city has also collaborated with Alliance for Housing Affordability to consider regional housing issues. The Housing Element incorporates the objectives described in the countywide planning policies as goals and policies.

Lake Stevens Planning

As the demographic patterns in the county change, housing demand and desires will also change. This section highlights some current trends identified in the *Housing Needs and Characteristics Report for Snohomish County* and *The City of Lake Stevens Affordable Housing Profile*, which use the 2011 American Community Survey (ACS) 5-year estimates for census data as a primary resource as the response to GMA requirements and PSRC goals.

The 2014 Housing Characteristics and Needs Report for Snohomish County provides a framework for understanding housing issues in Snohomish County. The report uses generally recognized thresholds for affordability. A low to moderate income household (rental or with mortgage) is “cost-burdened” when it spends 30 percent or more of its gross income on housing costs. A severe cost burden occurs when a household pays more than 50 percent of income on housing and utilities.

Separately, the Alliance for Affordable Housing, which is comprised of a coalition of Snohomish County jurisdictions and the Housing Authority, prepared housing profiles for the county’s cities and towns. *The City of Lake Stevens Affordable Housing Profile* (Housing Profile) provides specific information on the status of affordable housing in the city. The Housing Profile looks at the household demographics of the city and highlights data concerning the housing burden experienced by some residents. In addition, data is provided on housing units outlining the current inventory of subsidized, workforce and market rate rental units. Finally, the Housing Profile discusses the current challenges and opportunities in providing adequate affordable housing to city residents.



INVENTORY AND ANALYSIS

Population Data

The ACS estimates the 2010 Snohomish County population to be 713,335, which is a gain of approximately 17 percent or 107,311 people since the last census. Since 2000, larger cities generally experienced the greatest population growth in Snohomish County. Lake Stevens has experienced one the highest increases in population in the county since the last census. Over the past decade, the city has been steadily annexing lands within the Urban Growth Area surrounding the Lake. The current city population of 29,170 represents an increase of 350 percent over the 2000 population, which was 6,361. Steady growth is projected to continue over the next several years as the city considers annexing additional land within the UGA.

The median age for Washington residents is 37.3, which is similar to the Snohomish County median age of 36.9. Larger cities had the lowest median age of 33. Lake Stevens has the youngest median age, 32.1. Despite the relatively young populations, nearly 45 percent of the county’s population will be over 50 in the next decade. The unincorporated areas of the county have the largest population of elderly at over 25,000, and the larger cities are a close second with approximately 24,700. About seven percent (1,951 people) of the Lake Stevens population is over 65. This means the county and cities will need to plan for additional multifamily, senior housing, assisted living facilities or group homes to accommodate an aging population.

JURISDICTION / REGIONAL GEOGRAPHY	NUMBER OF FAMILY HOUSEHOLDS IN COUNTY
Snohomish County	182,282
Larger Cities	57,000
Lake Stevens	9,550

Table 3.1 – Family Households in Snohomish County

The household make up is also changing across the county. The number of “family households” in Snohomish County is 182,282 or approximately 70 percent with 32 percent of those households having children. Larger cities comprise 31.2 percent or nearly 57,000 of the total family households in the county. There are currently 9,550 households in the city as shown in Table 3.1. Approximately 74 percent of those are family households with two or more individuals. Fifty-four percent of the households have children. The average household size for all of Snohomish County is approximately 2.65. The average household size combining owner-occupied and renter-occupied households in Lake Stevens is 2.88, which remains above the county average. Family households with children are substantially higher in the city creating demand for housing suitable for families.



The city’s population profile can be used to predict current housing needs and how these may change overtime. In 2010, births appear to be staying strong rather than dropping as in other communities. However, the fact the two largest segments around the child and middle age cohorts are relatively even in size suggests that the birth rate is not exceeding replacement levels. Therefore, the population will likely remain steady with any significant growth coming from migration or future change in birth rates.

Housing Stock

In 2012, there were an estimated 10,414 dwelling units in Lake Stevens and 237,899 dwelling units in Snohomish County. The countywide single-family average is 74.4 percent. Of the 20 Snohomish County cities, Lake Stevens ranked fourth for the highest ratio of single-family dwellings. Nearly 80 percent of the housing stock are single-family homes. Owner occupancy increased slightly from 75 percent in 2000 to 78.2 percent in 2010 (the state average was 64.4 percent). The remaining 20 percent were in duplexes, apartments, condominiums and mobile homes. Table 3.2 shows a comparison for dwelling units and the percent that are single-family between the county and city.

JURISDICTION	NUMBER OF DWELLING UNITS	PERCENT SINGLE-FAMILY
Snohomish County	237,899	74.4 %
Lake Stevens	10,414	80%

Table 3.2 – 2 Dwelling Unit Summary

Overall vacancy rates increased to 6.4 percent in 2010 from 4.3 percent in 2000. Rental unit vacancy increased from 5.4 percent in 2001 to 9.1 percent in 2010. The homeowner vacancy rates in 2010 were 3.5 percent.

For unincorporated Snohomish County, 60 percent of its housing was built prior to 1989. For cities such as Lake Stevens, Monroe and Gold Bar, approximately 50 percent of their housing stock was constructed during the same period. The city of Lake Stevens has experienced rapid growth in its housing stock over the last two decades, during which almost three quarters of the total number of dwellings were built. This in turn has resulted in a decline in the average age of its dwellings.

The average lot size in Lake Stevens varies by zone. Historically most homes were on lots with 9,600 square feet or more. Through the 1990s and early 2000s, several planned residential developments (PRDs) were constructed with smaller lots, with average lots sizes between 4,000 and 6,000 square feet. Many of the areas annexed into the city between 2000 and 2009 contained small-lot subdivisions. Even though lot sizes have decreased, home sizes have increased during the same time. Based on review of permit data, between May 2013 and May 2015, for 281 new single-family homes, house sizes



ranged from 1,336 square feet to 5,560 square feet. The average house size for new construction during this period was just under 2,400 square feet.

Household Income and Housing Costs

The 2011 ACS suggests the median household income (gross) for Snohomish County is nearly \$68,000 (28% increase from 2000). The mean income has also increased from \$61,291 in 2000 to \$81,073. The median income in Lake Stevens is \$73,000 for the same period, which is slightly higher than other larger cities (\$72,000 in Snohomish County).

The 2011 unemployment rate in the city was 5.5 percent compared to 5.7 percent for the county. Thirty-three percent of Lake Stevens’ employed population works in occupations such as management, business, science and the arts followed by sales and office with 26.5 percent of the employed population. The two most dominant industries employing city residents are education, healthcare at 17.5 percent and manufacturing at 14 percent. According to PSRC, Lake Stevens is home to 4,056 jobs. Most of these are in the services and education sectors.

Despite this higher median income in Lake Stevens, there are economic segments of the city’s population where housing remains a significant cost burden. Approximately 24 percent of all households in the city earn less than 50 percent of area median income (AMI). Since 2000, households with an income of less than \$10,000 per year have decreased countywide by nearly two percent. Figure 3.1 shows household income levels between 2007 and 2011.

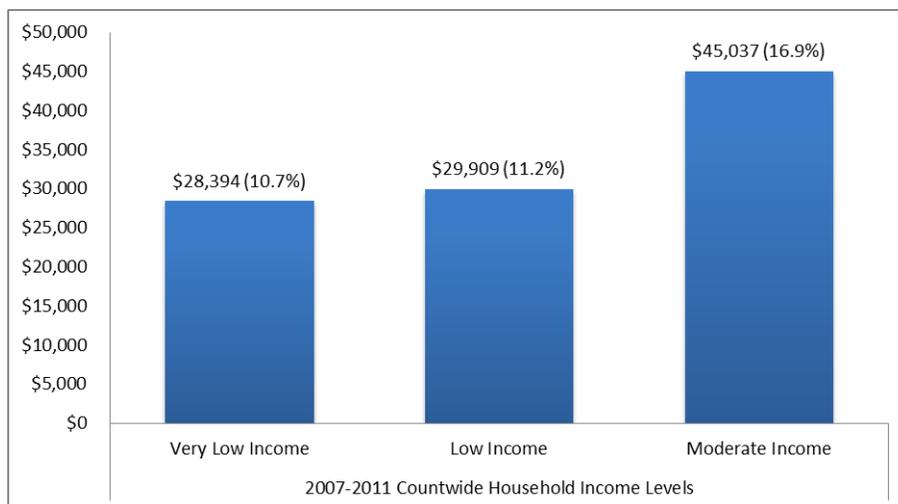


Figure 3.1 – Countywide Household Income Levels¹

¹ Household income data from the American Community Survey (ACS) 5-year ACS estimate for 2007-2011



However, the adjusted family household poverty rate has increased by the same amount during that time. Currently, 6.5 percent of the family households in Snohomish County are in poverty.

Looking at home ownership in the city, the 2012 median sale price was \$224,000 (2013 median price is \$246,900). Between 2007 and 2012, 88 percent of home sales were either three or four bedrooms homes. In order to afford the 2012 median home price without being cost burdened, a family would require an annual income of \$43,040, which is below both the Snohomish County and Seattle-Bellevue median incomes. \$43,040 is considered low income for a three or four person household, and very low income for a five person household.

The average monthly rent in 2000 was \$716, while in 2010 the average monthly rent increased to \$1,254. The median rent for a three bedroom single-family being \$1,714. In terms of market rate multifamily rental units, the 2014 average rents not including utilities are:

- 1 bedroom units: \$755 (affordable to household earning \$14.52 an hour)
- 2 bedroom units: \$990 (affordable to household earning \$19.04 an hour)
- 3 bedroom units: \$1,481 (affordable to household earning \$28.48)
- 4 bedroom units: \$1,934 (affordable to household earning \$37.19)

The stock of larger rental units being single-family homes means that rents on larger units will tend to be higher. Smaller units are more difficult to find in Lake Stevens. Only 21 percent of units are one or two bedrooms with 47 percent of households made up of two individuals or less. This indicates a need for more one and two bedroom units in the city to meet the needs of the large number of smaller households.

In Snohomish County, 106,600 out of 225,257 households are cost-burdened (rental and with mortgages). This means that 47 percent of the occupied housing units in the county are not affordable. There are 65,305 cost-burdened households with mortgages and 41,343 cost-burdened rental households. There are nearly 83,000 occupied rental units in Snohomish County, of these over 41,000 or 50 percent of households pay more than 30 percent of their income in rent. In the larger cities there are 12,000 renter households paying 30 percent or more of their income on rent. The above percentages do not take into account household size, which means large families would be more cost burdened than individual households would be.

Table 3.3 summarizes housing affordability for mortgaged and rental units in Snohomish County and Lake Stevens.



JURISDICTION	TOTAL RENTAL UNITS	51-80% AMI UNITS/%	31-50% AMI UNITS/%	30% AMI UNITS/%
Lake Stevens	2,029	607 (30%)	508 (25%)	215 (11%)
County (Total)	82,980	35,670 (43%)	17,912 (22%)	5,255 (6%)
JURISDICTION	TOTAL MORTGAGED UNITS	51-80% AMI UNITS/%	31-50% AMI UNITS/%	30% AMI UNITS/%
Lake Stevens	6,367	727 (11%)	116 (2%)	0 (0%)
Snohomish County	143,315	21,427 (15%)	5,970 (4%)	1,181 (1%)

Table 3.3 – Snohomish County & Lake Stevens Housing Affordability Estimates

Overall, 47 percent of households (renters and owner combined) in Lake Stevens are cost burdened meaning they spend more than 30 percent of their income on housing. In Lake Stevens of the 2,018 renter households 879 are cost burdened or 36.7 percent. Extremely low-income renters are less likely to be cost burdened in the city than in Snohomish County overall. As income rises, renters become more likely to be cost burdened compared to the county. Homeowners in the city across all income levels are more likely to be cost burdened than are county homeowners. Based on 2011 census data and comparing the city against income levels for the Seattle-Bellevue Housing Mortgage Finance Authority (HMFA):

- 1,135 households or 12 percent of Lake Steven’s total, are considered to be extremely low income, earning less than 30 percent of AMI;
- 1,141 households or 12 percent are considered very low income earning between 31 and 50 percent of AMI;
- 2,160 households or 23 percent are considered low income earning between 51 and 80 percent of AMI; and
- 1,068 households or 11 percent are considered moderate income earning between 81 and 90 percent of AMI.

The 2011 ACS predicts a special needs population of over 110,000 within the county with approximately 43,600 residing in the unincorporated areas and approximately 32,000 in larger cities. Special needs populations may include people with developmental or physical disabilities, substance abusers, seniors and other groups who may require some degree of support. The Lake Stevens special needs population for the same time is 3,009 or 2.7 percent of the county special needs population.



Housing Subsidies

For purposes of the Housing Profile report, the Lake Stevens housing stock was divided into subsidized units, workforce units, market rate units, rental units and home ownership. Subsidized rental units are targeted toward households with the lowest incomes, typically less than 30 percent AMI. In Lake Stevens, approximately three percent of households received some sort of assistance; while in Snohomish County 3.8 percent or 9,065 households received assistance. There are currently 155 subsidized units in Lake Stevens with an additional 271 units of other dedicated subsidized housing on several properties. There are also approximately 121 units specifically targeted for the low-income senior or disabled population. Workforce rental units are targeted to working households that cannot afford market rate units. There are approximately 131 workforce units in the city.

Future Housing Needs

The Snohomish County Council-adopted a 2035 population target of 955,280, which means approximately 97,000 additional housing units would need to be constructed in the county. The information in the 2012 BLR generally reflects 2011 land use and development data. It concludes that the residential capacity of the county’s total aggregated urban growth area exceeds the total 2035 population growth target for that area by about 20 percent. Significant residential land is available for additional residential development in Marysville, Lake Stevens, Granite Falls, Arlington, Monroe, Stanwood and the unincorporated areas. “Larger” and “small” cities collectively have about 60 percent of their available residential capacity in single-family units and 40 percent in multifamily units. Among the larger cities, the share of total capacity for multifamily ranges from about 25 percent in Monroe to about 42 percent in Lake Stevens. The 2035 housing unit target for Lake Stevens is 4,413, which is less than assumed buildable lands capacity.

Table 3.4 identifies projected total housing need by income level for the county, larger cities and Lake Stevens – the combined overall housing need ranges from approximately 37 to 40 percent. Table 3.5 shows the projected housing need for additional housing units by income level, and indicates approximately 22 percent of additional housing units should accommodate households less than 50 percent AMI.

JURISDICTION / AREA	2035 POPULATION TARGETS	2035 HOUSING NEED	ADDITIONAL HOUSING UNITS
Snohomish County	955,280	383,787	97,128
Lake Stevens	39,340	14,883	4,469
Larger Cities	286,293	114,003	25,541

Table 3.4 – Projected Housing Need



AREA	TOTAL HOUSING UNIT NEED	UNDER 30% AMI	31-50% AMI	51-80% AMI
Lake Stevens	4,469	492	492	760
Larger Cities	25,541	2,810	2,810	4,342
Snohomish County	21,969	2,417	2,417	3,735
Countywide Totals	97,128	10,684	10,684	16,512

Table 3.5 – Estimated Low-Moderate Income Housing Needs / 2010-35 Growth

Land Use

The Land Use Element identifies sufficient land area for single-family, multifamily and mixed-use housing opportunities. In addition the city has identified a number of strategies to achieve affordable housing and address preferences for different types of housing. Increased housing choices, will help ensure the city’s housing supply meets the needs of a diverse population. Through allowing additional mixed-use neighborhoods, Lake Stevens has taken strides to allow a wider variety of housing. In addition, the city has embraced small lot development as a standard for subdivisions. As new and innovative housing patterns emerge to provide increased housing affordability, the city will evaluate how these are compatible with existing neighborhoods. Having diverse housing options will encourage economic viability and community stability for people of all ages and backgrounds.

STRATEGIES TO ACHIEVE AFFORDABLE HOUSING

Just as Lake Stevens will strive to provide job opportunities for its citizens, it is also dedicated to creating policies that provide options for affordable housing to all who desire it. Affordable housing is a function of land availability, density of development, local household income and quality of housing. This is in line with the city’s desire to be a sustainable community. Encouraging higher density developments, planned developments, mixed-use developments and density bonuses in exchange for providing affordable units and similar mechanisms provide tools to produce affordable housing. With the residential design guidelines, careful site planning, open space and environmental review standards, these types of developments can successfully be integrated into the Lake Stevens community. The following section includes a description of specific land use strategies that support a sustainable and affordable community for all residents.

The following section includes many land use strategies that implement affordable housing goals and policies. For example:

- The city has adopted a variety of zones including high-density residential and mixed-use to increase development efficiency;



- The city allows innovative housing options, such as cottage and small lot developments;
- The city has adopted cluster subdivision and planned residential subdivision regulations;
- The city permits accessory dwelling units and manufactured homes;
- The city has created density bonus provisions within its subareas; and
- Current city regulations support mixed-use development and home occupations.

As the city updates its procedural and development regulations, it will look for implementation opportunities to develop codes that support increased access to affordable housing. The city will also continue to be an active participant with the Alliance for Affordable Housing, Housing Authority and Snohomish County on housing topics.

Land Use Strategies

- **Upzoning:** One of the most direct methods to reduce per unit land costs is upzoning properties and reducing minimum lot sizes to allow uses with greater density. Before upzoning properties, the city should consider compatibility with existing residences, availability or planned expansion of utilities, service providers and infrastructure and long-range population forecasts.
- **Lot Size Averaging:** Lot size averaging within new subdivisions may allow varied lot sizes to facilitate minimum densities on sites encumbered by critical areas and associated buffers and setbacks.
- **Innovative Housing Options:** Innovative housing encourages diversity in housing choices ranging from the large-lot single-family residences to small-lot developments or cottage/compact housing. Innovative housing options are meant to expand options for a different segment of the population, including singles, single-parent households, starter families, and seniors.
- **Small Lot:** Small lot zoning districts such as the High Urban Residential zone and alternative subdivision methods including Planned Residential Developments and Cluster Subdivisions allow denser housing options, with specific design review and controls to integrate these developments into existing neighborhoods.
- **Infill Housing:** As large tracts of vacant land are developed, a trend of “urban in-fill” is emerging. Infill development may include short subdivisions on large lots or the redevelopment of existing parcels. Infill development may include attached and detached single-family housing, small multifamily complexes (e.g., triplexes and fourplexes) and accessory dwelling units to meet density and affordability goals.
- **Minimum Densities:** Jurisdictions may require that new subdivisions or multifamily developments achieve minimum densities as opposed to a maximum



land use density. This approach can help discourage sprawl, reduce the unit cost of land and improve the cost-effectiveness of capital finance plans.

- **Density Bonuses:** Providing density bonuses in exchange for the construction of affordable housing can create the necessary incentive for a developer to provide such housing. Alternatively, the city could adopt policies to reduce development standards for projects that provide affordable housing, including but not limited to reduced setbacks, street standards, parking, sidewalks and utilities.
- **Inclusionary Zoning:** Inclusionary zoning programs typically require that a percentage of lots in a new subdivision or residential units in a new apartment project be set aside for low cost housing. Density bonuses are often provided to offset the cost of the inclusionary requirement.
- **Cluster Subdivisions:** Cluster subdivisions offer a means of keeping housing development costs down by reducing minimum lot sizes and confining development to the most suitable portion of a building site. Cluster housing may entail the use of shared driveways and parking areas, reduced, but more usable yard space, and architectural "techniques" to maintain privacy and sense of space.
- **Planned Residential Development (PRD):** The city also encourages PRDs which offer incentives to projects that integrate mixed-income housing, mixed types of housing (detached, duplex and apartments), and encourage clustering to achieve desired densities while protecting environmentally sensitive areas. PRDs do not directly provide affordable housing, but they do make more efficient use of land and capital facilities to keep the costs lower.
- **Shared Housing:** With the steady trend of larger houses for fewer people, there is greater opportunity for shared housing arrangements, whereby non-related persons live together and share the housing costs.
- **Cottage Housing Developments (CHD):** Cottage housing developments have been proposed as one means of providing smaller detached housing in single-family neighborhoods.
- **Cluster Housing:** Cluster housing is an architectural/design technique used in urban settings to obtain high-density single-family units on small lots. This may include cluster housing around joint community areas.
- **Manufactured Housing:** Manufactured (mobile and modular) housing provides an established record of successfully addressing affordable housing needs. Manufactured homes may occur throughout the city in standard residential neighborhoods or in dedicated parks.
- **Mixed-Use Development:** Mixed-use developments integrate various land uses into a single development or district, such as office, commercial and residential buildings grouped together in a single building or around a single site. Mixed-use developments may offer more acceptable sites for higher density housing than



established single-family neighborhoods. Mixed-use developments situated along transportation routes can help reduce reliance on private vehicles, provide housing opportunities for persons who require public transportation and may produce an income stream from commercial rents that help subsidize low-cost housing.

- **Home Occupation/Live Work:** Another innovative housing concept is allowing expanded home occupations or live/work arrangements, where the homeowner could maintain a business inside or separate from the home. Traditional home occupation rules require that all activity occur inside the home with strict limits on signing, appearance, etc. The newer concept would have a more mixed-use appearance where a professional office could occur on a first floor, with a residence occupying the balance of the building.

Administrative Procedures

- **Streamlined Approval Processing:** Holding costs are one of the hidden expenses in a housing development budget. They include the variety of costs involved in carrying a project through the development phase, such as insurance, office and staff, equipment, security patrols, landscape maintenance, the financing of land and construction, etc. Shorter approval periods translate into less expensive development costs. Many jurisdictions in Snohomish County are studying or have adopted a permit streamlining model developed by the Economic Development Council. It has proven successful in reducing the processing time for projects while ensuring compliance with development codes.
- **Priority Permit Processing:** Priority permit processing can reduce housing costs by minimizing the amount of time and expense involved in permit and approval processing. The more permits that receive priority attention however, the less valuable the incentive may become if the priority waiting line is as long as the normal waiting line. Priority processing is most effective when used selectively, such as an inducement to develop a particular type of housing the market is not currently producing. If priority processing is offered as an incentive to develop low-cost housing, the city should establish a means of ensuring the housing is actually occupied by persons in need of low-cost housing and the housing remains affordable for an extended period.
- **Impact Mitigation Payment Deferral:** Jurisdictions can minimize the effect of impact fees on market rate housing by deferring the collection of impact mitigation payments from the permit approval stage of development to either final project approval or occupancy. In Lake Stevens, for instance, school mitigation fees are deferred to the building permit stage, rather than at the subdivision phase. Deferring the collection of impact fees can reduce the developer's finance costs.



Housing Production & Preservation Programs

- **Housing Preservation:** Existing housing often provides the best source of affordable housing. As such, preservation and enhancement of the existing stock must be a key element in a program for assuring affordable housing.
- **Public Housing Authority:** While the city has not created its own housing authority, the Snohomish County Housing Authority, created pursuant to the enactment of the Housing Authorities Law in 1939, provides housing assistance within the city limits. The city is also member of the Alliance for Affordable Housing.

The Housing Authority is able to underwrite the cost of low-income housing development by a variety of means, including eligibility to administer HUD housing assistance programs and payment contracts, exemption from property taxes on housing authority facilities, and authority to issue tax-exempt bonds and low interest bond anticipation notes. Under state statute bonds and other obligations of a housing authority are neither a debt of its respective city nor are cities liable for housing authority obligations.

- **Public Development Authority (PDA):** Jurisdictions interested in coordinating their initiatives in the areas of economic development, community revitalization, and low income housing may consider creating a public development authority (PDA) to achieve these ends. Under RCW 35.21.730-757, cities or towns to “improve general living conditions in the urban areas of the state” and “to perform all manner and type of community services” may create PDAs.

PDAs may exercise many of the powers of housing authorities, such as own and sell property, contract for services, loan and borrow funds, and issue bonds and other debt instruments. Any property owned or operated by a PDA that is used primarily for low income housing receives the same exemption from taxation as the municipality that created it. By statute, all PDA liabilities must be satisfied exclusively from PDA assets and PDA creditors are denied any right of action against the municipality that created it.

- **Public and Nonprofit Housing Developers:** A less direct mode of involvement may be to establish cooperative arrangements with public or nonprofit housing developers to ensure adequate levels of low income or special needs housing is available in the community. In addition to the Everett and County housing authorities, there are ranges of practical housing development experiences that extend from the production of homeless shelters to special needs housing to low-rent senior housing and first-time homebuyer programs.

The city may encourage the production of these types of housing by committing land use incentives, modified development standards, surplus land or financial resources to housing authority or nonprofit sponsored projects targeted for their jurisdiction.



- **Market Housing:** By far, private market housing provides the greatest number of dwelling units. The trends in new home prices have consistently demonstrated that the market housing more often than not is not attainable to many households. There is probably some legitimacy to the “trickle down” theory that while new homes are not affordable to many, those that move into them are likely to vacate a more affordable dwelling, therefore putting it on the market.

GOALS AND POLICIES

GOAL 3.1 PROVIDE FAIR AND EQUAL ACCESS TO A RANGE OF HOUSING TYPES AND CHOICES TO MEET THE EXISTING AND PROJECTED HOUSING NEEDS OF ALL LAKE STEVENS RESIDENTS REGARDLESS OF INCOME LEVEL OR DEMOGRAPHIC STATUS.

Policies

- 3.1.1 Zone sufficient buildable lands to accommodate various types and densities of housing including single-family, manufactured housing, multifamily, mixed-use and accessory dwellings equitably and rationally distributed throughout the city.
- 3.1.2 Consider the cumulative impact of rezones and land use policy decisions that may affect housing supply, affordability and changes to employment or residential capacity.
- 3.1.3 Allow diverse subdivision methods including short subdivisions, formal subdivisions, cluster subdivisions, planned residential developments and unit lot subdivisions to create buildable lots throughout the city.
- 3.1.4 Encourage the distribution of multifamily housing including but not limited to apartments, condominiums, townhomes and small multiplexes throughout the city in appropriate zoning districts and in mixed-use and commercial developments.
- 3.1.5 Permit manufactured homes in all residential zoning districts in the city.
- 3.1.6 Allow accessory dwelling units in all residential zones so long as the unit maintains an appropriate residential character and provides a quality living environment.

GOAL 3.2 INCREASE THE OPPORTUNITY FOR ALL RESIDENTS AND SPECIAL NEEDS POPULATIONS TO HAVE ACCESS TO AFFORDABLE, SAFE, AND SANITARY HOUSING.



Policies

- 3.2.1 Avoid concentration of special needs and affordable housing throughout the city. Some clustering of special needs and affordable housing may be appropriate within proximity to public transportation, medical facilities or other essential services.
- 3.2.2 Support land uses and development regulations designed to increase housing opportunities for current and future residents, seniors, disabled, or other special-needs populations in proximity to shopping, health care, services, recreation facilities and public transportation.
- 3.2.3 Encourage a range of independent living, assisted living and skilled care facilities affordable to seniors and other special-needs residents at a variety of income levels throughout the city.
- 3.2.4 Balance the impacts to established neighborhoods when identifying and locating essential public facilities for special needs populations as identified in RCW36.70A.200.

GOAL 3.3 ENCOURAGE THE USE OF INNOVATIVE TECHNIQUES TO PROVIDE A BROAD RANGE OF INFILL HOUSING TYPES FOR ALL INCOME LEVELS AND HOUSING NEEDS.

Policies

- 3.3.1 Allow innovative zoning regulations to encourage infill development, including small multiplexes, small lot single-family subdivisions, compact/cottage housing, manufactured housing, etc., with specific design considerations to ensure compatibility with the existing neighborhoods.
- 3.3.2 Consider innovative zoning regulations that allow flexibility in setback, lot coverage, parking and unit size standards, along with density bonuses and tax incentives, to promote the construction of affordable housing for low- and moderate-income households that do not adversely affect the general health, safety and welfare of the public.
- 3.3.3 Consider incentives for new housing developments that include a percentage of accessory dwelling units as part of the project.
- 3.3.4 Review the appropriateness of allowing innovative techniques that facilitate the creation of affordable housing, including but not limited to, a housing trust fund, inclusionary zoning, design/regulation flexibility, impact fee waivers, and streamlined processing.



- 3.3.5 Encourage voluntary efforts to provide affordable housing within new multifamily and single-family housing developments.

GOAL 3.4 PROMOTE AN EFFECTIVE STREAMLINED PERMIT PROCESS THAT INCLUDES MEANINGFUL ENGAGEMENT AND NOTIFICATION WITH THE PUBLIC THROUGHOUT THE PROCESS.

Policies

- 3.4.1 Implement regulations and procedures that provide predictability to applicants, and minimize review times for residential permit applications, while maintaining opportunities for meaningful public involvement and comment.
- 3.4.2 Implement streamlined approval processing procedures, such as centralized counter services, continuing pre-application conferences, printed information summarizing building permit and approval requirements, area-wide environmental assessments, reducing the number of residential zoning districts, reducing complicated administrative procedures, concurrent permit and approval processing, fast-tracking routine applications, keeping permit and approval deadlines, and elimination of multiple hearings for a single project.
- 3.4.3 Encourage continuous review of existing and new development regulations to ensure a continued public benefit, adequate flexibility and minimization of housing costs.
- 3.4.4 Evaluate the use of various infrastructure funding methods including existing revenue sources, impact fees, local improvement districts and general obligation bonds to minimize housing productions costs.
- 3.4.5 Ensure impact fees for new housing reflect the proportionate share necessary to build infrastructure to support growth per Chapter 82.02 RCW.

GOAL 3.5 PROVIDE A BALANCED DEVELOPMENT PATTERN, WHICH PROMOTES PEDESTRIAN ACTIVITIES, A SENSE OF COMMUNITY AND SAFETY.

Policies

- 3.5.1 Promote residential development in areas that allows pedestrian access to commercial areas, employment, public transportation routes, schools and park or recreational areas.



- 3.5.2 Develop and provide a range of housing options for workers, at all income levels which promote accessibility to jobs and provide opportunities to live in proximity to work.
- 3.5.3 Ensure that new development is consistent with citywide and applicable neighborhood goals and policies, including but not limited to, sustainable site standards, landscaping requirements, building design guidelines and affordability, to ensure new and existing neighborhoods are attractive and safe places to live.
- 3.5.4 Prioritize funding transportation facilities, infrastructure and services that explicitly advance the development of housing in designated growth centers.
- 3.5.5 Expand the supply and range of housing options, including affordable units, in designated growth centers.
- 3.5.6 Strive to provide housing in good condition with high-quality designs, protections from noise, odors, and other environmental stresses.
- 3.5.7 Encourage the development of efficient and environmentally sensitive housing practices to minimize impacts to infrastructure and natural resources.

GOAL 3.6 PROMOTE MEASURES THAT WILL PROLONG THE USEFUL LIFE OF STRUCTURES.

Policies

- 3.6.1 Invest in infrastructure (storm drainage, street paving, and recreation) to support desired growth patterns and prevent depreciation of property values.
- 3.6.2 Implement an active code enforcement program to help motivate owners to repair and improve maintenance of their structures and avoid extensive deterioration of housing units.
- 3.6.3 Promote public and private home improvement grants and loans, available from the utility companies, charitable organizations and public agencies, for housing repair and maintenance.
- 3.6.4 Support the preservation of existing subsidized, lower-cost and affordable housing.
- 3.6.5 Coordinate with neighborhood-based groups and volunteer organizations to promote rehabilitation and community revitalization efforts.



GOAL 3.7 ENCOURAGE INTERJURISDICTIONAL EFFORTS AND PUBLIC-PRIVATE PARTNERSHIPS TO ADVANCE THE PROVISION OF AFFORDABLE AND SPECIAL NEEDS HOUSING THROUGHOUT THE CITY AND REGION.

Policies

- 3.7.1 Promote housing strategies that address housing needs identified in the Snohomish County Countywide Planning Policies for creating affordable residences for all households.
- 3.7.2 Cooperate with Snohomish County, the Affordable Housing Alliance and other jurisdictions and housing agencies to coordinate a regional approach to funding and meeting the housing needs of Snohomish County.
- 3.7.3 Support housing legislation at the city, county, state and federal levels which promotes the goals and policies of the Housing Element.
- 3.7.4 Consider developing a comprehensive evaluation that measures the effectiveness of housing policies and regulations in meeting the housing needs for Lake Stevens.
- 3.7.5 Coordinate with Snohomish County on monitoring housing characteristics, needs and available buildable lands capacity.
- 3.7.5 Support housing goals that are consistent with Vision 2040 to accommodate needed housing and facilitate an equitable distribution of affordable housing.



Chapter 3 – Housing Element

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