Housing Action Plan

City of Burien

November 2020

Prepared for: City of Burien

Public Review Draft Report

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Acknowledgments

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City of Burien

- Susan McLain, Community Development Director
- Nicole Gaudette, Senior Planner
- Alex Hunt, Planner
- Colleen Brandt-Schluter, Human Services Manager
- Emily Inlow-Hood, Communications Manager

Consultant Team

- ECONorthwest: Tyler Bump, Madeline Baron, Oscar Saucedo-Andrade, Justin Sherrill, Michelle Anderson, James Kim, Jen Cannon, and Emily Picha
- Broadview Planning: Andrea Petzel, Valerie Pacino, Blake Heldt-Werle

Burien Community Members (alphabetical order)

- Alex Chartouni, Finem Investment and Development
- Andrea H Reay, Seattle Southside Chamber of Commerce
- Brian Lloyd, Beacon Development Group
- Colleen Brandt -Schluter, City of Burien Staff
- Debbie Carlson, LGBTQ Allyship
- Han Phan, Owner of PBG
- Heather Hallman, SW Youth and Family Services
- Irene Danysh, Community Visions
- Javier Morales, Morales Investments LLC
- Jeremy Rene, Owner of Rene Architecture
- Jonathan Smith, Bellwether Housing
- Kristy Dunn, City of Burien Staff
- Lina Thompson, Lake Burien Presbyterian

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- Marty Hartman+ Alyson Moon
- Marty Kooistra, Housing Development Consortium
- Mike Werle , White Center Food Bank
- Nancy Kick + Jenny Partch
- Richard Loo, Bellwether Housing
- Sheenah Randolph, Hospitality House
- Todd McKittrick, Millennial Builders
- Valerie Allen, Highline School District
- Yoon Joo Han, ACRS
- Four anonymous 8th Graders
- Three anonymous adults

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How this Report is Organized

This report is organized into four parts:

1. **Part 1: Summary** offers a shortened summary of parts 2 and 3, highlighting key findings from the housing needs analysis, public engagement, recommendations, and implementation steps.
2. **Part 2: Supporting Data and Analysis** offers more robust data and analysis for each of sections, including the full housing needs analysis, public engagement results, and development feasibility analysis.
3. **Part 3: Housing Recommendations** offers 12 policy and program recommendations and an implementation roadmap for the City to consider as Burien works toward increasing housing supply over the next 20 years.
4. **Part 4: Appendices** lists technical appendices that support this plan, including the full public engagement plan, data and methods for key parts of the analysis, affordable housing information, and the policy review.

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Part 1: Summary

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This section summarizes the key findings from the housing needs analysis, recommendations, and implementation steps to provide readers with a shortened overview of current housing conditions and future housing needs in Burien, as well as potential steps to encourage more housing development.

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Purpose and Context

Over the past few decades, Burien has transitioned from a suburban community to a vibrant urban center with inviting, attractive neighborhoods and community hubs. With this transition comes some growing pains. The city's population has grown by 9.2 percent since 2011 and is expected to add 6,500 more residents between 2020 and 2040 (OFM, 2019).

However, Burien's housing market has not kept pace with this increased demand brought on by new residents. As a result, prices have risen. The city's residents have borne the impact of housing underproduction, through increased rents. To accommodate new residents, developers in Burien will need to produce housing at a faster rate than they have in the past. Burien will need units for households across the income spectrum, and many of those units should be close to transit.

The confluence of population growth with a need for more housing spurs many questions: *What income and demographic characteristics will future households have? Where will households live and in what housing types? How can future residents thrive in a rapidly changing Puget Sound economy?* The answers to these questions and the ability for future households to meet their housing needs depends on decisions and policy choices that the City makes today.

In response to the housing challenges facing many of its residents, the City of Burien has worked locally and regionally to analyze data on the housing needs of current and future residents and to develop strategies that can support housing at a variety of price points to meet these needs. The purpose of this *Housing Action Plan* is to:

- Offer an overview of the housing landscape and planning environment,
- Help the City and its partners plan for additional housing over the next 20 years by providing key data and analysis on the current housing inventory and future housing need in the City,
- Shed light on the development regulations and incentives that are working well, areas that need improvement, and emerging development issues that require new solutions,
- Identify key recommendations to encourage more housing development at all income levels needed to accommodate future and current residents, and
- Document the community's vision and values, which were developed as part of the public engagement process.

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Summary of Housing Needs

The project team produced a refined housing needs assessment that synthesized background information on the current housing inventory, demographics, and employment trends in Burien, that support development of focused actions. In particular, the report focuses on housing affordability issues and identifies the types of housing that the City should plan for in the future. The data source for the following summary is predominantly 2019 data from the Washington Office of Financial Management (OFM) with additional data from the U.S. Census Bureau's Public Use Micro Sample (PUMS) and the U.S. Census Bureau's 2012-2016 Comprehensive Housing Affordability Strategy (CHAS) Data.

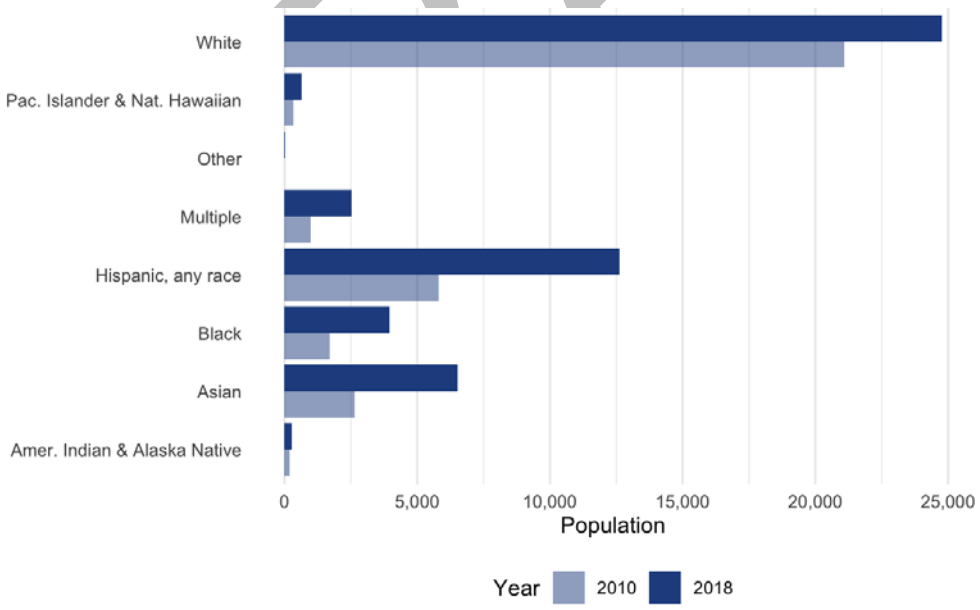
Who lives in Burien today?

Since 2010, Burien has become increasingly diverse.

While all race and ethnicity categories increased in total share of population between 2010 and 2018, the share of residents who are Black, Indigenous, and Persons of Color (BIPOC) increased at a rate faster than white households in this time period. The majority of Burien residents (57 percent) identify as white non-Hispanic,[1] since 2010 Burien has become increasingly diverse.

Figure 1. Burien's Population by Race and Ethnicity, 2010 and 2018

Source: 2018 and 2010 ACS 5-year Survey



[1] The US Census Bureau considers race and ethnicity as two distinct concepts. The Census applies two categories for ethnicity, which are Hispanic or Latino and Not Hispanic or Latino. Hispanic/Latino is an ethnicity and not a race, meaning individuals who identify as Hispanic/Latino may be of any race. The share of the population that identifies as Hispanic/Latino should not be added to percentages for racial categories.

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The City has a large share of low-income households.

- While the majority of households in Burien, 44 percent, earn more than 80% of the Area Median Income (AMI), 40 percent of households earn less than 50% of AMI (CHAS, 2012-2016).
- Compared to King County as a whole and other cities in South King County, Burien has the highest share of households earning 0-30% of AMI (21 percent) whereas King County as a whole has a higher share of households in the above 100% AMI category and South King County has a higher share of households in the 50-80% AMI category (CHAS, 2012-2016).
- Households of multiple races and those identifying as Black or African American have the lowest incomes in Burien.[2] On average, these households earn $41,500 per year on average. On average, Hispanic or Latino households earns about $47,000 annually while the average white household earns $69,000 per year (ACS, 2014-2018).

Understanding AMI and MFI

HUD defines an area's Median Family Income (MFI), but AMI is often used to mean the same thing. AMI is used in this report to align with King County's data and reporting.

In 2018, Burien's AMI was $103,400 for a family of four.

- 30% of AMI would be $32,100
- 50% of AMI would be $53,500
- 80% of AMI would be $80,250

The 2018 AMI is referenced to align with the 2018 Census data used in this report. See a longer discussion of AMI and MFI on page 28.

Burien is gaining new residents.

Between 2011 and 2018, Burien's population grew 9.2 percent, from 47,605 people to 52,000 (OFM, 2019). In this time, Burien added 4,395 new residents. In 2010-2011, Burien annexed 1,675 acres that added 14,292 people and 5,526 housing units to their jurisdiction (OMF, 2020).

What are the current housing conditions in Burien?

Burien's housing looks a lot like other mature suburban communities in the Puget Sound.

- Burien has a predominance of single-family detached housing. The majority (60 percent) of Burien's 20,793 housing units (OMF, 2019) are single-family detached.[3]
- Burien's housing stock is aging: about two thirds of Burien's housing stock was built in 1969 or before (King County Assessor, 2020).

[2] For this statistic, a household's race is assumed to be that of the head of household, which is the person who fills out the Census form as head of household.

[3] Per the ACS (5-year 2014-2018), Burien's housing stock was: 60 percent single-family detached (includes manufactured housing); two percent single-family attached; six percent duplex, triplex, and quadplex; and 32 percent multifamily (with 5+ units).

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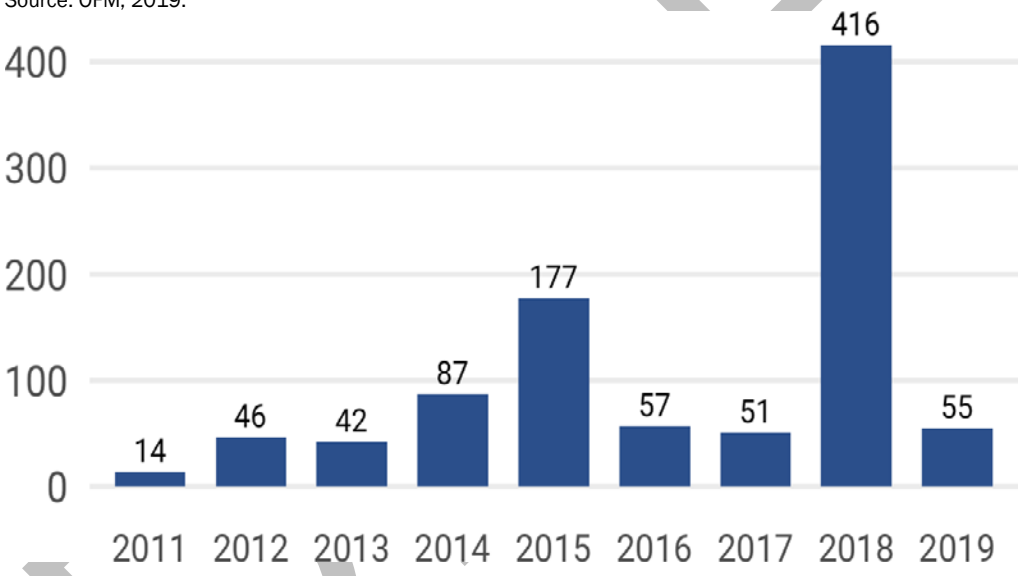
- Burien has an even split of renters and owners. About half (47 percent) of occupied units are inhabited by renters and 53 percent of occupied units are inhabited by homeowners (ACS 2014-2018).

Burien has not been producing enough housing to meet demand.

From 2011 to 2019, Burien saw an average of 105 new units per year, for a total of 945 units (OMF, 2019). During this period, Burien produced more housing than most other cities in the South King County subregion, but was still underproducing relative to demand for housing. Burien produced 9.3 housing units for every 10 new households that formed in the city (ECONorthwest analysis of OMF, 2019 data). A few larger multi-family development projects in Downtown Burien accounted for a large share of the units built since 2011.

Figure 2. Number of Units Built Per Year, Burien 2011-2019

Source: OFM, 2019.



There is a limited supply of both regulated affordable housing and low cost market rentals.

Burien has less than 1,000 units of regulated affordable housing[4] for households earning less than 60% of AMI (ECONorthwest analysis of US Department of Housing and Urban Development (HUD), King County Housing Authority, and Washington State Housing Finance Commission Data, 2020). Given the limited supply of these units, Burien's population at this income level must compete for lower cost / lower amenity market rate housing.

[4] Regulated affordable housing is income or rent-restricted to ensure the housing is occupied by households earning a certain income, and rents are set so as to be affordable to those income levels. Regulations are set according to the types of funding used to develop the housing, such as the Low-Income Housing Tax Credit, or U.S. Housing and Urban Development (HUD) funding. Most rent-restricted affordable housing is restricted to be affordable to households earning under 60% MFI, but these restrictions vary.

A household earning 60% of Burien's AMI (about $62,315) can afford a monthly rent of about $900 without cost-burdening themselves (HUD). However, only 21 percent of Burien's rentals were priced below $900 per month(ACS, 2014-2018).[5]

Like many places, Burien does not have enough regulated affordable housing units, which are costly and difficult to build. As a result, many low-income households live in low-cost market (unregulated) housing units, (often called naturally occurring affordable housing or NOAHs).[6] There are about 3,452 low cost market rental units in the City, of which, 20 percent are affordable to households earning 50% of AMI or less and 80 percent are affordable to households earning between 50-80% of AMI (CoStar, 2020).

Burien has the second highest home prices in the South King County subregion, just below Renton.

Burien's average two-bedroom rent increased 45 percent, while median sales prices increased 101 percent between 2013 and 2020 (Costar, 2020). In 2020, average rent for a two-bedroom apartment was $1,444 per month while the median sales price for ownership housing was $470,300 (Costar, Zillow, 2020).

Most of the city's renter households are cost burdened.

Without enough rent-restricted and regulated affordable housing, many low-income households end up paying more than they can afford on housing. In Burien, three quarters of renter households are cost burdened, spending more than 30 percent of their household income on rent, and 39 percent are severely cost burdened, spending more than 50 percent of their household income on rent (CHAS, 2012-2016).

In Burien, households of color account for a disproportionate share of households experiencing cost burdening, compared to their share of total populations (ACS, 2014-2018). Hispanic households of any race account for almost 33 percent of all the households experiencing cost burdening, yet they only account for 20 percent of all Burien-area households (ACS, 2014-2018). Non-Hispanic Black and African American households account for 25 percent of all cost burdened households despite accounting for less than 13 percent of total households. Black households are disproportionately cost burdened (ACS, 2014-2018).

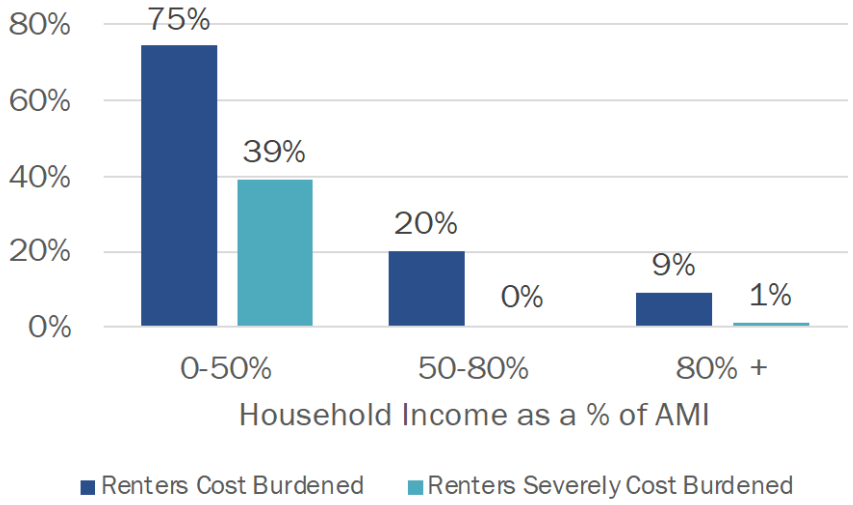
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[5] Rental affordability calculated using 5-year 2014-2018 ACS estimates.

[6] There is no official definition of low cost market rentals, or NOAH units. They can be defined by condition/age/and amenity level, or by rent price (typically below 80% of AMI). The common factor is that they are affordable to low-income households but their rents are unregulated by a funding or financing program.

Figure 3. Cost Burdened and Severely Cost Burdened Renters, Burien, 2012-2016

Source: CHAS (5 year 2012-2016).



Prices rise when the market does not produce enough housing to meet demand.

When demand for new housing exceeds the supply of new housing, prices rise. This mismatch between demand and supply translates to increased home prices. Burien has the second highest home prices in the South King County subregion, just below Renton. Supply and demand imbalances can also be exacerbated by too many newly created jobs and too few newly created housing units: if jobs are created without housing units nearby, existing housing units can see price increases. High rates of job growth both at the local and regional levels can impact housing prices if housing development does not increase at a rate similar to job growth and related in-migration.

Between 2013 and 2020, average 2-bedroom rents increased **45 percent,** while median sales prices for single-family homes increased **101 percent.**

The city's residents have borne the impact of this underproduction, through increased rents.

Because housing costs are growing so rapidly, and household incomes are not keeping pace, many Burien households are increasingly experiencing cost-burdening, where they spend more than 30 percent of their gross incomes on housing costs. During the 2012-2016 period, 75 percent of renters and 70 percent of homeowners earning less than 30 percent of AMI were cost burdened, along with 20 percent of renters and 55 percent of homeowners earning between 30% and 50% of AMI (CHAS, 2012-2016). In addition, households of color in the region – particularly Hispanic households and Black or African American households – are disproportionately cost burdened, leaving less income available for other necessities (ACS 2014-2018).

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When transportation costs are included, low-income households are also spending too much on these necessities.

According to the Center for Neighborhood Technology's Housing + Transportation Index, the average household earning 80% of AMI spends 52 percent of its income on housing and transportation costs, way above the affordable threshold of 45 percent. When analyzing data from the Census Bureau, one can see that households of color rely on public transit more than non-Hispanic White households. The new housing units needed by 2040 should be developed in areas that are well-served by transit, and are in close proximity to schools, job centers, and other amenities to limit the impact of transportation costs on household budgets.

What type of housing will people need in the future?

To accommodate new residents, developers in Burien will need to produce housing at a faster rate than they have in the past.

The Puget Sound Regional Council (PSRC) forecasts that by 2040, Burien will comprise a population of 58,460 people. Based on Burien's population estimate for 2018 (52,000 people), Burien is forecast to grow by 6,460 people by 2040 (12 percent), at a growth rate of 0.53 percent (OMF, 2019). Burien is expected to grow at a faster rate than it has in the past, and this growth will continue to drive future demand for housing in the City over the planning period.

To accommodate expected population growth, Burien needs to produce 3,435 new housing units over the next 20 years, of all types, sizes, and affordability levels (ECONorthwest analysis). This translates to 172 housing units per year.

Accommodating the annual development trajectory would require a 64 percent increase from historic, average, annual housing production. Half of Burien's needed housing units (1,717 units) are needed at price points affordable to households earning 80% of AMI or less and half (1,718 units) are needed at above 80% AMI. Developing a sufficient number of housing units that are income or rent restricted is one way to prevent the displacement that often arises with new development (see a larger discussion of displacement on page 56 and anti-displacement recommendations beginning on pages 16 and 61).

Figure 4. Housing Units Needed by AMI, Burien, 2040

Source: OFM, 2019; PSRC, 2017; ECONorthwest Calculation.

AMI	# of Units	% of Units
0-30%	481	14%
30-50%	412	12%
50-80%	824	24%
80-100%	344	10%
100%+	1,374	40%
Total	**3,435**	**100%**

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Summary of Public Engagement

Broadview Planning led a robust public engagement process to gather stakeholder input as the *Housing Action Plan* was developed. The purpose of the community engagement element of the *Housing Action Plan* is to connect with residents, workers, businesses, non-profit organizations, service providers, and other key stakeholders to discover qualitative data and stakeholder stories to support the recommendations offered in this *Housing Action Plan*.

Below is a summary of the results and conversations heard in all interviews, focus groups, and two of the community forums. The third and final community forum will present draft strategies and recommendations to the public and is scheduled for December 2020.

Community Engagement Approach

Appendix A contains the complete summary of the community engagement process, including goals, approach, and methodology. The outreach process was predicated on the need to conduct engagement that reflects the diversity of Burien and help tell the story of the city's housing opportunities and challenges. The outreach process also struck a balance of educating on the need for affordable/diverse housing and gathering input on the *Housing Action Plan*.

Community input from this phase of the outreach process will be used to shape the direction of the HAP's strategies and recommendations. Draft strategies and recommendations will be reviewed by staff and City Council, and a community open house will be held in December 2020 for further refinement and feedback.

Public Engagement Results

Interview + Focused Conversations

The cumulative content of each interview was analyzed to identify key themes and insights that that should be proactively considered when developing housing policy recommendations. Stakeholders are not housing policy experts; the real value of their perspective is gleaned from their lived experiences and used to develop housing policies to directly address their concerns.

After reviewing all stakeholder input, 10 themes were identified, summarized below. Appendix A contains supporting evidence for each theme, including insight, and recommendations from stakeholders in their own words.

1. The **greatest housing needs** are housing 0-30% AMI and permanent supported housing for renters.
2. There's a **crucial role for City staff** to play in educating and raising awareness about the need for housing at all income levels.
3. Frame affordable housing as an **equity, social justice, and public health issue**.
4. **Immigrant and refugee communities are particularly vulnerable** to housing impacts. Work with faith-based communities, as they can be an important source of information, support, and advocacy for immigrants and refugees.
5. The **quality of housing is** important, and often overlooked.

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6. **Increase housing options,** including more density and more mixed-use housing.
7. **Children don't have a voice in conversations** around housing but feel tremendous impacts when their housing is threatened or changes.
8. Burien is **experiencing a growth of new communities** that need to feel welcome, safe, and supported.
9. Change can be hard to accept, and people often **cannot grasp what it will look like**.
10. Support opportunities and programs to **create intergenerational wealth** through homeownership.

Prioritizing Input from the Next Generation

Despite best intentions, children and teens are typically left out of planning processes. Given the tremendous positive impacts associated with stable housing, this engagement effort specifically sought a focus group as a way to learn from youth. Working with Southwest Youth and Family services, an online conversation was hosted with four eighth grade students (and two adults) to learn about their housing experiences. Two are current Burien residents, and two recently moved to another city after their family could no longer afford to stay in Burien.

Participants were asked to use three words to describe their home, neighborhood, Burien, and one thing they would change. Figure 5 offers an overview of the results.

Figure 5. Youth Focus Group Responses

Home	Neighborhood	Burien	One thing I wish I could change:
Small Hot Loud(x3) Loving Expensive Beautiful Mine Homey Small No privacy	Cool Ghetto Loud(x2) Whack Unique Dry – lots of pollution Active Different	Connected Community Together Unique(x2) Active Loud Beautiful Amazing	"The rental apartment managers because they were non-responsive when we called them, and just super rude." "Build a community center for kids so we have somewhere we can go to hang out with our friends that's close, safe, and our parents will let us go there." "The neighbors next door would always argue, and it would be super loud, and they would bring problems with them; we'd have rifts with them about the basketball court and then there was no place for playing." "Maybe if people would say what's on their mind instead of minding their own business. Everybody looks at each other and thinks, 'it's not my problem' and are too scared to get involved in other people's lives." "Parks" "I love living in Burien – I would change cops and remove all cops. 100%." "Representation at school."

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Other questions asked, and associated responses:

Question: Do you think that everybody who wants to can have a place to live in Burien?

- "No: can be really expensive for lots of people; affordability is a big challenge."
- "We moved to Renton because our parents can afford a 3 bedroom for same price as a 1-2 bedroom in Burien. We had to leave a lot of friends, but we're not moving schools since it's all online. Our parents think it's simple for us to move, because they have a car and can go visit their friends. But I've lived in Burien all my life – I was born there. I don't have a car nor any way to see all of my friends and everything I knew for so long. Honestly, the only reason we left was because of the rent."
- "No: If you can find someplace cheap, it's probably in really bad condition."
- "Probably: Burien is a bit expensive, rent and buying is out of reach; if you can find a place to rent for cheap, they're mostly in terrible condition."

Question: If you could tell the Mayor of Burien one thing what would it be?

- "Not about what we would want to change, rent is too high. We wanted to stay but the rent was just too high; if it wasn't for the rent, we would stay there forever."
- "Don't slip up. Give help with affordability for the folks who are already here because 10 years from now they will be gone. "
- "Get landlords and the city to clean up the pollution: so much litter, too much graffiti, and everything looks old."
- "Bus stations should be fixed up; we can't sit down."

Developer Community Forum Results

Facilitated by City of Burien staff, the purpose of the developer forums was to discern and understand the current and historical housing situation of the City of Burien through intentional discussion and analysis of the lived and professional experiences from local developers and social workers. Below is a summary of feedback from both events, Appendix A presents more details and supporting recommendations from developers (see page 79).

1. The **permitting process for housing development is notably more efficient** and streamlined as opposed to other jurisdictions and is one of the major reasons that developers choose to work with the city. However, there are still bureaucratic bottlenecks that slow down the process.
2. Many of the current **zoning codes are limiting** the potential to increase density for housing in Burien and decrease the feasibility to initiate housing projects in Burien. This is especially true for parking requirements.
3. There appears to be a **common misconception that affordable housing is cheaper to build** and unless the city creates incentives for developers, those cost burdens go to the end consumer (tenants).

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4. City staff need to **educate and inform the public** to build community support for affordable housing, in order to reduce pushback from neighbors.
5. Contextual factors that lead to **effective affordable housing include proximal components** includes access to transit stations, work, shopping, library, groceries, as well as neighborhood elements (close to park, bike commuting, pedestrian-friendly).
6. Encourage City staff to keep an **open mind about how dynamic the development process** can be. Affordable projects conceived of and initiated from all different avenues; sometimes cities drive the process, sometimes real estate brokers, community organizations may own property and decide they want affordable housing.
7. Housing attainability and access are **critical factors as it relates to racial injustice**. In addition to having housing that is falling apart as it was never meant to be long-term, but you also have black and brown communities that are cut off from necessary resources such as education, transit, and grocery stores. It's not just enough to provide the housing, you have to have the resources.

Outreach Challenges + Opportunities

Conducting community outreach with the challenges of COVID-19 is difficult. All outreach was held via video or phone calls, with people who had access to technology. While it was relatively easy to schedule one-on-one interviews, finding people to participate in focus groups proved challenging, as there was limited time and avenues to recruit participants. One group focused on LGBTQIA+ residents yielded only one participant.

Another contributing factor was the relative newness of Community Development Department staff. While incredibly helpful, the project's key planning staff simply haven't been with the City long enough to establish the kind of connections with community members that are helpful for public outreach. Human Services staff proved critical for making introductions to local leaders who participated in the interview process. And while challenging, this type of planning process with a heavy community outreach element presents a great opportunity for Community Development Department staff to begin to forge relationships with community members.

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Summary of Housing Recommendations

The recommendations advanced in this *Housing Action Plan* were informed by public engagement, data analysis, review of relevant policies and planning documents, staff input, development feasibility, and examples from other jurisdictions. These recommendations can help increase the housing supply, the variety of housing types, and the availability of housing affordable to all income levels in Burien.

There is no "silver bullet" for developing housing strategies, as each idea brings benefits, drawbacks, different levels of impact, and tradeoffs. These 12 recommendations are advanced because they can help to fulfill housing needs equitably across the spectrum of different household incomes. The recommendations are organized under the following goals, and are not ordered in any rank or priority:

A. Preserve affordable housing preservation and prevent displacement.

B. Increase both market-rate and affordable housing production in Downtown Burien

C. Increase housing options and housing choice

D. Support investments in transit corridors and in the Downtown Urban Center

Figure 6 provides an overview of each action. Each of these recommendations lies within the City of Burien's control, but work will span departments and involve meaningful contributions from stakeholders such as City Council, Planning Commission, Human Services Commission, as well as renters, homeowners, neighborhood associations, advocates, developers (both affordable and market rate) and many others.

Part 3: Housing Recommendations beginning on page 59 provides a full description of how each recommendation advances the City's housing goals, the rationale for moving forward, and key next steps for each recommendation. In addition, Part 3 offers an action plan with implementation steps and important considerations that the City will need to consider. Together, these recommendations and action steps provide a roadmap for the City to begin acting on and implementing each recommendation over the next several years.

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Figure 6. Summary of Recommended Actions

#	Recommended Action	Description	Next Steps / Implementation Considerations
A1	**Retain Affordable Market Rate Units**	Collect key data on rental housing properties licensed with the revamped rental housing business license program. Expand landlord reporting requirements.	Develop a City program, establish criteria, weigh stakeholder input, explore new ordinances
A2	**Monitor Regulated Properties**	Implement a program to monitor the City's supply of 1,000 regulated affordable housing units.	Develop a City program and work with housing providers to receive data
A3	**Monitor Neighborhoods at Highest Risk for Displacement and Act with Caution when Proposing Land Use Changes**	Identify and track key demographic and socioeconomic data for neighborhoods in Burien, pay attention to current conditions in areas targeted for growth.	Develop/expand a City program that includes methods to evaluate risks and community outreach plans
A4	**Provide More Tenant Support**	Work with community organizations to increase access to tenant supports such as renters rights, RentWell programs, or legal aid. Boost fair housing policies. Seek funding for programs requiring financial aid or resources.	Work with community organizations to identify new programs and partnerships; identify potential funding sources
A5	**Provide Homeowner Assistance**	Work with community organizations to increase access to homebuyer supports, seek funding for down payment assistance and financial counseling classes (such as homebuyer education or foreclosure prevention).	Work with community organizations and identify potential funding sources
B1	**Reduce Parking Requirements**	Reduce parking requirements for multifamily housing and mixed-use development in areas identified for medium and high density housing.	Work with stakeholders to evaluate policy options and eligible geographies
B2	**Expand the 8-year and/or 12-year Multifamily Tax Exemption (MFTE) Program**	Expand the current 8-year and/or 12-year MFTE program in in the Downtown Urban Center and in to current and future frequent transit areas.	Conduct additional studies, solicit input from stakeholders to weigh public benefit of affordable units with lost tax revenues.
B3	**Create Inclusionary Housing Program**	Explore and inclusionary housing program when market dynamics increase to support more higher density housing.	Conduct additional research, evaluate program parameters, identify incentives, track the market.
C1	**Modify Development Standards to Support Transit-Oriented Development (TOD)**	Explore modifications to development standards in zones that allow multi-family housing in the areas the City is targeting for TOD and transit supportive housing.	Work with stakeholders on vision, conduct additional analysis (evaluate impacts), create new standards
C2	**Create MFTE Program in Future Transit Corridors**	Transit corridors would benefit from MFTE, which encourages higher density housing and or affordability.	Develop proposed policy, conduct additional study, discuss with stakeholders
D1	**Allow Middle Housing Types in Single Dwelling Zones**	Allow more diverse housing types in single dwelling zones to help meet residents' diverse housing needs and increase housing options.	Review zoning codes and development standards, and/or create a new zoning designation

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#	Recommended Action	Description	Next Steps / Implementation Considerations
D2	**Middle Housing Policy Amendment in Burien's Housing Element**	Allow more diverse housing types in areas that meet the needs of potential residents in middle housing that include access to neighborhood schools, parks, and other daily needs.	Amend Housing Element Policy HS 1.13 through the annual Comprehensive Plan amendment process.

Goal A. Affordable Housing Preservation and Anti-Displacement Recommendations

A1. Track Affordable Market Rate Units

Burien should collect key data on its rental housing properties licensed with the revamped rental housing business license program. The City could expand the reporting requirements of landlords to gather additional information on rental rates and housing prices to create a more detailed inventory of naturally occurring affordable housing units across the City to better enforce the first right of refusal provisions in the tenants' rights ordinance.

Rationale: Because regulated affordable housing is so difficult and costly to build, the majority of low-income households live in unregulated but affordable housing. However, because these housing units are not regulated, their rents can increase by any amount at any time, putting these households at high risk of housing insecurity and displacement. Given that the City already has a rental housing inspection and licensing program, it should consider expanding the types of data collected from landlords. This would provide a unique, low-cost, and low-barrier way to monitor and track the low-cost market rentals (also called Naturally Occurring Affordable Housing or NOAHs) in the City. Regular, updated access to this type of data would allow the City to actively monitor the rents and affordability levels of rental housing as well as have readily available contact information for landlords when properties are listed for sale or when tenants report an issue.

A2. Monitor Regulated Properties

The City should consider implementing a program to monitor its supply of regulated affordable housing. As described in the Housing Needs Analysis section (see page 40), Burien has just under 1,000 units of regulated affordable housing. These properties were all built at different times, with different funding types, and different restrictions on their affordability. They all have various expirations on those affordability restrictions as well.

Rationale: When affordability restrictions end, these properties are at risk of moving to market-rate housing, thereby losing critical affordability for their tenants. This risk is particularly high if properties are owned by private, for-profit companies (nonprofit affordable housing owners and operators will typically work to keep the rents affordable). When affordability restrictions end, properties often need to be recapitalized (get new funding and loans) and or rehabilitated to improve their physical conditions and renew affordability limits. This funding is typically competitive and hard to find. In tight housing markets, for-profit developers may seek

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properties that need rehabilitations, finance the construction with debt, and then raise the rents to pay for the debt service, thereby removing units from the affordable housing stock.

A3. Monitor Neighborhoods at Highest Risk for Displacement and Act with Caution when Proposing Land Use Changes

The City should continue to monitor areas identified as high-risk for displacement as development occurs, housing market conditions change, or development opportunities continue to rise. Special attention should be paid to historically marginalized communities like communities of color, immigrants, or non-English speaking communities.

In addition, before land use changes are proposed or enacted in areas with high displacement risk, the City should reassess risk and proactively engage with the communities where there are proposed land use changes. The City should develop safeguards in response to its findings.

Rationale: With a nuanced understanding of the areas that might have the most vulnerability to physical, economic, and cultural displacement, the City can employ its anti-displacement recommendations in a geographically-focused way. Many of the tenants living in unregulated affordable properties will be at risk if their building is purchased and rents rise. In addition, city-led changes in zoning allowances and entitlements to allow more intense housing development can increase the chances that households vulnerable to displacement see increased displacement pressures. Consequently, displacement risk should be assessed before rezones and safeguards should be developed in response to the findings. Along with the risk metrics provided in Figure 42 on page 58, many other risk and screening tools exist that can be applied.

A4. Provide More Tenant Support

In 2019, the City of Burien passed the tenants' rights ordinance designed to protect renters and improve renter-landlord relationships. This recommendation suggests enhancing the ordinance and working with community organizations to provide a broad array of community based supports and resources for tenants and renters.

Rationale: Direct resources that support residents in Burien will help minimize and mitigate the effects of displacement pressures. Tenants need to know their rights and feel empowered to maintain their housing, particularly for households belonging to marginalized communities (such as immigrant and refugee communities, communities of color, or low-income communities). Given the diversity of Burien's residents, culturally-specific support and tenants education could go far in empowering residents. These may include low-barrier application screening, stronger enforcement of fair-housing and anti-discrimination policies, tenants' rights and education opportunities, legal aid, or more translation services for immigrant and refugee communities.

A5. Provide Homeowner Assistance

The City should work with community organizations to explore and expand upon a range of homeownership assistance programs. There are many aspects of homeownership assistance

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that the City could consider, and there are numerous case studies and examples in other cities to look to. While many homeowner and homebuyer resources require funding, the City can also enhance its partnerships with community based organizations already working in these areas.

Rationale: A major way to mitigate displacement is by increasing the homeownership rate, particularly for low-income households, households of color (who have historically lower homeownership rates than White households), as well as immigrants and refugees. Displacement often does not affect homeowners, in large part because they have fixed mortgage payments that cannot change without warning (taxes do change but they are a small portion of overall homeownership housing costs). In addition, because lenders size a mortgage to a buyer's income and ability to pay, homeowners are less susceptible to cost burdening and housing insecurity, absent a sudden change in income. Because homeowners are largely shielded from larger economic and housing market changes, encouraging homeownership is one of the most powerful ways to prevent physical and economic displacement. It cannot, however, prevent cultural displacement (see a larger discussion of displacement on page 56 and anti-displacement recommendations beginning on pages 16 and 61).

Goal B. Support New Housing and Affordable Housing in Downtown Burien

Many factors affecting housing production are out of the control of public agencies – such as rent and home prices, costs of labor and materials, and population growth. Many partners and housing providers will ultimately be involved in spurring new housing development. While the public sector can play a lead role in setting the stage for change, implementing these recommended actions will require ongoing coordination with many departments, jurisdictions, developers, and the general public.

B1. Reduce Parking Requirements

Burien should consider reducing by-right parking requirements from its current requirement of 1.8 spaces per unit to 1.0 space per unit for multi-dwelling residential uses in the Downtown Urban Center. Parking requirements should be paired with other regulatory and/or financial incentives to support affordable housing production or transit-supportive housing. Under current city code, parking may be reduced by a parking demand study for multi-dwelling development (BMC 19.20.040(3)).

Rationale: For Downtown Burien, one of the most impactful changes that the City could make to support increased development feasibility and more housing is to reduce parking requirements. While a development project could modify parking requirements with the approval of a parking demand study, this process in and of itself can create a market barrier to development. When lenders and developers evaluate the feasibility of a project, certainty of development requirements are critical to evaluate project hurdle rates at the beginning phases of due diligence.

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B2. Expand the 8-year and/or 12-year Multifamily Tax Exemption (MFTE) Program

Burien should consider expanding the 8-year and 12-year MFTE program outside of the current mapped area in Downtown, to other areas in the mixed-use center, mixed-use corridor, and urban residential place types identified in the *Urban Centers Concept Report.* The City should consider expanding the MFTE program with the 12-year affordability requirements to capture value from the financial incentive. This expansion of the 12-year program should also be packaged with modifications to parking standards. Consideration will need to be given to the impact of an expanded MFTE program on the City's taxes, so additional, nuanced study is warranted.

Rationale: Broadening the current 8-year MFTE program could support supporting residential and mixed-use development in additional areas beyond downtown Burien that otherwise would be challenged by market factors. Some projects could also benefit from the 12-year program, which offers a longer tax exemption horizon but requires affordability restrictions for the duration of the tax exemption.

B3. Create an Inclusionary Housing Program

An inclusionary housing program could be an effective tool to support the creation of long-term affordable housing through mixed-income development in Burien. However, without incentives or offsets, inclusionary housing (IH) policies decrease development feasibility. The single most important factor for an inclusionary housing program to achieve its goals is a significant and sustained level of market-rate development in the local market. If a community is not currently experiencing a material amount of new development, a voluntary IH policy will not generate a meaningful number of new affordable housing units. This analysis indicates that current market conditions in Burien could be challenging to support an inclusionary housing program today. Any future exploration of inclusionary housing policies should be tied to areas that have access to existing financial incentives like the MFTE program.

Rationale: For a voluntary inclusionary housing program to be effective, the City would likely need to package affordable housing obligations with financial incentives and other regulatory incentives such as reductions to parking standards or height or density bonuses. By tailoring a package of incentives to the needs of a particular project, the City can work in partnership with developers to achieve the community's housing goals.

Goal C. Encourage Transit-Oriented Development along Transit Corridors

The City of Burien is interested in supporting transit-oriented development (TOD) along the Ambaum corridor, to provide transit accessible housing to the future RapidRide H line. This corridor includes evaluations of prototypes allowed in the existing Multi-Family zones plus additional prototypes that could be allowed in potential future zones as part of a transit-oriented development strategy with lower parking ratio minimums.

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C1. Modify Development Standards to Support TOD

The City of Burien could leverage investments from the future RapidRide H Line to support more location-efficient housing close to transit through a transit-oriented development strategy. Current zoning along Ambaum Boulevard represents a broad mix of zoning designations with one of the larger concentrations of Residential Multi-family zoning in Burien. Development standards (e.g., density or height limits, parking requirements, or recreation space requirements) in the RM 18, RM 24, and RM 48 zones may not be conducive to supporting development with the goal of increasing housing options and creating housing in high opportunity locations.

Rationale: This analysis highlighted some clear regulatory barriers that prohibit development of housing in the RM 18, RM 24, and RM 48 zones (see a discussion of these barriers in the Development Feasibility Analysis section beginning on page 44). Residential density limitations in the RM 18, RM 24, and RM 48 zones coupled with multi-dwelling residential parking requirements and recreation space requirements result in residual land values that fall well below average land prices. These findings indicate that redevelopment in these zones will be limited and that current uses in these zones are the highest and best use under current market conditions. When development does occur in these zones, it would occur on the few remaining vacant parcels throughout the City.

C2. Create MFTE Program in Future Transit Corridors

To support transit-oriented development in transit corridors outside of Downtown, the City should evaluate options to modify development standards to allow for higher residential densities or create a new zone for transit supportive housing along current and planned frequent transit corridors like the Ambaum Corridor. To optimize development outcomes, residential densities should allow at least 60 dwelling units per acre and reduce parking requirements to at least 1.3 parking spaces per unit.

While modifying development standards and zoning allowances to support transit-oriented development (TOD) in future transit corridors could help create new housing, financial incentives such as the current MFTE program can help both support new development and achieve affordable housing.

Rationale: MFTE can help support TOD by increasing the feasibility of multifamily and mixed use development along transit corridors. MFTE performs well with current parking requirements and density limitations in the RM 48 zone. Both 8-year and 12-year MFTE programs would support development feasibility in the current RM 48 zone but the 12-year program should be explored specifically to increase the supply of affordable housing.

Goal D. Increase Housing Options and Housing Choice

The *South King County Subregional Housing Action Framework* identified areas in Burien that have the most likelihood to see "middle housing" development, such as cottage clusters, internal division of larger homes, duplexes, triplexes, and accessory dwelling units (ADUs). It will be important to establish criteria and locations for implementation, such as avoiding areas

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with higher rates of displacement risk (such as those identified in Figure 42 on page 58) without the inclusion of deed-restricted affordable units.

D1. Allow Middle Housing Types Throughout Burien

The City should allow middle housing types in single dwelling zones throughout Burien, with the exception of areas that have the highest rates of displacement risk. This approach allows additional housing types to be built that meet diverse housing needs at price points that tend to be less expensive than detached single dwelling development that is allowed in singe dwelling zones today.

Rationale: Encouraging these types of moderately-dense housing can help to increase housing supply and choice in appropriate neighborhoods. Middle housing can be more affordable than new construction detached single family housing because it is typically smaller. This would not guarantee affordability, but would expand opportunities for housing types that may be lower cost than single family detached housing and help create supply help with affordability over the long-term.

D2. Middle Housing Policy Amendment in Burien's Housing Element

The City should acknowledge unique community amenities such as neighborhood schools and parks that can help support a wide range of household types–such as families with children and seniors–who might be interested in more housing choice through middle housing allowances. The City should amend Housing Element policies to allow middle housing in broader areas of the City.

Rationale: Current Housing Element Policy HS 1.13 specifically identifies areas where middle housing would be allowed, but is limited only to areas within proximity to centers, corridors with frequent transit service, and transit stations. Middle housing development standards should be structured to allow for more housing options that fit within the scale and context of existing neighborhoods and should be allowed in more areas than just as a transition from a limited number of transit corridors, stations, and centers. The City should consider amending this policy to support neighborhood level inclusion for a broader range of Burien residents.

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Summary of Implementation Steps

In the coming years, implementing the *Housing Action Plan* will require the City to balance and coordinate its pursuit of actions, funding, and partnerships with its other policy and programmatic priorities. This section outlines an implementation process that will improve success with advancing this Plan's actions.

Key stakeholders in the implementation of the plan will be City Council, Planning Commission, Human Services Commission, residents, homeownership, neighborhood associations, housing advocates, and developers (both affordable and market rate).

- **Develop and assign work programs**. The City will need to assign staff to develop detailed work programs to complete analysis and initiate conversations with these stakeholders. Figure 6 provides a summary of key next steps that the City can initiate.
- **Use the Recommendations to Inform the City's housing policy and area planning projects**. Recommendations advanced in this *Housing Action Plan* should inform future planning and zoning implementation projects including modifications to development standards and zoning allowances as well as area planning efforts.
- **Monitor Implementation Progress.** The City will track its progress towards achieving its housing goals by developing a set of indicators to track on a regular basis, based on the four goals identified in this plan. Determining the exact indicators and monitoring frequency will require additional research into the availability of data, availability of staff time, and the availability of data tracking systems, and should also include input from City leaders and the community to ensure that the chosen indicators adequately gauge equitable housing progress (see page 76 for a list of example indicators to monitor and track progress).

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Part 2: Supporting Data and Analysis

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Part 2 offers supporting data and analysis for the key findings and recommendations summarized in Part 1. It is organized into three sections:

- The **HAP Introduction and Background** offers more context about the *Housing Action Plan* development process.
- The **Housing Needs Analysis and Future Housing Needs** section discusses data on Burien's current housing inventory, current demographics, and recent employment trends, which help estimate the number of housing units it will need by 2040. This section is a requirement of the *Housing Action Plan*, per Department of Commerce Grant conditions.
- The **Development Feasibility Analysis** section describes the methods and approach used to evaluate development feasibility, used in the creation of new recommendations for Burien to consider.

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HAP Introduction and Background

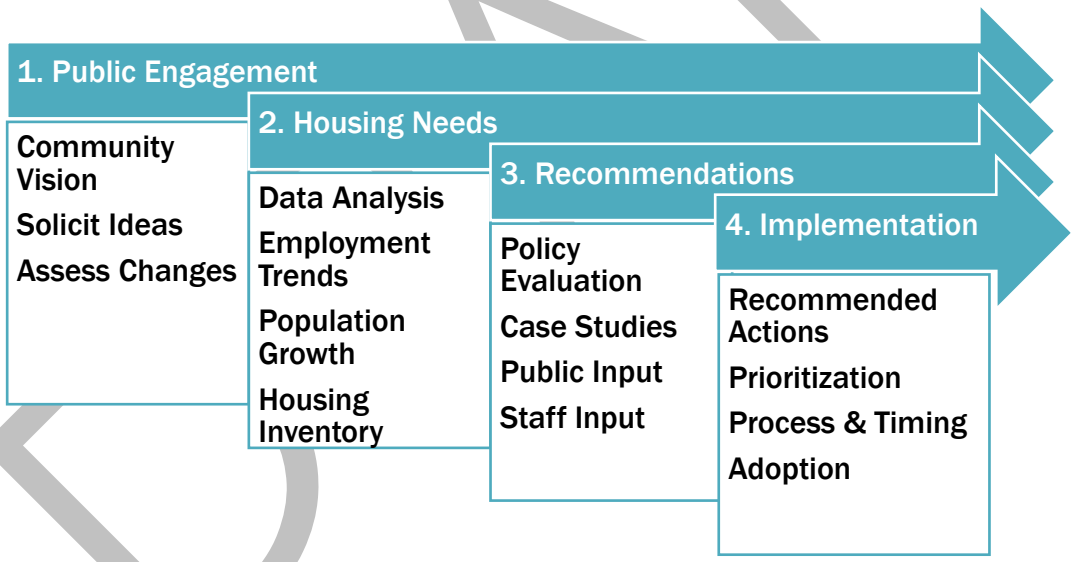
This *Housing Action Plan* outlines the housing needs and housing production strategies to reach the Puget Sound Regional Council's (PSRC) 2040 population and household growth projections. The Plan includes data analysis of the demographic and employment trends driving future housing needs, meaningful public engagement with citizens, developers, non-profits, and community organizations, an evaluation of existing housing policies, and strategies to incent future development in the City.

The City of Burien received a grant from the Washington State Department of Commerce through House Bill 1923 to develop this *Housing Action Plan*.

Burien Housing Action Plan Approach

Developing the *Housing Action Plan* was a multi-step process (see Figure 7). In early 2020, Burien participated in a *Subregional Housing Action Framework* for the South King County region, along with the cities of Auburn, Federal Way, Kent, Renton, and Tukwila. Because this *Housing Action Framework* had all the same Department of Commerce grant requirements as Burien's individual *Housing Action Plan*, it provided a strong foundation to build on.

Figure 7. Burien's Housing Action Plan Development Process



Public Engagement: Throughout the entire process, Broadview Planning led a robust public engagement effort. In speaking with a diverse array of community members, Broadview sought input on the community's vision as well as ideas and recommendations for how Burien can build more housing (and what types of housing are needed). In addition, the public will review this draft *Housing Action Plan*, to determine if the recommendations included and advanced herein, are aligned with the community's vision and values (see next section on steps moving forward). Public engagement results were summarized beginning on page 10, and the full results are listed in Appendix A.

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Housing Needs: This *Housing Action Plan* refines and tailors the housing needs analysis developed in the *South King County Housing Action Framework* to focus on areas and issues specific to Burien, including more demographic analysis to capture the nuances of Burien's diverse population.

Recommendations: This *Housing Action Plan* customizes and provides a deeper assessment of the strategic recommendations advanced in the *South King County Housing Action Framework,* with a focus on revisions to Burien's development and design standards, as well as a focus on TOD opportunities in the Ambaum Corridor.

Implementation: This *Housing Action Plan* summarizes the first three steps and provides implementation guidance for the City as it works to realize these strategies and improve housing production in the City. This guidance includes considerations on important decisions, specific steps on how to achieve these recommendations, a discussion each recommendation's impact on affordability and displacement risk, as well as an assessment of each recommendation's scale (working at the property level, neighborhood level, or city-wide).

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Housing Needs Analysis and Future Housing Needs

A Housing Needs Analysis is a requirement of the Department of Commerce's funding for Burien's individual *Housing Action Plan* and is an important step to understanding the fundamentals of Burien's current housing stock, its demographic makeup, its employment trends, and its future housing needs.

This section provides data and analysis on housing trends, demographics, affordability, and employment/commute patterns in Burien, and evaluates the city's future housing needs by 2040. This section builds on the data analyzed in the South King County *Subregional Housing Action Framework*.

Current Housing Inventory

As of 2018, Burien had 20,793 housing units (OFM, 2019). About 67 percent of Burien's housing stock was built in 1969 or before (King County Assessor, 2020) and about 60 percent of Burien's housing stock is single-family detached (ACS 2014-2018). In addition to these housing characteristics, housing tenure is relatively split – about 47 percent of occupied units are inhabited by renters and 53 percent of occupied units are inhabited by homeowners (ACS, 2014-2018).

Burien has less than 1,000 units of regulated affordable housing for households earning less than 60% of AMI (ECONorthwest analysis of US Department of Housing and Urban Development, King County Housing Authority, and Washington State Housing Finance Commission Data, 2020). Given the limited supply of these units, Burien's population at this income level must compete for lower cost / lower amenity market rate housing. A household earning 60% of AMI (about $62,315) can afford a monthly rent of about $900 without cost-burdening themselves (HUD, 2018). However, only 21 percent of Burien's rentals were priced below $900 per month (ACS, 2014-2018).

Burien's Income Limits

HUD Median Family Income (MFI)

HUD calculates affordability and income limits for metro areas and counties across the country, based on the area's MFI which comes from Census data.[7] The City of Burien falls within the Seattle-Bellevue, WA Metro Area and is subject to the same income and affordability limits as the rest of the cities in this metro area (which includes King County and Snohomish County). Properties developed in Burien will use the same affordability limit as properties developed in the entire HUD metro area. The 2018 HUD income limits are shown below which match the 2018 Census data used in this analysis, the latest available.

[7] For the Seattle-Bellevue, WA HUD Metro FMR Area, HUD has deviated from its typical use of Office of Management and Budget (OMB) area definitions. In this case, the Seattle-Bellevue, WA HUD Metro FMR Area income limit program parameters include King County and Snohomish County.

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In 2018, the Seattle-Bellevue, WA HUD Metro Area Median Family Income (MFI) was $103,400 for a family of four. HUD adjusts the income limits up or down based on family size and provides income limits for 30% of MFI, 50% of MFI, and 80% of AMI (see Figure 8).

Figure 8. HUD 2018 Income Limits for Seattle-Bellevue, WA HUD Metro FMR Area

Source: HUD (see https://www.huduser.gov/portal/datasets/il.html and select the year and metro area from the list).

Afford-ability Level	Family Size (Number of People)							
	1	2	3	4	5	6	7	8
30%	$22,500	$25,700	$28,900	$32,100	$34,700	$37,250	$39,850	$42,400
50%	$37,450	$42,800	$48,150	$53,500	$57,800	$62,100	$66,350	$70,650
80%	$56,200	$64,200	$72,250	$80,250	$86,700	$93,100	$99,550	$105,950
100%				$103,400				

Additional income limits (such as 60% or 120%) can be scaled off the 100% income limit to get an approximation of other affordability thresholds. However, these approximations—and HUD's official limits—may not be exact scalars to the 100% median income (in Figure 8 the official 50% income limit for a family of four is slightly higher than half of the 100% income limit).

AMI or MFI?

It is common for different data sources to reference a percentage of AMI or MFI. HUD's official income and affordability limits for regulated housing refer to MFI, but the department offers the following explanation:

"HUD estimates Median Family Income (MFI) annually for each metropolitan area and non-metropolitan county. The metropolitan area definitions are the same ones HUD uses for Fair Market Rents (except where statute requires a different configuration). HUD calculates Income Limits as a function of the area's Median Family Income (MFI). The basis for HUD's median family incomes is data from the American Community Survey, table B19113 - MEDIAN FAMILY INCOME IN THE PAST 12 MONTHS. The term Area Median Income is the term used more generally in the industry. If the term Area Median Income (AMI) is used in an unqualified manor, this reference is synonymous with HUD's MFI. However, if the term AMI is qualified in some way - generally percentages of AMI, or AMI adjusted for family size, then this is a reference to HUD's income limits, which are calculated as percentages of median incomes and include adjustments for families of different sizes."[8]

[8] Source: HUD. 2018. "FY 2018 Income Limits Frequently Asked Questions." https://www.huduser.gov/portal/datasets/il/il18/FAQs-18r.pdf

Median Household Income

Because the Seattle-Bellevue, WA HUD Metro FMR Area is so large, it does not account for differences *within* the geography. As noted, a property with a 50% income limit in Burien would have the same rents as properties elsewhere across the metro area, despite underlying differences in the incomes of each area individually. To capture a more localized consideration of median income, Burien's median *household* income (MHI) was calculated using Census PUMS data. In 2018, Burien's median household income was $62,315, lower than the $71,442 estimated for the South King County subregion, the estimate of $112,283 for the City of Bellevue, and the estimate of $88,868 for King County as a whole.

It is important to note that this MHI is not directly comparable to HUD's MFI. HUD's MFI calculation relies on underlying Census data related to *family* incomes, and the 100% median is set for families of four. This MHI is for all households – not just families – and households can have a wide range of compositions (e.g., roommates) compared to families. In the City of Burien, the median household only has 2.7 people.

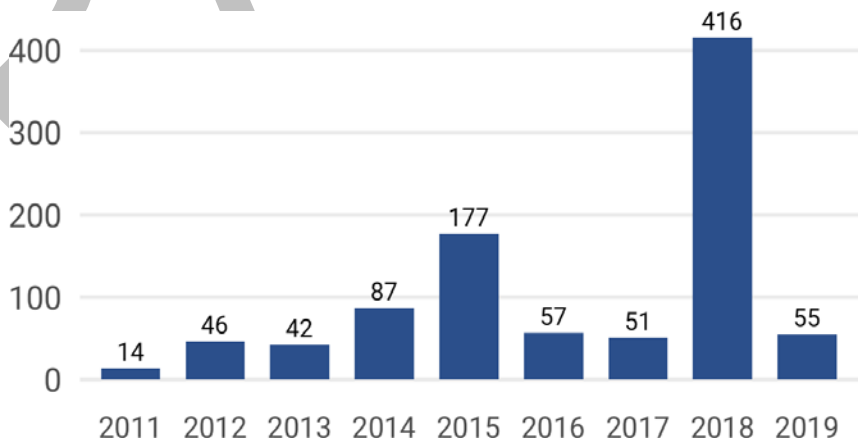
While MHI does not directly compare to MFI, the fact that Burien's MHI is lower than other cities in the region, but that affordable properties in Burien use region-wide MFI limits, means that households and families in Burien may have a harder time finding housing that is affordable within their income ranges (costing less than 30 percent of gross monthly income).

Burien received 945 new dwelling units between 2011 and 2019, averaging 105 new units build per year.

In this time, 9.3 new housing units were produced for every 10 new households. This was too little housing production to keep up with growing demand for housing.

Figure 9. Number of Units Built Per Year, Burien 2011-2019

Source: OFM, 2019.



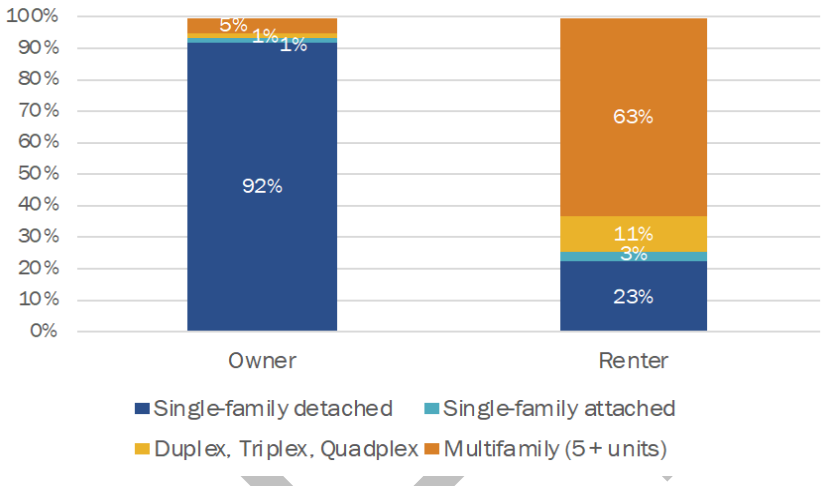
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In the 2014-2018 period, a majority of Burien's homeowners (92 percent) occupied single-family detached housing.

In this same time, nearly two thirds of Burien's renters occupied multifamily housing (with five or more units per structure) and less than a quarter of renters occupied single-family detached housing.

Figure 10. Occupied Housing by Tenure, Burien, 2014-2018

Source: ACS (5 year 2014-2018).

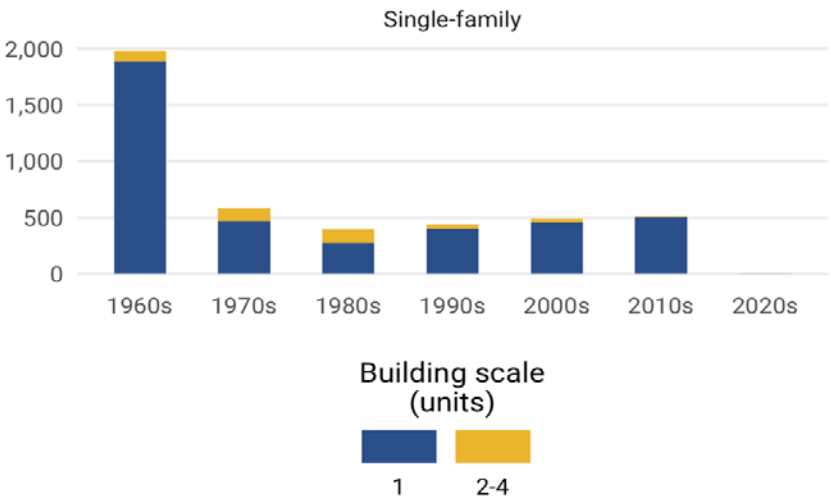


The majority of Burien's single-family housing stock was built prior to the 1960s.

The majority of middle housing (duplexes, triplexes and quad-plex type housing) was built before 1990.

Figure 11. Scale of Single-Family Housing Built, Burien, 1960-2020

Source: King County Assessor's Office, 2020.



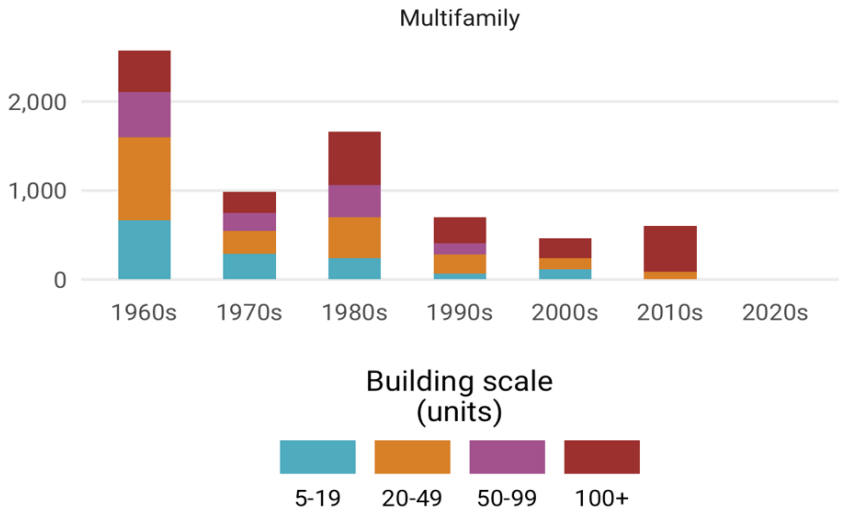
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Burien saw an increase in larger multifamily housing development in the 1980s and 2010s. Much of this housing remains in the inventory today.

The majority of medium density multi-family housing (between 5 and 50 units) was built before 1990.

Figure 12. Scale of Multifamily Housing Built, Burien, 1960-2020

Source: King County Assessor's Office, 2020.

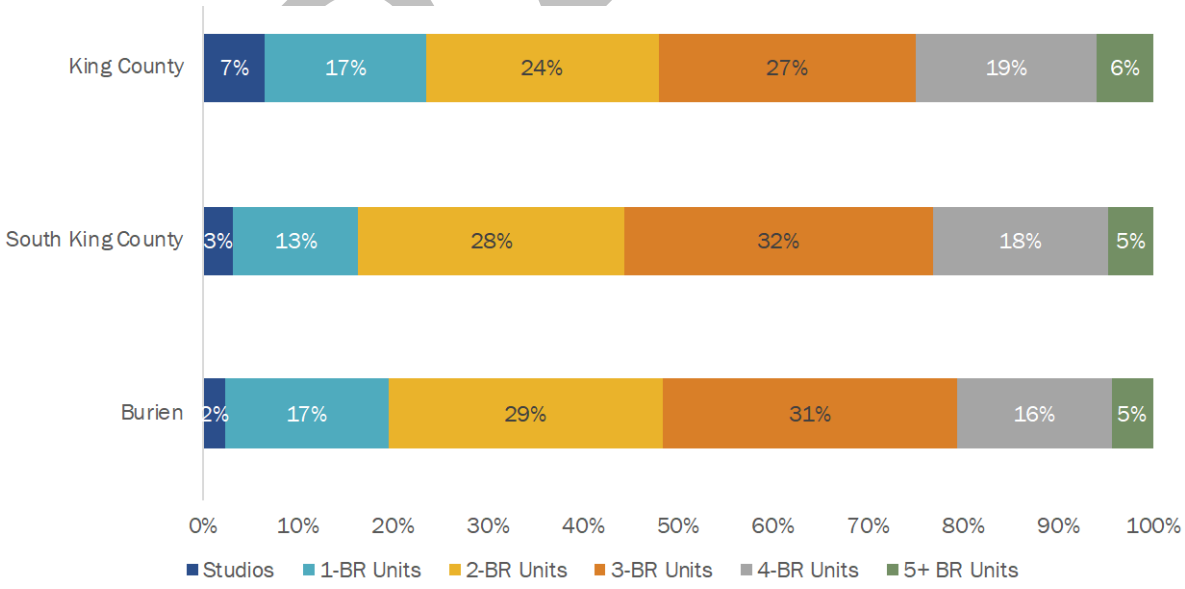


Burien's inventory of housing by number of bedrooms mirrors that of the South King County region, but skews larger than King County as a whole.

Almost two thirds of Burien's housing units have 2 or 3 bedrooms.

Figure 13. Share of Housing Units by Bedroom Size, Burien, South King County, and King County

Source: ECONorthwest analysis of U.S. Census Bureau PUMS 2018 1-year survey data



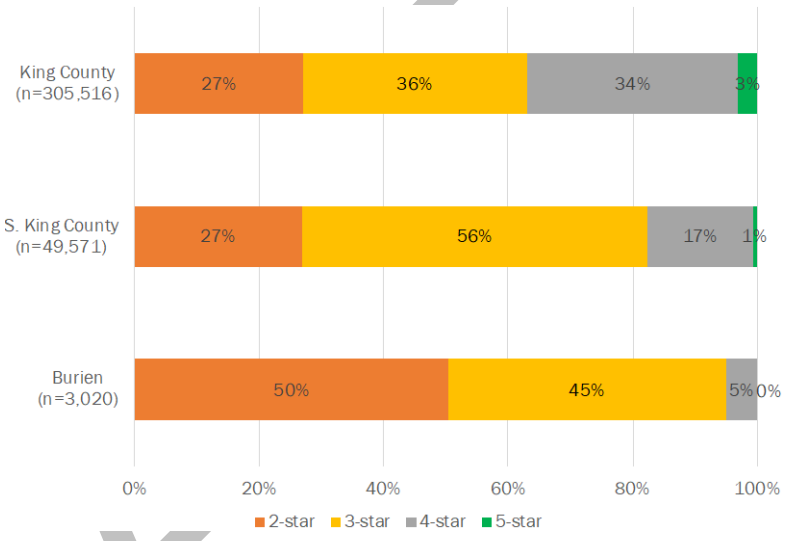
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Despite a similar inventory by bedroom size, Burien's quality of housing skews lower than that of the region.

50 percent of Burien's housing is rated 2-star by CoStar.[9] Burien does not have any 5-star rated properties.

Figure 14. Share of CoStar Inventory by CoStar "star rating" in Burien, South King County, and King County

Source: CoStar
Note: n signifies number of properties in each geography's sample.



Community Demographics

Between 2010 and 2018, Burien's population grew 56 percent, from 33,313 people to 52,000 (OFM, 2019). In this time, Burien added 18,687 new residents, at an average annual growth rate of 2.4 percent.

Household Characteristics

Burien's average household size is 2.67 persons per household for renters and 2.72 persons per household for homeowners.

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[9] CoStar ratings consider design, amenities, certification, and landscaping, among other factors and are assessed by CoStar. A 5-Star building represents the luxury end of multi-family buildings defined by finishes, amenities, the overall interior/exterior design and the highest level of specifications for its style (garden, low-rise, mid-rise, or high-rise). 4-Star buildings are constructed with higher end finishes and specifications, providing desirable amenities to residents and designed/built to competitive and contemporary standards. 3-Star buildings are likely smaller and older with less energy-efficient and controllable systems, have average quality finishes and or a layout conducive to compact lifestyle, and have a few on-site shared facilities and spaces. 2-Star buildings have small, adequate windows, average aesthetics, purely functional systems, and below-average finishes and use of space, with only one or no on-site shared facilities. 1-star buildings are practically uncompetitive with respect to typical multi-family investors, may require significant renovation, possibly functionally obsolete

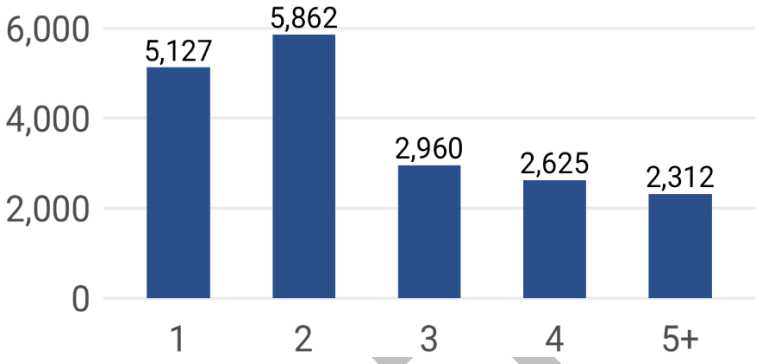
More than half (58 percent) of Burien's households were one- and two-person households.

About 26 percent of Burien's households were comparatively large, with four or more persons per household.

Between 2010 and 2019, Burien added 6,921 new households (OFM, 2019; ACS, 2014-2018).

Figure 15. Household Size, Burien, 2014-2018

Source: ACS (5 year 2014-2018).

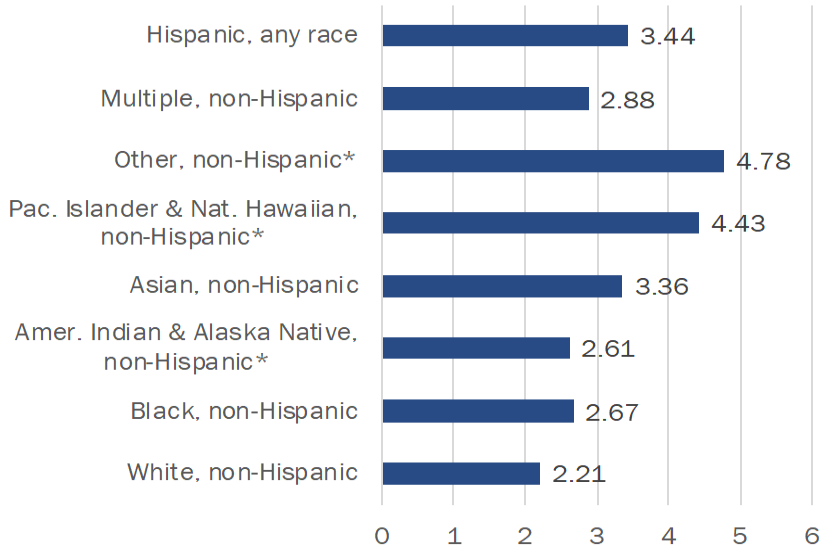


Just like national trends, Burien's household size varies by race and ethnicity.

In general, non-Hispanic White households have the fewest people.

Figure 16. Household Size by Race and Ethnicity, Burien, 2014-2018

Source: ACS (5 year 2014-2018)
Note: Statistics with an * have a high margin of error

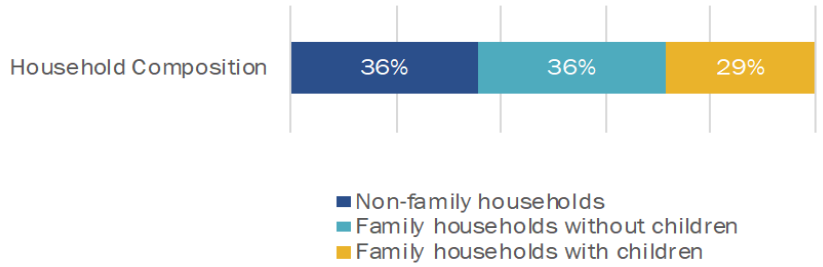


Nearly two-thirds of Burien's households are composed of family households.

The remainder of Burien's households are non-family households (comprising roommates and one-person households).

Figure 17. Household Composition, Burien, 2014-2018

Source: ACS (5 year 2014-2018).



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Income Characteristics

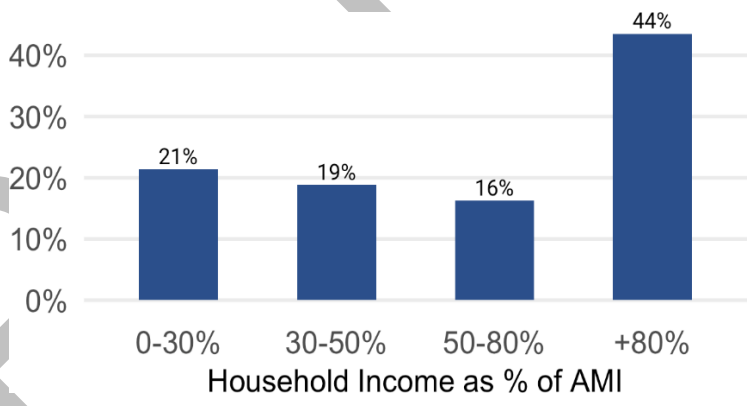
Income is one of the key determinants in housing choice and households' ability to afford housing. While the majority of households in Burien, 44 percent, earn more than 80% AMI in annual income, 40 percent of households earn less than 50% of AMI. Compared to both King County and cities in South King County, Burien has the highest share of households, 21 percent, in the 0-30% AMI category whereas King County has a higher share of households in the above 100% of AMI category and South King County has a higher share of households in the 50-80% AMI category (see Figure 34). Additionally, renter households represent the highest share of households below 50% of AMI with nearly 60 percent of all renter households in this income category. Nearly 70 percent of owner households earn more than 80% of AMI.

Households of multiple races and those identifying as Black or African American have the lowest incomes in Burien: earning $41,500 per year on average. On average, Hispanic or Latino households earns about $47,000 annually while the average white household earns $69,000 per year.

In the 2012-2016 period, about 40 percent of Burien's households earn 50% of AMI or less.

Figure 18. Income Distribution by AMI, Burien, 2012-2016

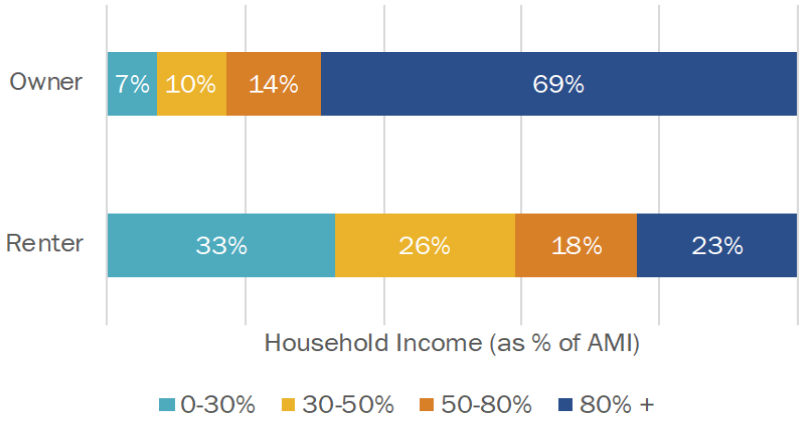
Source: CHAS (5 year 2012-2016).



Burien's income distribution by tenure, shows that in the 2012-2016 period, a majority of owners (69 percent) earned 80% of AMI or more, while a majority of renters (77 percent) earned 80% of AMI or less.

Figure 19. Income by AMI and Tenure, Burien, 2012-2016

Source: Source: CHAS (5 year 2012-2016).



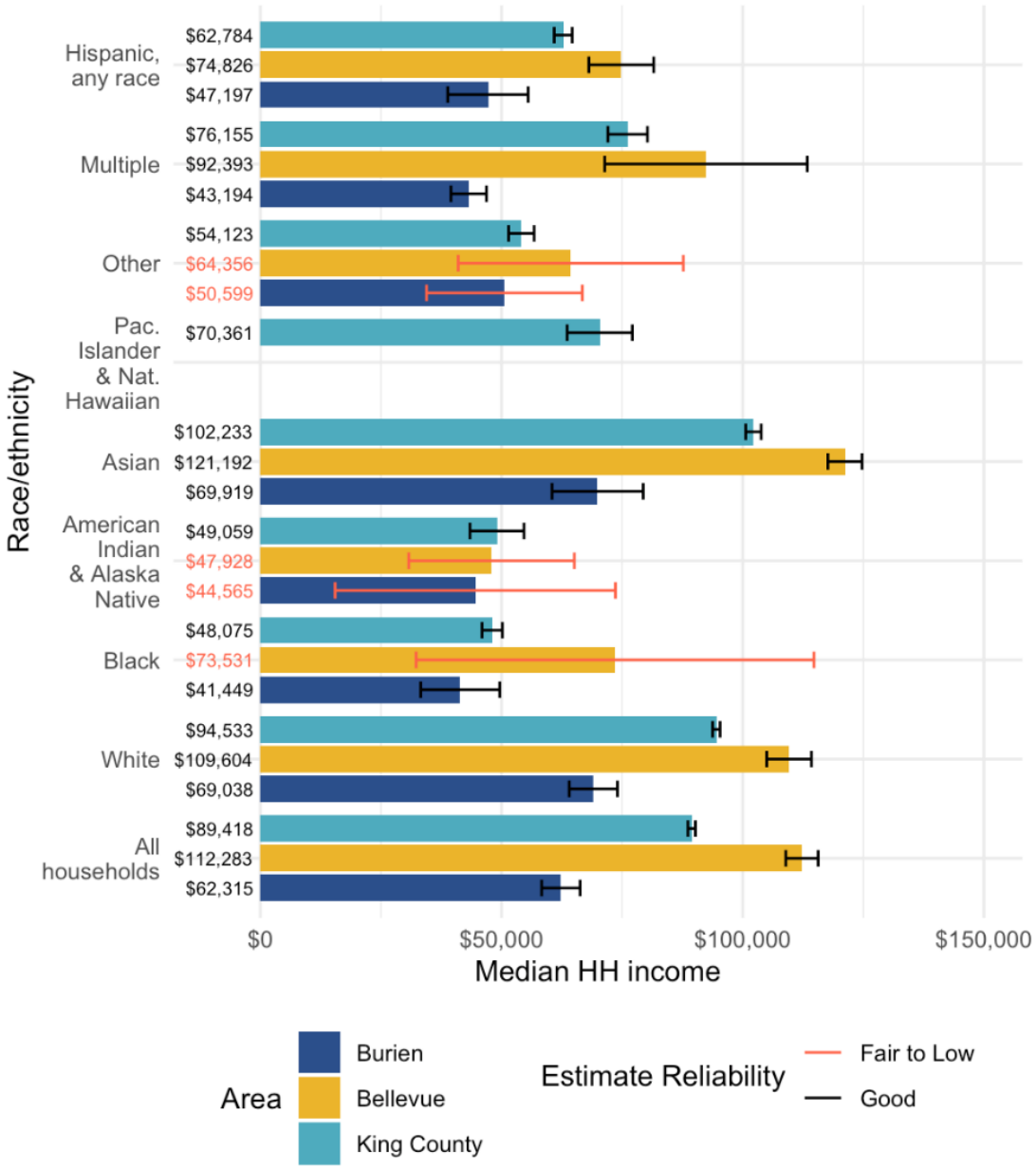
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Household incomes vary meaningfully by race and ethnicity, and across all races/ethnicities, household incomes in Burien are lower than that of Bellevue and King County as a whole.
In Burien, households of multiple races and those identifying as Black or African American have the lowest incomes, while White and Asian households have the highest median incomes.

Figure 20. Median Household Income by Race and Ethnicity for Burien, Bellevue and all of King County

Source: ACS (5 year 2014-2018).

Note: Insufficient data for Burien and Bellevue households identifying as Native Hawaiian or Other Pacific Islander. The Estimate Reliability lines indicate the range of incomes for each group that are at the high and low ends of the statistical margins of error for the Census estimate. Red lines indicate the estimate has a relatively large margin of error compared to the estimate, likely due to a small survey sample size for the given population group.



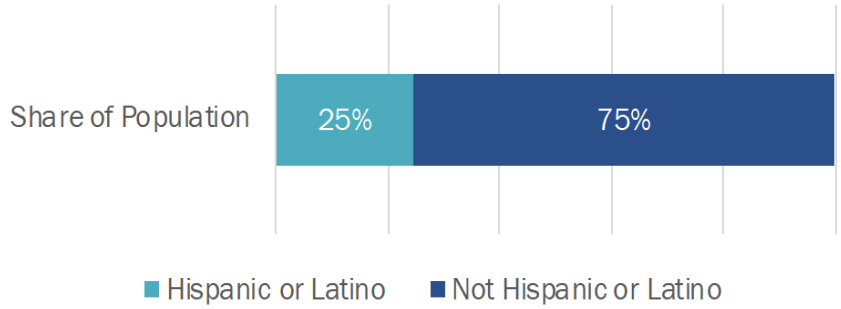
Racial and Ethnic Diversity

This section looks at ethnicity and race characteristics of Burien's population. Since 2010, Burien has become increasingly racially and ethnically diverse. While all race and ethnicity categories increased in total share of population between 2010 and 2018, the share of residents who are Black, Indigenous, and Persons of Color (BIPOC) increased at a rate faster than white households in this time period (see Figure 23).

A quarter of Burien's population identified as Hispanic/Latino in the 2014-2018 period.

Figure 21. Share of Population Identifying as Hispanic or Latino Origin, Burien, 2014-2018

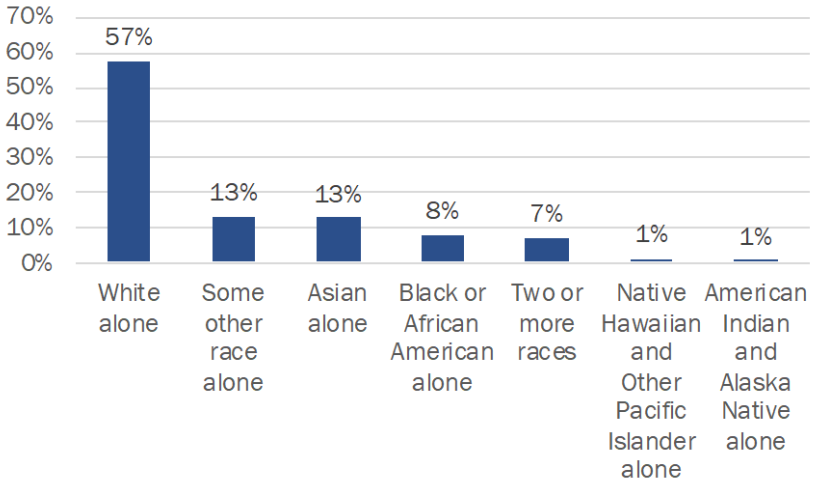
Source: ACS (5 year 2014-2018).



Nearly 60 percent of Burien's population identified as white alone.

Figure 22. Population Distribution by Race, Burien, 2014-2018

Source: ACS (5 year 2014-2018).



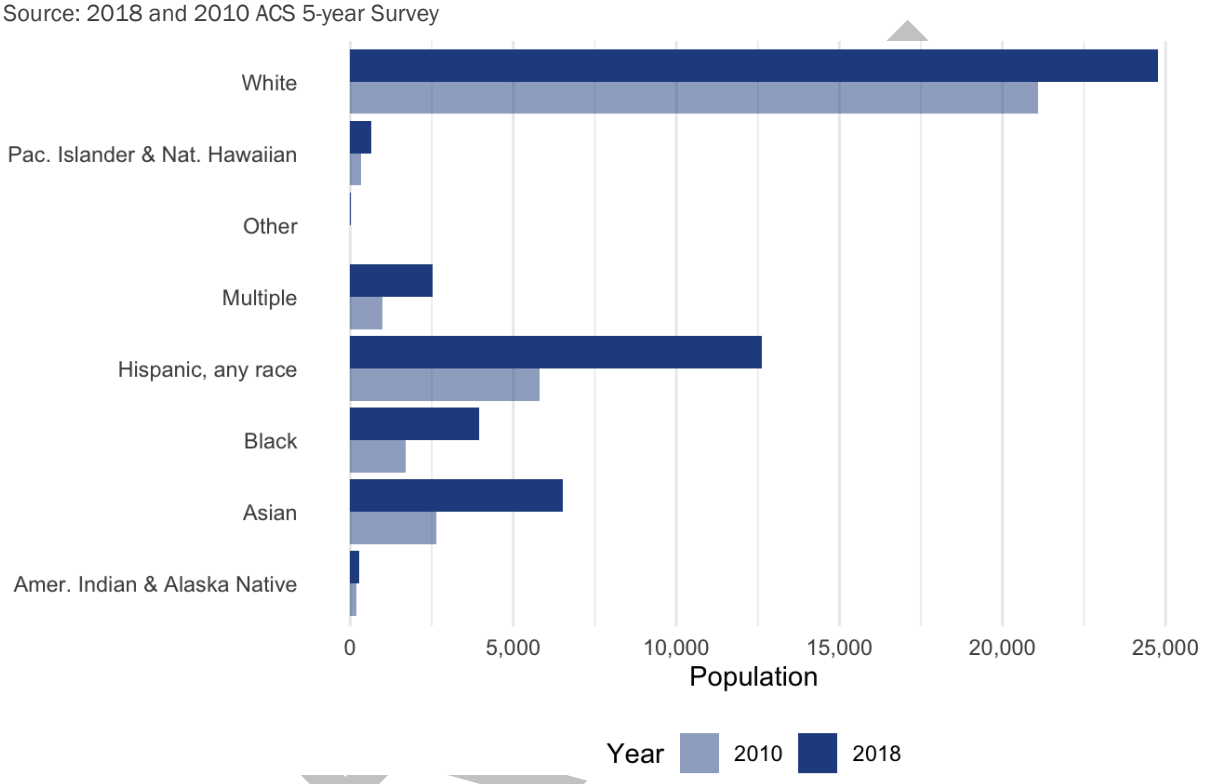
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The majority of households in Burien identify as white, but the city's demographics have changed since 2010.

Burien's population of Asian households increased 146 percent from 2010 to 2018, while the number of Black households increased 132 percent, and the number of households identifying as Native Hawaiian or Other Pacific Islander increased more than 96 percent in that time frame.

Figure 23. Burien's Population by Race and Ethnicity, 2010 and 2018

Source: 2018 and 2010 ACS 5-year Survey



Employment and Transportation

Based on data from PSRC, Burien's total employment grew from 11,474 jobs in 2008 to 12,325 jobs in 2018, an increase of 851 jobs (or seven percent change). In 2018, the top four largest industries, in terms of total employment, were: (1) Health Care and Social Services with 3,477 employees, (2) Retail Trade with 2,085 employees, (3) Accommodations and Food Services with 1,439 employees, and (4) Education Services with 1,398 employees. Combined, these industries represent 68 percent of Burien's total employment base.

Between 2008 and 2018, several industries lost employees. The four industries that lost the greatest share of employment were: (1) Construction with 53 percent decline, (2) Manufacturing with a 43 percent decline, (3) Wholesale Trade with a 25 percent decline, and (4) Other Services with a 15 percent decline. Combined, these industries represent a loss of 522 employees.

Job losses in each of the above-mentioned industries, and job gains in new industries, signify a shift in Burien's employment profile. For example, the five industries which gained the greatest

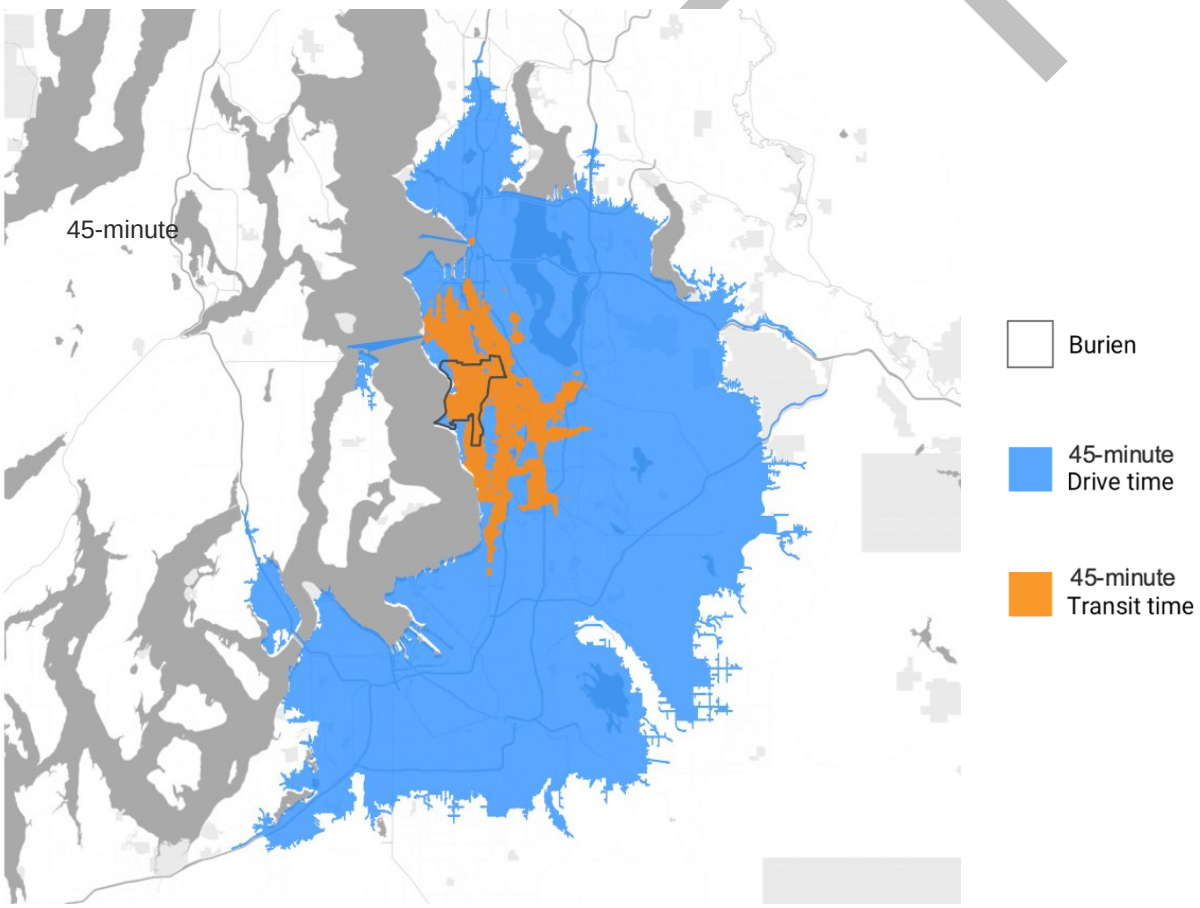
share of employment were: (1) Transportation and Warehousing with a 641 percent increase, (2) Information with a 567 percent increase, (3) Administrative and Waste Management with a 75 percent increase, (4) Accommodations and Food Services with a 25 percent increase, and (5) Educational Services with a 21 percent increase. Combined, these industries represent a gain of 1,354 employees.

Median salaries in 2018 also varied by industry. At opposite ends of the wage spectrum are the Accommodations and Food Services industry (average wage: $27,559 per year) and the Professional, Scientific, and Technical Services industry (average wage: $83,565 per year).

Figure 24 presents a travel shed map showing access to employment within a 45-minute drive and 45-minute transit trip.

Figure 24. Travel Shed, Access to Employment

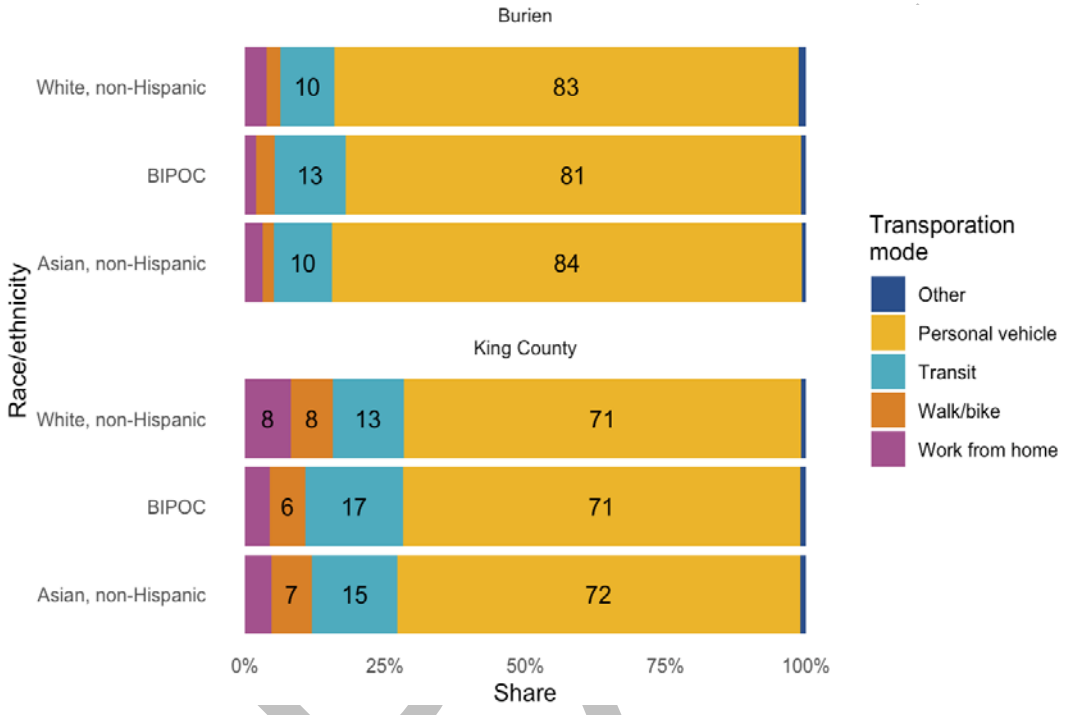
Source: PSRC and ECONorthwest.



As Figure 25 shows, not all households in Burien have the same access to transportation. Using Census PUMS data, households of color (non-White, non-Asian, non-Hispanic households) rely on public transportation more than do non-Hispanic White households and non-Hispanic Asian households.

Figure 25. Commute Mode by Major Race and Ethnicity Groups,[10] Burien PUMA and Rest of King County

Source: ACS (5 year 2014-2018)
Note: BIPOC includes Black, Indigenous, and Persons of Color and includes the following races of any ethnicity: Black or African American Households, American Indian or Alaskan Native Households, Native Hawaiian or Other Pacific Islander Households, and Households of two or more races.



In addition, the number of vehicles and commuters per household varies by detailed race/ethnicity groups. Given that these two variables are commonly linked to travel behavior (and thereby travel costs) in travel demand modeling, calculating them for the City of Burien can provide greater insight into possible transportation access and cost burdening.

Figure 26. Average Number of Vehicles and Commuters per Household, by Race and Ethnicity of Householder, Burien area PUMA

Source: ACS (5 year 2014-2018).
Note: * indicates this statistic has a relatively high margin of error

Race and Ethnicity Group	Mean # of vehicles	Mean # of commuters
White, non-Hispanic	1.86	1.16
Black, non-Hispanic	1.47	1.22
Amer. Indian & Alaska Native, non-Hispanic	1.34*	1.12
Asian, non-Hispanic	2.13	1.21
Pac. Islander & Nat. Hawaiian, non-Hispanic	1.54*	1.23
Other, non-Hispanic	2.34*	1.00
Multiple, non-Hispanic	1.78	1.26
Hispanic, any race	1.93	1.18

[10] Due to the large number of possible commute modes, simply cross-tabbing by race/ethnicity and commute modes would introduce significant statistical uncertainty to the results. To avoid this, racial categories were grouped into the major groups (White, non-Hispanic; Asian, non-Hispanic; and all other POC) and travel modes into five main types.

Housing Affordability

Burien has the second highest home prices in the South King County subregion, just below Renton. Burien's average 2-bedroom rents increased 45 percent, while median sales prices increased 101 percent between 2013 and 2020.

Figure 28 presents data on Burien's naturally occurring affordable housing (NOAH) units (rental units). It shows that Burien has comparatively few NOAH units that can accommodate larger household sizes. In addition, affordable homeownership options are very limited in Burien with fewer than 900 units affordable to households earning less than 50% of AMI.

Between 2013 and 2020, the average monthly rent in Burien increased by 45 percent ($445 per month). In this same time, median sale price for a home increased by 101 percent.

Figure 27. Housing Costs, Burien, 2013 and 2020

Source: Costar and Zillow.

	2013	2020
Average Rent	$999	$1,444
Median Sales Price	$233,450	$470,300

Of Burien's 3,452 naturally occurring affordable housing (NOAH) units (rental units), 20 percent are affordable to households earning 50% of AMI or less and 80 percent are affordable to households earning between 50-80% of AMI.

Figure 28. Naturally Occurring Affordable Rental Units, Burien, 2012-2016

Source: Costar, based on rent characteristics.

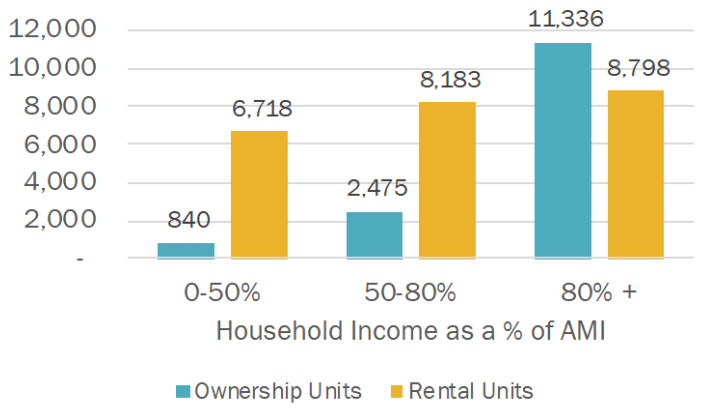
Units Affordable at:	50% of AMI or less	80% of AMI or less
Studio units	85	121
1-bedroom units	337	1,581
2-bedroom units	255	1,568
3-bedroom units	1	179
4-bedroom units	1	3
Total	**679**	**3,452**

Of Burien's ownership housing stock, only 6 percent were affordable to households earning less than 50% of AMI in 2012-2016.

Of Burien's rental housing stock, only 28 percent were affordable to households earning less than 50% of AMI.

Figure 29. Housing Units Affordable[11] by AMI and Tenure, Burien

Source: CHAS (5 year 2012-2016).



[11] Note that in 2020, Burien had 996 Income restricted units affordable to households earning 60% of AMI.

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Housing Cost Burdening

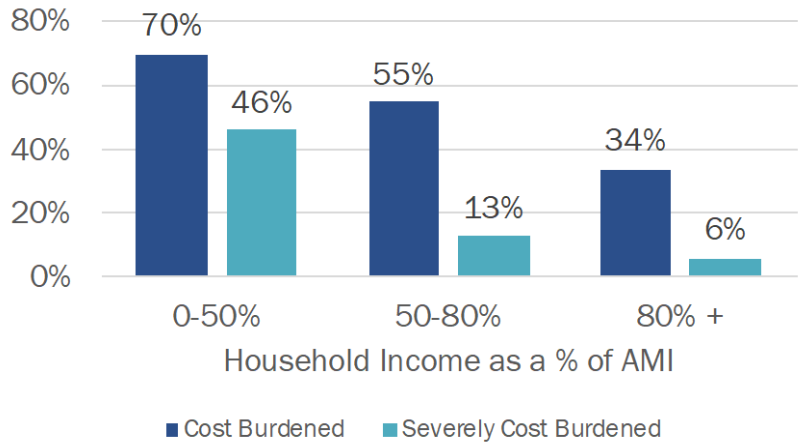
A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of gross household income for housing, including payments and interest or rent, utilities, and insurance. The Department of Housing and Urban Development's (HUD) guidelines indicate that households paying more than 30 percent of their income on housing experience "cost burden" and households paying more than 50 percent of their income on housing experience "severe cost burden."

During the 2012-2016 period, 75 percent of renters and 70 percent homeowners earning less than 30% of AMI were cost burdened, along with 20 percent of renters and 55 percent of homeowners earning between 30% and 50% of AMI (CHAS, 2012-2016).

Of Burien's homeowner households (earning 50% of AMI or less), 70 percent were cost burdened and 46 percent were severely cost burdened.

Figure 30. Cost Burdened and Severely Cost Burdened Homeowners, Burien, 2012-2016

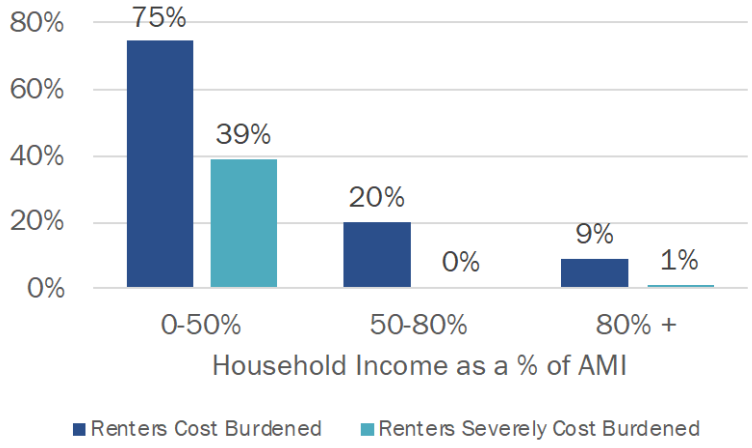
Source: CHAS (5 year 2012-2016).



Of Burien's renter households (earning 50% of AMI or less), 75 percent were cost burdened and 39 percent were severely cost burdened.

Figure 31. Cost Burdened and Severely Cost Burdened Renters, Burien, 2012-2016

Source: CHAS (5 year 2012-2016).



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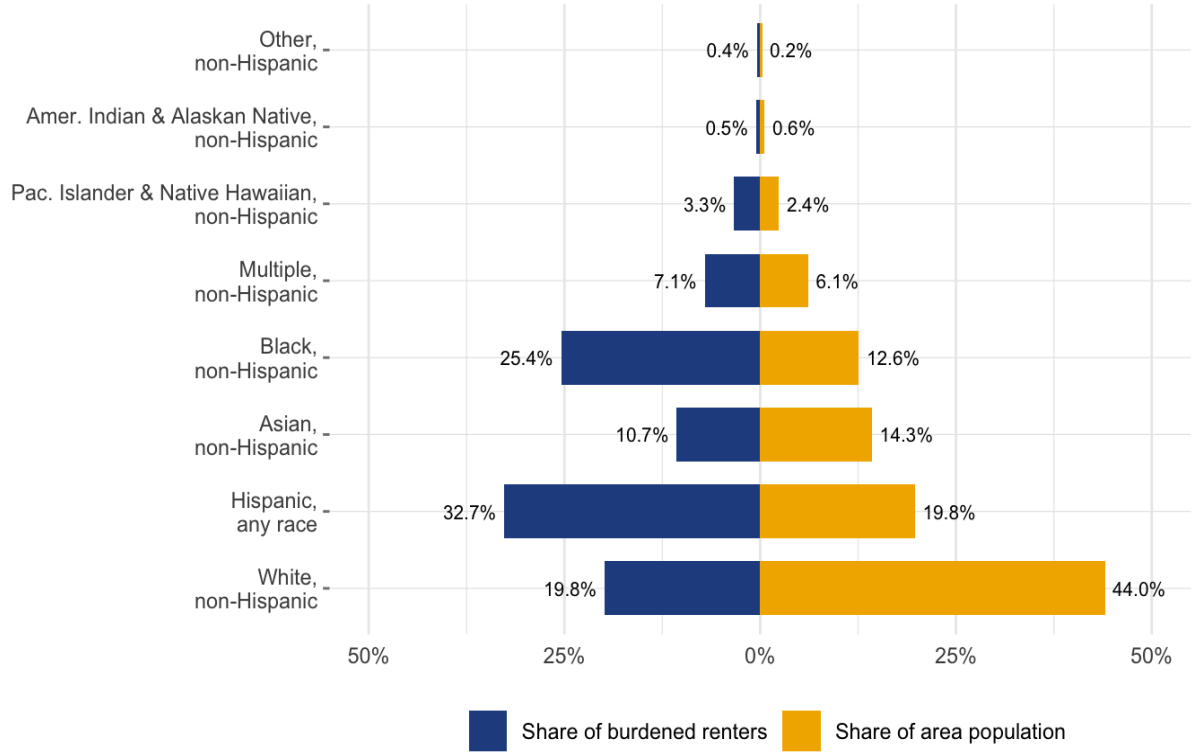
In the Burien area, households of color account for a disproportionate amount of households experiencing cost burdening, compared to their share of total populations.

Hispanic households of any race account for almost 33 percent of all the households experiencing cost burdening, yet they only account for 20 percent of total Burien-area households.

Non-Hispanic Black and African American households account for 25 percent of all cost burdened households despite accounting for less than 13 percent of total households. Black households are disproportionately cost burdened.

Figure 32. Cost Burdening by Race and Ethnicity, Burien PUMA[12]

Source: ACS (5 year 2014-2018)



Housing Affordability, with Transportation Cost Considerations

The standard definition of cost burden (more than 30 percent of household income spent on housing costs) does not factor transportation costs into that ratio. However, today, housing advocates and economic research stress the importance of considering transportation costs in affordability analyses, because many households relocate to the outer edges of metro areas in seek of affordable housing, thereby increasing their transportation costs to city centers.

[12] The Burien PUMA includes the City of Tukwila. Analyzing cost burdening by race and ethnicity requires using PUMS data. As described in **Error! Reference source not found.** on page 15, PUMS data are only available by the PUMA geography which contain about 100,000 people.

Center for Neighborhood Technology publishes a Housing + Transportation Affordability Index (most recently as of 2017), providing a ready-made data source for assessing the possible transportation cost burdening of Burien residents. The H+T Index calculates, through a series of statistical models, the transportation and housing costs for the "regional typical" and "regional moderate" household; "typical" meaning a household earning the regional AMI with the regional average number of commuting workers and persons per household, and "moderate" meaning a household earning 80% of AMI (but having the same number of workers and persons per household).

For the Seattle metro region, the "regional typical" household as the following attributes according to the H+T Model:

- Income: $70,475
- Commuters: 1.19 workers
- Household Size: 2.54 people

While the index considers the "regional moderate" (80% AMI) household as:

- Income: $56,380
- Commuters: 1.19 workers
- Household Size: 2.54 people

In Burien, the model estimates that a "typical" household would spend about 44 percent of its income on housing and transportation costs, while a "moderate" household would spend about 52 percent of its income on these necessities. This compares to 46 percent and 54 percent for households in Seattle, and 55 and 65 percent for households in Bellevue (see Figure 33).

Figure 33. 2017 Housing + Transportation Costs as a Percent of Household Income, South King County Jurisdictions and Comparable Areas

Source: Center for Neighborhood Technology Housing + Transportation Affordability Index

Name	H+T costs as % of income - 100% AMI	H+T costs as % of income - 80% AMI
Auburn	45%	52%
Bellevue	55%	65%
Burien	**44%**	**52%**
Federal Way	44%	51%
Kent	44%	52%
Renton	46%	54%
Seattle	46%	54%
Tukwila	39%	46%

Future Housing Needs

PSRC forecasts that by 2040, Burien will comprise a population of 58,460 people. Based on Burien's population estimate for 2018 (52,000 people), Burien is forecast to grow by 6,460 people by 2040 (12 percent), at a growth rate of 0.53 percent. While Burien is forecast to grow at a slower rate than it has in the past, its population growth will continue to drive future demand for housing in the City over the planning period.

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Based on Burien's forecasted population growth, the City is projected to need 3,435 new dwelling units between 2020 and 2040, at an average trajectory of 172 new units per year through 2040. Accommodating the annual development trajectory would require a 64 percent increase from historic, average, annual housing production.

Half of Burien's needed housing units (1,717 units) are needed at price points affordable to households earning 80% of AMI or less.

Figure 34. Housing Units Needed by AMI, Burien, 2040

Source: OFM, 2019; PSRC, 2017; ECONorthwest Calculation.

AMI	# of Units	% of Units
0-30%	481	14%
30-50%	412	12%
50-80%	824	24%
80-100%	344	10%
100%+	1,374	40%
Total	3,435	100%

Development Feasibility Analysis

To inform recommendations about new and revised development incentive programs that can support more housing and more affordable housing, development feasibility was analyzed using several housing prototypes and market data unique to submarkets and different development types across Burien. More information on the feasibility methodology and assumptions can be found in Appendix D.

This development feasibility sensitivity analysis helps identify regulatory and program recommendations that would most effectively advance the City's goals of creating new housing to meet forecast demand and growth, creating a variety of housing types at different price points to meet the needs of current and future residents. The results of the sensitivity tests are summarized in the following sections, and help to inform recommendations for changes to the City of Burien's housing programs and development code.

Under current market conditions, development feasibility is challenged by both market factors (e.g., rents and sales prices that are oftentimes too low to cover construction and land costs) and sometimes by regulatory requirements or by the cumulative effect of regulations and development standards (e.g., residential density limitations in multi-family zones combined with parking requirements and other development standards). As the Puget Sound, and South King County specifically, continue to see housing price increases in the future, development feasibility could improve as rents and sales prices rise to levels that more often cover construction costs. However, in order to meet near term housing needs and support the creation of less expensive and affordable housing, the City of Burien should consider regulatory and program recommendations in this Housing Action Plan.

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Methods

A financial pro forma model was used to estimate the impact on the feasibility of development from hypothetical changes to City of Burien's regulations and / or incentives. Development feasibility impacts of changes to development standards and potential program modifications (e.g., MFTE and inclusionary requirements) were evaluated to understand the impact to *residual land value (RLV),* or the land budget necessary for a development to be feasible.

RLV is an estimate of what a developer would be willing to pay for land given the property's income from leases or sales, the cost of construction, and the investment returns needed to attract capital for the project.

Because RLV is essentially the land budget, higher values indicate better development feasibility. For example, in Burien existing land prices are between $55 and $85 per square foot for Multi-Family zoned properties, so any prototype or development incentive that has an RLV below $55 per square foot, would not be feasible to develop (without free land or discounted land with financial incentives). Figure 35 below demonstrates, for illustrative purposes only, how RLV results are presented and compared to existing land prices.

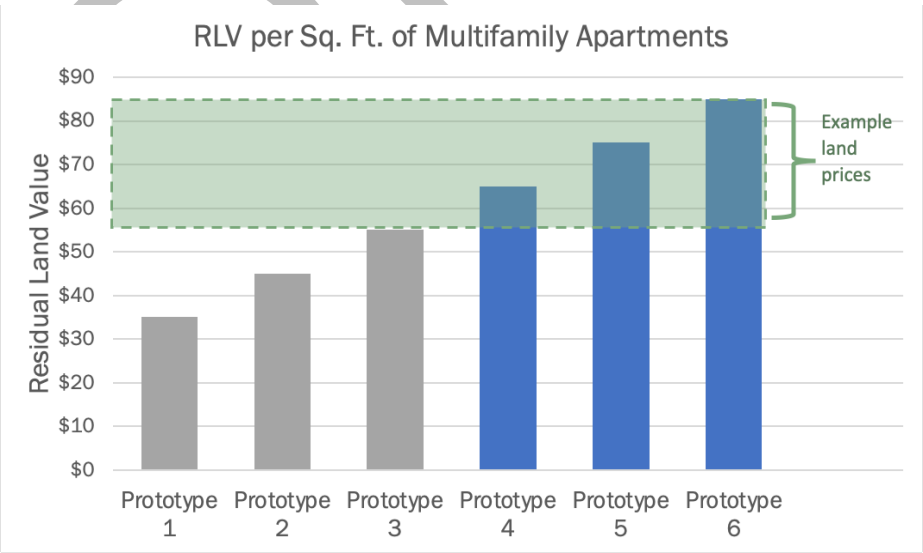
In this scenario, for development to be feasible the bar for each prototype needs to meet or exceed current land price thresholds identified in the green box. Gray bars indicate prototypes that result in an RLV that does are not high enough for development to be feasible blue bars indicate development that can occur given the price of land.

Why Use the Residual Land Value Method?

While there are other quantitative methods for calculating regulatory and incentive changes, such as an internal rate of return (IRR) threshold approach, all of the potential methods share drawbacks regarding the quality of inputs and sensitivity to those inputs. An advantage of the RLV approach is that it does not rely on land prices as an input. Rather, observed land prices can be compared with the model outputs to help calibrate the model and ensure it reflects reality.

Figure 35. Illustration of residual land value per square foot

Source: ECONorthwest



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Data Sources

2019 and 2020 real estate data[13] were gathered from multiple sources including CoStar, Zillow, RS Means, King County Assessor, and various interviews with local developers and real estate experts, to use as inputs for the RLV analysis. These data included building program assumptions (e.g., unit mix, parking ratios, floor heights), operating assumptions (e.g. sales prices, rents, vacancy, operating costs), development cost assumptions (e.g. hard costs, soft costs), and valuation metrics (i.e. return on cost and yield thresholds). The initial results were tested against recent projects and land prices.

Prototypes

To complete the RLV pro forma analysis, example residential developments (referred to as *prototypes*) were modeled that conformed to existing City of Burien zoning standards, and then tested prototypes that did not conform to City of Burien zoning standards – to evaluate the feasibility impacts of changing density limits and parking ratio minimums. This included two common building forms of multi-family residential development: (1) wood frame apartments with surface parking and (2) wood frame apartments above one or more levels of a concrete podium with structured parking (either below or above grade). For simplicity, these development types are referred to as *wood frame* and *podium*.

The City is interested in supporting transit-oriented development (TOD) along the Ambaum transit corridor, to provide transit accessible housing to the future RapidRide H line. For the Ambaum transit corridor, prototypes allowed in the existing Multi-Family zones were analyzed along with additional prototypes that could be allowed with higher residential density allowances and lower parking ratio minimums. The analysis also identified a land value hurdle rate for various prototypes evaluated.

In Downtown Burien, the current Downtown Commercial zone standards were referenced to define the initial set of prototypes, and the model then tested the following: revised parking ratios, the existing 8-year and 12-year Multifamily Tax Exemption (MFTE) programs, and the impact of an inclusionary zoning program both on its own, as well as packaged with other incentives such as MFTE and reductions in parking requirements.

Potential Incentives

This analysis evaluated a number of regulatory and financial incentives to make recommendations that implement the housing policies and strategies identified in the Burien *Urban Center Plan*:

1. Reduce Parking Requirements
2. Adjust MFTE Program

[13] The real estate data collected in 2019 and 2020 reflect market conditions before the economic impacts of Covid-19. The pandemic and economic recession are likely to impact development viability in multiple ways. The results of this analysis presented in this memo do not reflect these effects and likely future reality.

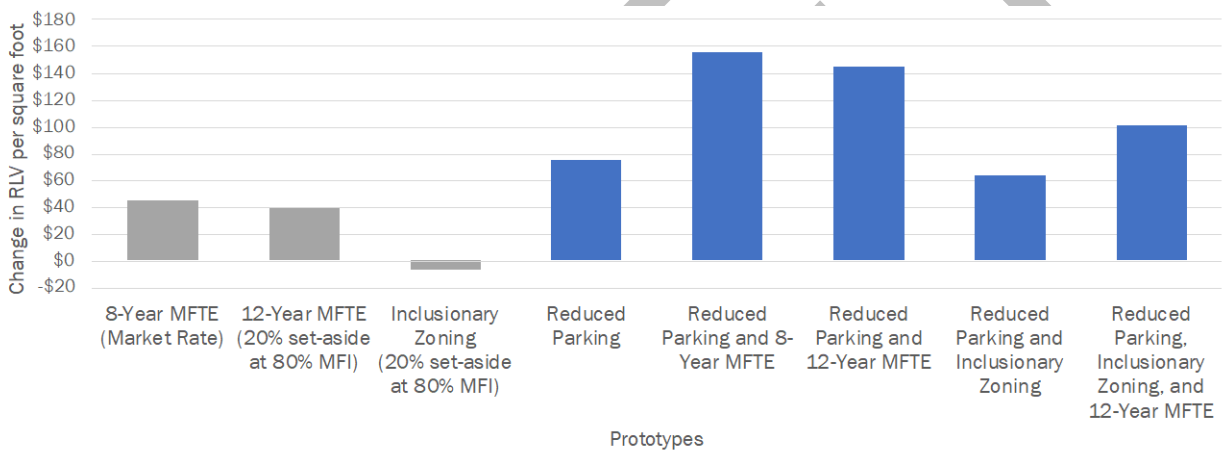
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3. Establish an Inclusionary Housing Program
4. Modify Development Standards
5. Create MFTE Program in Future Transit Corridors
6. Allow Middle Housing types in Single-Dwelling Zones

The results shown in Figure 36 highlight the analysis outcomes of financial incentives as well as changes to minimum parking requirements. Grey prototypes are allowed under current Burien zoning code and existing programs, while blue prototypes would require modifications to parking standards and existing programs. The blue prototypes also summarize the cumulative effect of different combinations of incentive options.

Figure 36. Net Residual Land Value (RLV) per Square Foot for Prototypes in Downtown Commercial Zone, City of Burien

Source: ECONorthwest calculations using data from CoStar, Zillow, RS Means, King County Assessor, 2019-2020. Notes: residual land value (RLV), Multifamily Tax Exemption (MFTE), Median Family Income (MFI).



Incentive Option 1: Reduce Parking Requirements

Definition: The current parking requirement for multi-dwelling buildings in downtown Burien is 1.8 spaces per unit. Reducing this requirement could help make development projects more financially feasible.

Analysis: This analysis evaluated two parking minimum scenarios:

- Current parking requirements for multi-dwelling units (1.8 parking spaces per unit)
- A hypothetical 1.0 parking space per multi-dwelling unit parking standard.

Results: Reducing parking requirements by 0.8 spaces per unit increases development feasibility at a rate even higher than current 8-year and 12-year MFTE programs. These improvements to development feasibility are primarily due to increased revenue generated by reallocating parking areas to revenue-generating housing development. In the 1.8 parking space per unit scenario, parking space represents nearly 53 percent of total gross square feet in a prototypical development while in the 1.0 parking space per unit ratio, 40 percent of gross square footage is dedicated to parking. This also translates to an increase in the number of

residential units in the lower parking scenario. The 1.0 space per unit scenario achieves 182 residential units while the 1.8 space per unit scenario achieves 103 residential units.

Implications: Reduced parking incentives are only effective when the market supports reduced parking ratios and transit access to regional employment destinations is available. As a close-in suburban jurisdiction, with a relatively compact urban form in the downtown core, and existing and planned transit services to employment destination throughout the region, Downtown Burien is well positioned to evaluate and modify parking standards to support both housing outcomes and urban form outcomes identified in the Urban Center Plan.

Incentive Option 2: Adjust MFTE Program

Definition: The City currently offers both an 8-year MFTE program and a 12-year MFTE program. The 8-year program offers a shorter tax exemption horizon, this program does not require any affordability restrictions, but instead acts as a development incentive by reducing operating costs (property taxes) and improving feasibility. The current 8-year MFTE program is effective in supporting residential and mixed-use development in Downtown Burien that otherwise would be challenged by market factors. The 12-year program offers a longer tax exemption horizon, but does require affordability restrictions for the duration of the tax exemption. The affordability restrictions under the 12-year program are structured that 20 percent of units in a project are required to be available at rents at or below 80% of AMI.

Analysis: The development feasibility impacts of 8-Year MFTE program, 12-year MFTE program, reduced parking requirements, and inclusionary zoning requirements were evaluated. This analysis also evaluated the cumulative impacts of various incentives and requirements for a comprehensive evaluation of incentives and requirements that would help support development of new market rate housing as well as the development of regulated affordable housing under the 12-year MFTE program and potential inclusionary requirements.

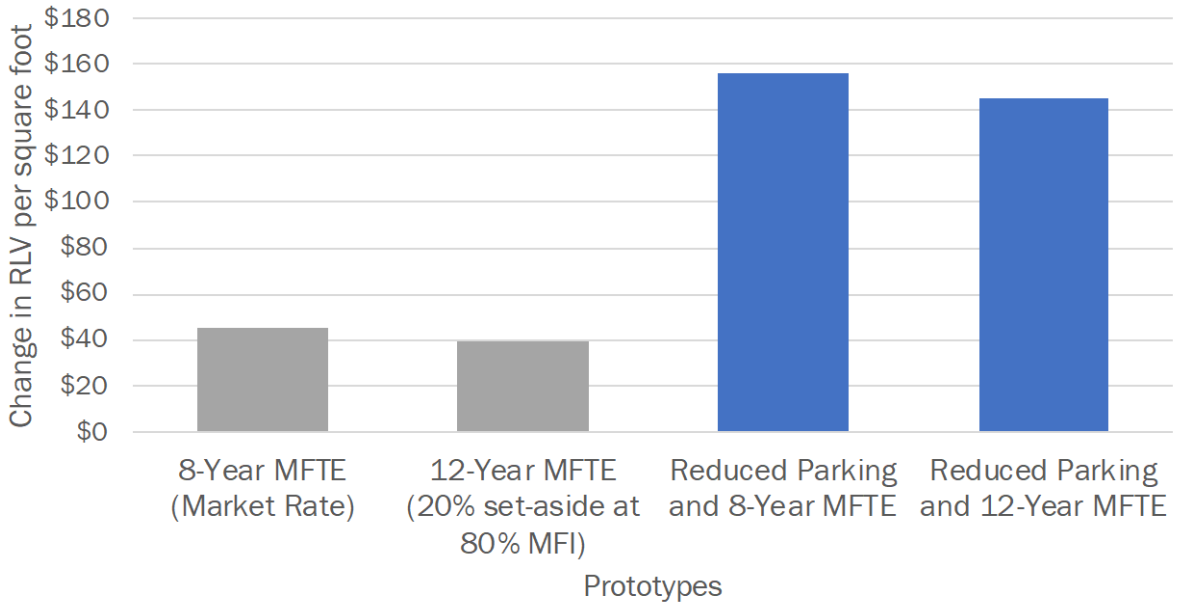
Results: The feasibility analysis indicates that the 8-year MFTE program provides a slight advantage in terms of development feasibility over the 12-year program. However, both programs generate meaningful incentives for development in Downtown Burien. The findings are consistent with the performance of the MFTE program since it was developed in 2004. Since 2004, 228 total housing units have been built under the 12-year MFTE program, 124 units were built under the now cancelled 10-year MFTE program, and 115 units were built under the 8-year MFTE program.

Expansion of the MFTE program creates foregone tax revenue for the duration of the program period. The fiscal impact of an MFTE program will be dependent on market conditions over time, geographic expansion of the MFTE program, and the duration of tax exemption.

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Figure 37. Feasibility Impacts of 8-Year and 12-Year MFTE Scenarios, in the City of Burien

Source: ECONorthwest calculations using data from CoStar, Zillow, RS Means, King County Assessor, 2019-2020. Notes: residual land value (RLV), Multifamily Tax Exemption (MFTE), Median Family Income (MFI).



Implications: Both the 8-year and 12-year MFTE program options provides meaningful development incentives in Downtown Burien where market constraints currently make development of higher density residential and mixed-use development difficult. While the 8-year MFTE program provides a slightly higher benefit than the 12-year program, both programs perform similarly.

Incentive Option 3: Establish an Inclusionary Housing Program

Description: Affordable housing requirements, often referred to as inclusionary housing or inclusionary zoning, require or encourage developers to contribute to the public benefit of affordable housing. This often takes the form of either providing affordable units within a new or renovated market rate project, building or renovating new affordable housing off-site but in conjunction with a new market rate development, or paying a fee-in-lieu of providing the affordable housing on or off site. These programs can be mandatory or voluntary and can apply to residential development as well as commercial development. Beyond development feasibility impacts, inclusionary housing policies can have an impact on property level development decisions as investors and developers evaluate increased regulatory requirements and program reporting requirements relative to regulatory environments in other nearby jurisdictions.

Analysis: An inclusionary housing program was modeled that would provide developers with targeted incentives in exchange for setting aside 20 percent of units at 80% of AMI rents.

Results: Current market rents for new construction multifamily apartments in Downtown Burien are not far above current 80% of AMI affordable rent limits for King County. Subsequently, the

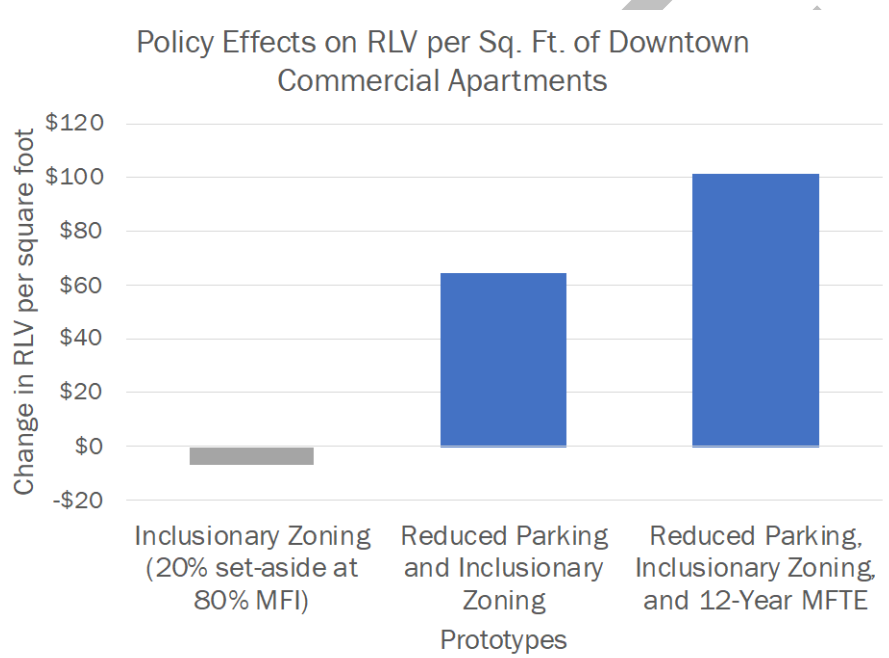
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impact to development feasibility in current market conditions from an inclusionary zoning program are not as large as other higher rent markets throughout King County and the Puget Sound. However, inclusionary zoning requirements could have more pronounced negative impact on development feasibility in the future if the gap between market rents and affordable rents grows. Additionally, development feasibility for higher density development is already challenged by market conditions and inclusionary requirements with limited new incentives creates additional barriers to realizing more dense housing in Downtown.

Our analysis finds that an inclusionary housing program, targeted at 80% of AMI rents with a 20 percent set-aside, paired with reduced parking requirements and tax exemptions could perform. However, the City would want to explore additional incentives like reduced fees or expedited permitting to help offset the impacts to feasibility.

Figure 38. Feasibility Impacts of Inclusionary Zoning Scenarios

Source: ECONorthwest calculations using data from CoStar, Zillow, RS Means, King County Assessor, 2019-2020. Notes: residual land value (RLV), Multifamily Tax Exemption (MFTE), Median Family Income (MFI).



Implications: Inclusionary housing policies can have negative impacts to housing production if not calibrated to work within current market conditions. An inclusionary housing program would require engagement with both private sector stakeholders and community stakeholders to define the outcomes and program structure that would work best in Burien. The City of Burien should explore additional financial and regulatory incentives to support an inclusionary housing program.

Incentive Option 4: Modify Development Standards to Support TOD

Description: The City of Burien could leverage investments from the future RapidRide H Line to support more location efficient housing close to transit through a transit-oriented development strategy. Current zoning along Ambaum Boulevard represents a broad mix of zoning designations with one of the larger concentrations of Residential Multifamily zoning in Burien. Development standards in the RM 18, RM 24, and RM 48 zones may not be conducive to supporting development with the goal of increasing housing options and creating housing in high opportunity locations.

Analysis: The analysis modeled current development standards (e.g., residential density allowances, setbacks, recreation space requirements, and parking requirements) in the RM 18, RM 24, and RM 48 zones to understand where regulations are negatively impacting development feasibility and housing production. Hypothetical development standards were also tested to optimize the industry standards for wood-frame apartments with surface parking and podium development types. The analysis evaluated additional density limits (60 dwelling units per acre and 70 dwelling units per acre) along with a range of lower parking ratios (1.0 to 1.5 stalls per unit as compared to 1.8 stalls per unit) and per unit recreation space requirements (100 to 150 square feet per unit instead of 200). Modifying these development standards allows an evaluation of the various development feasibility impacts of changes to the zoning. The analysis also evaluated all site transactions over the three years for RM 18, RM 24, and RM 48 zoned parcels to understand the land budget that would be required for development to be feasible.

Results: This analysis highlighted some regulatory barriers that prohibit the development of housing, that is financially feasible, in the existing RM 18, RM 24, and RM 48 zones . This analysis found that development is not feasible in these zones in current market conditions due to a combination of impacts from existing development standards, specifically density limitations, parking requirements, and recreation space requirements. Figure 39 summarizes the RLV for prototypes allowed under existing development standards in the gray bars, whereas the blue bars show results for the hypothetical development standards. The range of average land prices for these zones is identified in the green band in this chart. When the bars do not reach or exceed the lower bounds of the existing land prices identified in the green band, development of those prototypes is not feasible.

- Residential density limitations in the current zoning along Ambaum Boulevard don't allow for multifamily developments to be financially feasible – developments need at least 60 dwelling units per acre (DUA) in order to pay for land and approach financial feasibility.
    - This finding indicates that redevelopment in these zones will be limited and that current uses in these zones are the highest and best use under current market conditions. When development does occur in these zones, it would occur on the few remaining vacant parcels throughout the City.

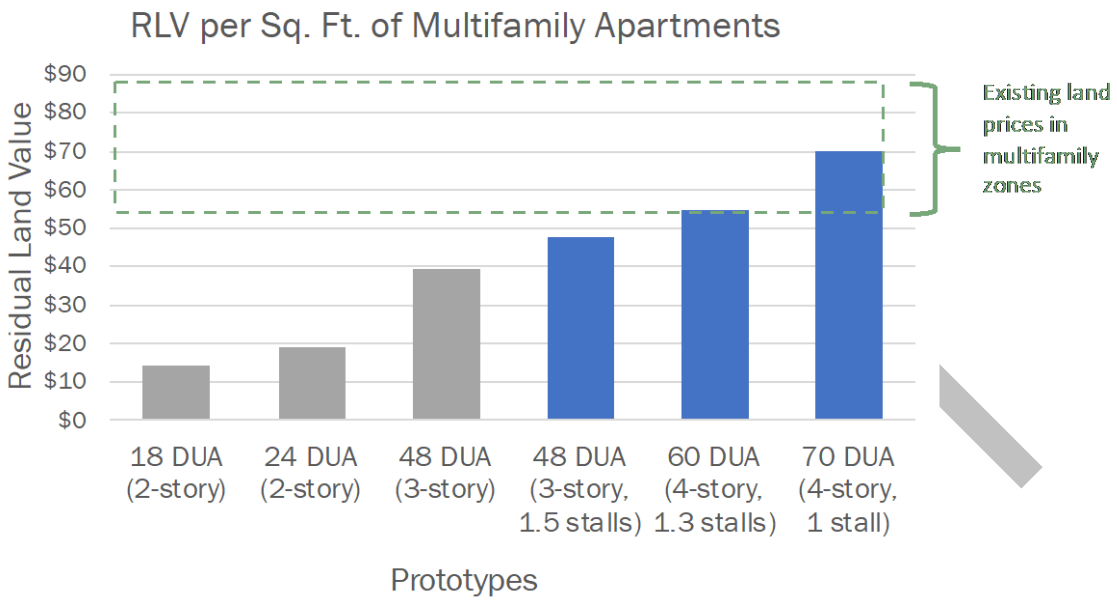
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- Increasing density allowances alone does not make development feasible. Modifications to other development standards, like multi-dwelling parking ratios and recreation space requirements, will need to accompany the density increases.
    - While development in RM 18 and RM 24 zones can meet the requirements for parking and recreation space, development in the RM 48 cannot. To meet parking requirements in the RM 48 zone, a development project is not able to reach the density limits and can only functionally build closer to 44 dwelling units per acre instead of 48. Parking requirements, along with other development standards such as setbacks above 35 feet and on-site amenity space requirements, limit the ability for a development project to efficiently provide parking in a combination of surface parking, tuck-under parking, and a single story of structured parking. Existing parking requirements, that would otherwise force underground parking or multiple levels of structured parking, push multifamily development in these areas into development types that are not financially supported by current market conditions in Burien.
    - For development projects to reach 48 DUA, parking requirements would need to be reduced from 1.8 stalls per unit to 1.5 stalls per unit (or lower) and recreation space requirements would need to be reduced from 200 square feet to around 125 square feet per unit (or approximately 15 percent of site area).
    - To reach the higher residential densities modeled, which are financially feasible, parking requirements and recreation space would need to be reduced further. For developments to create enough residential area to support the cost of building and purchasing land, parking ratios would need to be reduced to at least 1.0 to 1.3 stalls per unit to achieve residential densities of 70 dwelling units per acre and 60 dwelling units per acre, respectively. Additionally, recreation space would need to be reduced to around 100 square feet per unit (or approximately 15 percent of site area).

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Figure 39. Multi-Family Zoning Development Feasibility

Source: ECONorthwest calculations using data from CoStar, Zillow, RS Means, King County Assessor, 2019-2020. Notes: residual land value (RLV), Multifamily Tax Exemption (MFTE), Median Family Income (MFI).



Implications: Supporting multifamily residential development, consistent with current development industry standards in the region to support transit-oriented development, would require modifications to density and development allowances (such as parking and recreation space). Creating optimal residential densities along transit corridors, like Ambaum Corridor, would require allowing at least 60 dwelling units per acre and reducing parking requirements to 1.3 spaces per residential unit and reducing recreation space to 100 square feet per unit. With a 1.0 space per unit parking requirement, this same development prototype could provide up to 70 dwelling units per acre within the same physical form and reach an RLV that is well within feasibility for current market conditions and land prices.

Current market conditions in future transit corridors do not support feasible podium residential or mixed-use development. The introduction of additional rapid transit service along with public realm and right-of-way improvements will help create additional amenity value that could increase project revenues. However, given current achievable rents and construction costs across Burien, podium scale development faces market constraints.

Incentive Option 5. Create MFTE Program in Future Transit Corridors

Description: While modifying development standards and zoning allowances to support transit oriented in future transit corridors could help create new housing, financial incentives such as the current MFTE program can help both support new development and achieve affordable housing.

Analysis: This analysis evaluated the development feasibility outcomes of applying both the 8-year and 12-year MFTE program in the Ambaum Corridor (See Figure 40).

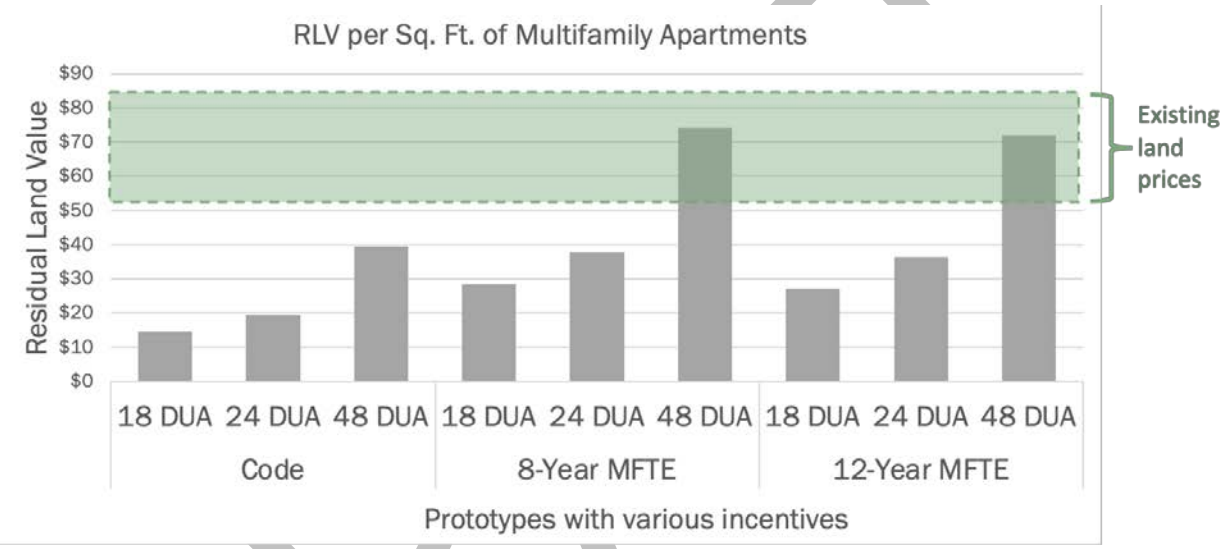
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Results: Even with an MFTE program in place, development would still not be feasible with current parking requirements and density limitations in the RM 18 and RM 24 zones. However, MFTE does perform well with current parking requirements and density limitations in the RM 48 zone. Both 8-year and 12-year MFTE programs would support development feasibility in the current RM 48 zone. The scenarios where an MFTE program is applied to the RM 48 zone perform at least as well as allowing residential densities up to 70 dwelling units per acre and reducing parking requirements to 1 stall per residential unit without any MFTE programs.

Figure 40. MFTE Performance in Transit Corridors Under Existing Zoning

Source: ECONorthwest calculations using data from CoStar, Zillow, RS Means, King County Assessor, 2019-2020. Notes: residual land value (RLV), Multifamily Tax Exemption (MFTE), Median Family Income (MFI).

Note: All of the prototypes in Figure 40 assume existing parking requirements



Implications: The City could offer to apply either the 8-year or 12-year MFTE program in combination with allowing residential densities at 48 dwelling units per acre (current density allowances in the RM 48 zone) to support development feasibility in future transit corridors.

Incentive Option 6: Allow Middle Housing Types in Single Dwelling Zones

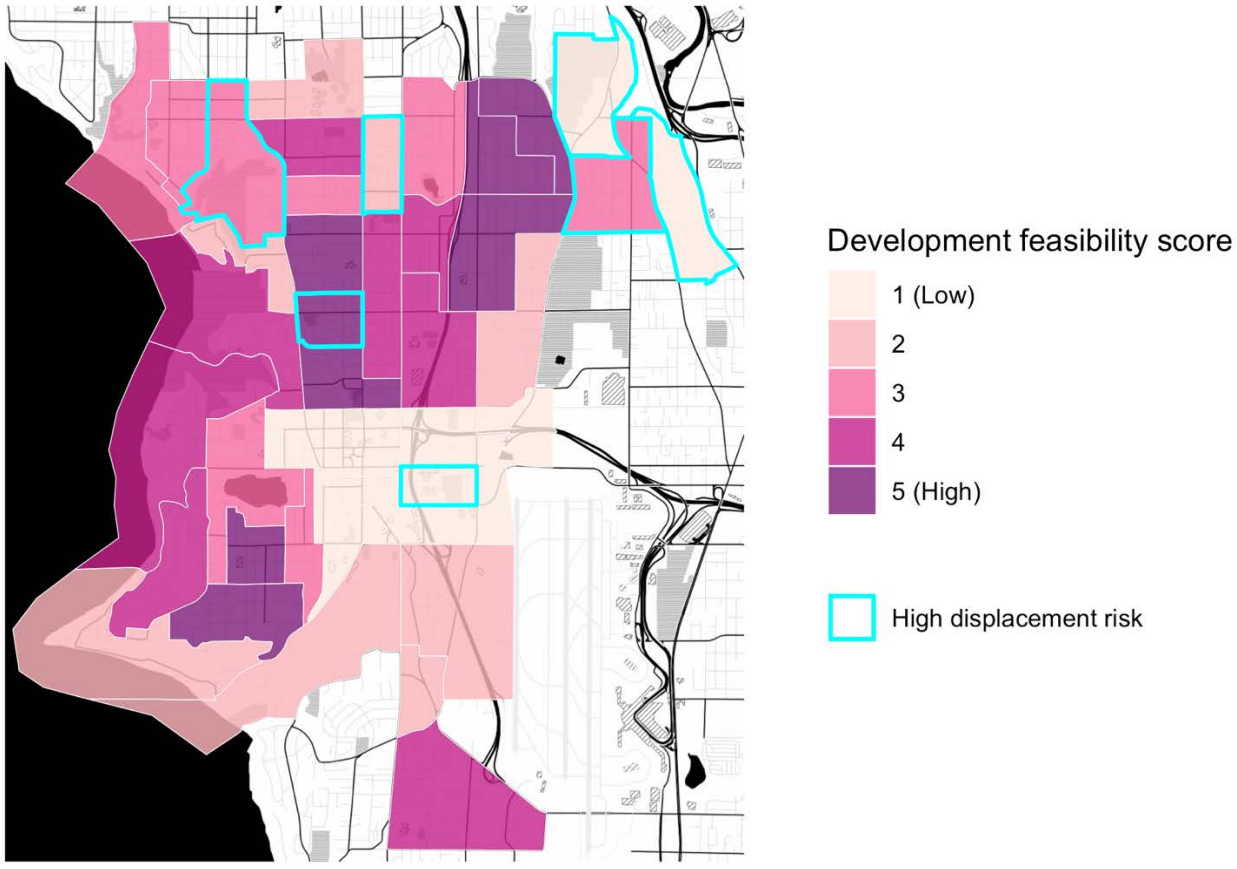
Description: The current housing supply in Burien does not meet the needs of many community members who have different housing needs, including seniors, empty nesters, small families, and young people who find the transition to single-family homeownership out of reach due to student loan debt, underemployment, or high rents that prevent saving for a down payment. The number of households with these unmet needs is also projected to increase as the community's demographics change over the next several decades. Because middle housing units are generally smaller than traditional single-family housing, they are usually more affordable and generally found between 80% and 120% AMI and can provide lower barrier to entry opportunities for ownership housing. Middle housing is housing that is generally built at a scale similar to single-family homes but in residential densities that are higher than traditional detached construction types.

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Analysis: This analysis evaluated development feasibility in single dwelling zones across Burien to identify which areas of the City have market conditions that would support middle housing types. This analysis identified categories of market strength by testing the feasibility of a triplex prototype as proxy for all middle housing development types. When evaluating development feasibility and utilization of middle housing allowances, FAR, lot size, and parking requirements interact with each other to determine the amount of floor area that can be built on the site, which drives the unit size.

Results: The market conditions in most areas of Burien would broadly support feasibility of middle housing types, as shown in Figure 41, and create additional housing options to meet a broader range of housing needs for Burien residents.

Figure 41. Middle Housing Development Feasibility



Implications: Middle housing policies can be helpful to create housing options for households that are looking for something small and less expensive than a detached single family house but in a different housing type than multi-family apartments. A middle housing strategy should also be structured to advance housing element goals.

Displacement Risk Analysis

Displacement occurs when a household is forced to relocate as a result of changes in the housing market, either because their housing is being redeveloped or undergoing major renovations or due to their housing costs increasing faster than they can afford. With escalating regional housing prices and new housing development occurring, some existing residents in Burien may be at risk for displacement. The overarching intent of examining displacement risk is to help the City of Burien proactively identify residents that may be at risk and help inform strategies for preventing and minimizing displacement.

The analysis of displacement risk focuses on six indicators and builds off PSRC's Displacement Risk Mapping tool for a more geographically nuanced understanding of displacement risk in Burien. Certain households are more susceptible to displacement than others. These include renter households, low-income households, and households who are more likely to experience housing discrimination (including communities of color, seniors, and other marginalized communities).

Calculating Risk

The analysis of socioeconomic and demographic displacement risk was modeled after PSRC's Displacement Risk Mapping Tool. Six variables were evaluated at the block group level:

- Percent of population that is a race other than non-Hispanic White
- Percent of households that speak a language other than English at home
- Percent of population ≥25 who lack a bachelor's degree
- Percent of households that are renters
- Percent of households paying more than 30 percent of gross income on housing
- Per capita income

See Appendix D on page 98 for data and methods.

Types of Displacement

There are typically three types of displacement:

- **Economic or indirect displacement.** Economic displacement can occur if new development or redevelopment in an area rents or sells at higher price points that encourage owners of existing units to increase rents, and these increases exceed what existing tenants can afford. The effects of (re)development renting at market rates may spill over to lower-cost rental units, causing rents to rise and potentially displacing existing residents. Economic displacement can happen without new development or redevelopment, when high demand and low housing supply push prices up. Economic insecurity and displacement are very important for existing communities, but is difficult to measure quantitatively.
  - Low-income households are at high risk of economic displacement as they have fewer choices about where they can afford to live.
- **Physical or direct displacement.** Physical displacement occurs if existing housing is torn down for redevelopment and existing tenants are displaced. This only occurs when development or redevelopment is feasible. In some cases, public programs could encourage displacement by incenting a developer to rehabilitate or replace older, low cost housing (unregulated affordable housing) with newer, higher-priced units. This could lead to the direct displacement of existing residents, who may not be able to afford the higher rents in the new development.

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- In theory, any type of household could be at risk of physical displacement due to a new development demolishing their current housing. But in reality, low-income households, households of color, immigrant households, and other marginalized populations are at higher risk of physical displacement. Wealthy or "powerful" households are at lower risk of direct displacement, as they may not live in areas experiencing new development, and they may hold sway over decision makers or otherwise know how to exert influence in the process.

- **Cultural displacement** occurs when people move because their neighbors and culturally-relevant businesses and institutions have left the area. The presence (or absence) of these cultural assets can influence racial or ethnic minority households in their decisions about where to live, more than for broader populations. While this is difficult to measure, and one could consider whether these are "choices" or whether this is "forced" displacement, it is an important effect that can have broad equity implications beyond physical or economic displacement alone. Cultural displacement can also include business displacement. While cultural displacement is very important for existing communities, it is very difficult to measure quantitatively.
    - Marginalized communities – be they low-income, a specific race or ethnicity, or another group of people – are at higher risk of cultural displacement than dominant communities. When businesses and housing that serves these communities leave or are removed, people can feel pushed out of their neighborhoods.

Areas with Displacement Risk

Figure 42 below shows a combined analysis of residential development feasibility and socioeconomic and demographic variables that have been used to measure displacement risk. The layering of both development feasibility and socioeconomic characteristics for each block group in Burien shows the neighborhoods that have the highest risk for all three types of displacement.

It is important to note however, that the data only goes so far, and more conversations and analysis are needed to truly understand displacement risk. A deeper dive into economic displacement resulting from the spillover of new development requires a robust analysis of new and existing rent trends, which is beyond the scope of this work. More analysis is needed to understand this risk. In addition, actually measuring cultural displacement is difficult, and not quantifiable from data. It requires qualitative information from in-person engagement with people living near new development.

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Figure 42: Combined Displacement Vulnerability Risk & Development Feasibility

Source: ECONorthwest analysis of King County Assessor Data, US Census Bureau ACS



Areas shown in dark turquoise have the highest vulnerability to displacement when considering six different socioeconomic factors of household demographics, but these areas have low development feasibility. These neighborhoods might be at greater risk for economic displacement which can occur even without new development, if market forces – such as an imbalance of housing supply and demand – work to increase rents.

Areas shown in dark blue have the highest combination of development feasibility and displacement vulnerability and would be at greater risk for all three types of displacement – economic, physical, and cultural.

Part 3: Housing Recommendations

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This section describes 12 housing recommendations and the implementation steps that the City of Burien can consider as it works toward encouraging more housing supply of all types and price points for Burien residents. It includes considerations that the City will have to evaluate (such as funding sources or staff time) and the scale at which each recommendation operates, as well as the impacts each may have on affordability and displacement.

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Recommendations

The recommendations advanced in this *Housing Action Plan* were informed by public engagement, data analysis, review of relevant policies and planning documents, staff input, development feasibility, and examples from other jurisdictions. These recommendations can help increase the housing supply, the variety of housing types, and the availability of housing affordable to all income levels in Burien. These 12 recommendations are organized under the following goals, and are not ordered in any rank or priority:

A. Increase affordable housing and prevent displacement
B. Increase both market-rate and affordable housing production in Downtown Burien
C. Support TOD and investments in transit corridors
D. Increase housing options and housing choice

Goal A. Affordable Housing Preservation and Displacement Mitigation

Burien is home to a very diverse population – by age, race, ethnicity, and household composition (e.g., family or non-family household). Housing preservation and anti-displacement recommendations can help to mitigate and minimize the negative effects that often arise from new housing development. Housing preservation and anti-displacement recommendations can expand housing affordability and availability in various ways. Of particular focus is aging housing stock that could be at risk of investment purchases (where they are bought, renovated, and rented at higher prices). This is important in the Census Block Groups identified as high risk for development feasibility and physical displacement.

A1. Track Affordable Market Rate Units

Burien should collect key data on its rental housing properties licensed with the revamped rental housing business license program. To accomplish this, a good starting point would be to expand the reporting requirements of landlords and gather additional information on rental rates and housing prices. This would provide the City with a more detailed inventory of low-cost market rentals (also called naturally occurring affordable housing or NOAHs) across the City, and allow better enforcement of the first right of refusal provisions in the tenants' rights ordinance.[14]

Rationale: Because regulated affordable housing is so difficult and costly to build, the majority of low-income households live in unregulated but affordable housing. However, because these housing units are not regulated, rents can increase by any amount at any time, putting these households at high-risk of housing insecurity and displacement. Given that the City already has a rental housing inspection and licensing program, it could consider expanding the types of

[14] For more information, see https://www.burienwa.gov/news_events/city_newsroom/news_announcements/2019_news_announcements/burien_passes_rental_housing_policies

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data collected from landlords. This would provide a unique, low-cost, and low-barrier way to monitor and track the low-cost market rentals in the city. Regular updated access to this type of data would allow the City to actively monitor the rents and affordability levels of rental housing as well as have readily available contact information for landlords when properties are listed for sale or when tenants report an issue.

Tracking Housing Conditions in Burien

A robust housing monitoring database would include the following. The majority of these datapoints are likely already collected through the annual licensing and inspection process (such as address, size, and landlord contact information), but the database could be more useful if additional information were gathered from landlords. As a start, this type of information could be voluntarily supplied by landlords, with required reporting coming as staffing and organizational capacity allows. In addition, some information may be collected by other city departments (such as code enforcement) or through collaboration with county agencies (such as the King County Housing Authority).

Basic Information

- Property address
- Property size (number of units)
- Year built
- Contact information for the landlord
- Management company (if applicable)
- Inspection results and schedules (with particular attention to any deferred maintenance at the property)
- Property violations or complaints

Additional Information

- Rents by unit type
- Number of renters using rent assistance programs
- Typical unit amenities
- Amenities on site
- Number of units and properties owned by landlord (can be provided in ranges)

Next Steps:

- Develop work plan and identify staffing needs
- Evaluate current fee structure for the licensing program to understand impacts for cost-recovery and staffing needs. Inspections and licensing programs can be structured to be revenue neutral, where fees cover all programmatic expenses.
- Compile and build upon data in the multifamily housing assessment.
- Establish criteria to flag properties at risk, such as those that have low rents, meaningful deferred maintenance, few units (e.g., fewer than 20), non-institutional owners, and those that are located in amenity rich areas, near recent redevelopments, or on high cost land. These factors all increase the risk that a mom-and-pop landlord might look at deferred maintenance needs and decide to sell their property to a willing investor.

A2. Monitor Regulated Affordable Housing Properties

The City should consider a staff program that allows it to monitor its supply of regulated affordable housing. As described in the Housing Needs Analysis section (see page 40), Burien has just under 1,000 units of regulated affordable housing. These properties were all built at different times, with different funding types, and different restrictions on their affordability. They all have various expirations on those affordability restrictions as well.

Rationale: When affordability restrictions end, these properties are at risk of moving to market-rate housing, thereby losing critical affordability for their tenants. This risk is particularly high if properties are owned by private, for-profit companies (nonprofit affordable housing owners and operators will typically work to keep the rents affordable). When affordability restrictions end, properties often need to be recapitalized (get new funding and loans) and or rehabilitated to improve their physical conditions and renew affordability limits. This funding is typically competitive and hard to find. In tight housing markets, for-profit developers may seek properties that need rehabilitations, finance the construction with debt, and then raise the rents to pay for the debt service, thereby removing units from the affordable housing stock.

By monitoring regulated affordable housing properties that are nearing their affordability expiration dates, the City can be a strong partner and advocate, working with the property owners to help secure needed funding and avoid the property returning to market rate.

Next Steps:

- Ensure the City has a relationship with, and proper contact information for all affordable housing property owner-operators in the City.
- Work with these housing providers to ensure data sharing is possible, consider setting up a reporting agreement with reporting information and deadlines.
- Create a database and mapping system to monitor and plan for these upcoming expirations.
- Gain familiarity with the various funding sources that are available to support recapitalization and rehabilitation (see page 103 for a list of national, state, and local funding sources for affordable housing).

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A3. Monitor Neighborhoods at Highest Risk for Displacement and Act with Caution when Proposing Land Use Changes

There are many tools and strategies to monitor displacement risk, only one of which is shown in Figure 42 on page 58. Displacement does not happen equally across the city, as some neighborhoods and some communities are more likely to be economically, physically, or culturally forced from their homes.

The Displacement Vulnerability Risk map in Figure 42 on page 58 shows one point in time and community level demographic changes can occur relatively quickly. The methodology for this analysis is included in this report and could easily be updated regularly by City of Burien GIS staff.

The City should continue to monitor these areas as development occurs, housing market conditions change, or development opportunities continue to rise. Special attention should be paid to historically marginalized communities like communities of color, immigrants, or non-English speaking communities.

In addition, before land use changes are proposed or enacted in areas with high displacement risk, the City should reassess risk and proactively engage with the communities where there are proposed land use changes. The City should develop safeguards in response to its findings.

Rationale: With a nuanced understanding of the areas that might have the most vulnerability to physical, economic, and cultural displacement, the City can employ its anti-displacement recommendations in a geographically-focused way. Many of the tenants living in unregulated affordable properties will be at risk if their building is purchased and rents rise. In addition, city-led changes in zoning allowances and entitlements to allow more intense housing development can increase the chances that households vulnerable to displacement see increased displacement pressures. Consequently, displacement risk should be assessed before rezones and safeguards should be developed in response to the findings. Along with the risk metrics provided in Figure 42 on page 58, many other risk and screening tools exist that can be applied.

Next Steps:

- Create an update process for key risk factors associated with displacement risk, using the most up-to-date data over time.
- Focus on historically marginalized communities like communities of color, immigrants, or non-English speaking communities.
- The City could choose to have more targeted outreach in these areas with high displacement risk to better understand the community's desired outcomes relative to proposed zone changes.
- Consider crafting an anti-displacement strategy that could include affordability requirements along with entitlement changes, or choose to preserve existing zoning in areas at high risk of displacement.

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A4. Provide More Tenant Support

The City should explore additional tools and practices to strengthen tenant support in the city. This recommendation suggests enhancing the Tenants' Rights ordinance passed in 2019, and working with community organizations to provide a broad array of community based supports and resources for tenants and renters.

Rationale: Direct resources that support residents in Burien will help minimize and mitigate the effects of displacement pressures. Tenants need to know their rights and feel empowered to maintain their housing, particularly for households belonging to marginalized communities (such as immigrant and refugee communities, communities of color, or low-income communities). Given the diversity of Burien's residents, culturally-specific support and tenants education could go far in empowering residents.

Protecting Tenants' Rights in Burien

In 2019, the City of Burien passed a tenants' rights ordinance designed to protect renters and improve renter-landlord relationships. This ordinance establishes rental housing policies that require criteria for just cause evictions, distribution of information to tenants on rental criteria, installment payments for deposits and fees, notice and first right of refusal to the City when property owners sell housing with below market rate rents, and established the creation of a housing ombudsman.

For more information: https://www.burienwa.gov/news_events/city_newsroom/news_announcements/2019_news_announcements/burien_passes_rental_housing_policies

Next Steps:

Beyond the landmark tenants' rights ordinance, the City could establish, update, or strengthen tenant protections and resources, such as:

- Low-barrier application screening (e.g., Fair Choice Housing or Ban the Box efforts),
- Strengthen enforcement of fair-housing and anti-discrimination policies,
- Create tenant's rights and education resources (e.g., funding for RentWell programs),
- Provide legal aid to tenants
- Require language translation of tenant information for increased education available for immigrant and refugee communities.

A5. Provide Homeowner Assistance

The City should work with community organizations to explore and expand upon a range of homeownership assistance programs. There are many aspects of homeownership assistance that the City could consider, and there are numerous case studies and examples in other cities to look to.

Rationale: A major way to mitigate displacement is by increasing the homeownership rate, particularly for low-income households, households of color (who have historically lower homeownership rates than White households), as well as immigrants and refugees. Displacement often does not affect homeowners, in large part because they have fixed mortgage payments that cannot change without warning (taxes do change but they are a small portion of overall homeownership housing costs). In addition, because lenders size a mortgage

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to a buyer's income and ability to pay, homeowners are less susceptible to cost burdening and housing insecurity, absent a sudden change in income. Because homeowners are largely shielded from larger economic and housing market changes, encouraging homeownership is one of the largest ways to prevent physical and economic displacement. It cannot, however, prevent cultural displacement.

Next Steps: While many homeowner and homebuyer resources require funding, the City can also enhance its partnerships with community based organizations already working in these areas by exploring the following actions:

- Hosting homebuyer education (classes educating renters on the homebuying process),
- Foreclosure assistance and counselling,
- Down payment assistance (funding would need to be identified, and income thresholds would need to be carefully considered to establish eligibility criteria),[15]
- Homeownership weatherization and rehabilitation grants,
- Cooperative ownership housing models (information and guidance for tenants looking to buy-out a landlord and become a cooperative ownership structure),
- Energy assistance and counselling, and
- Community land trust models (which provide shared equity as home prices appreciate, while still maintaining long term affordability).

Goal B. Support New Housing and Affordable Housing in Downtown Burien

The City identified a number of recommendations to help to support new affordable housing in downtown Burien, based on the results of the feasibility analysis conducted on page 44.

Many factors affecting housing production are out of the control of public agencies – such as rent and home prices, costs of labor and materials, and population growth. Many partners and housing providers will ultimately be involved in spurring new housing development. While the public sector can play a lead role in setting the stage for change, implementing these recommended actions will require ongoing coordination with many departments, jurisdictions, developers, and the general public.

B1. Reduce Parking Requirements

Burien should consider reducing by-right parking requirements from its current requirement of 1.8 spaces per unit to 1.0 space per unit for multi-dwelling residential uses in the Downtown Urban Center. Parking requirements should be paired with other regulatory and/or financial incentives to support affordable housing production or transit-supportive housing. Under

[15] Incomes need to be high enough and stable enough to support the mortgage payment, but low enough to qualify.

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current city code, parking may be reduced by a parking demand study for multi-dwelling development (BMC 19.20.040(3)).

Rationale: For Downtown Burien, one of the most impactful changes that the City could make to support increased development feasibility and more housing is to reduce parking requirements. While a development project could modify parking requirements with the approval of a parking demand study, this process in and of itself can create a market barrier to development. When lenders and developers evaluate the feasibility of a project, certainty of development requirements are critical to evaluate project hurdle rates at the beginning phases of due diligence.

Next Steps:

- Work with stakeholders (residents, associations, developers, business owners) to identify priority areas for reduced parking requirements for multifamily housing.
- Solicit input and considerations for the areas in which the reduced parking would apply.

B2. Expand the 8-year and/or 12-year Multifamily Tax Exemption (MFTE) Program

Burien should consider expanding the 8-year and 12-year MFTE program outside of the current mapped area in Downtown Burien to other areas in the mixed-use center, mixed-use corridor, and urban residential place types identified in the *Urban Centers Concept Report*. The City should consider expanding the MFTE program with the 12-year affordability requirements to capture value from the financial incentive. This expansion of the 12-year program should also be packaged with modifications to parking standards.

With the COVID-19 pandemic hurting cities' economic and fiscal outlooks, special consideration will need to be given to the impact of an expanded MFTE program on the City's tax revenues.

Rationale: Broadening the current 8-year MFTE program could support supporting residential and mixed-use development in additional areas beyond downtown Burien that otherwise would be challenged by market factors. Some projects could also benefit from the 12-year program, which offers a longer tax exemption horizon but requires affordability restrictions for the duration of the tax exemption.

Next Steps:

- Consider additional, nuanced study of fiscal impacts and benefits associated with increased housing production (e.g., fiscal cost per unit) and or increased affordable housing (e.g., public benefit/cost per unit).
- Conduct additional outreach with developers, impacted residents, and other stakeholders to determine the best approach to land use changes.
- Solicit input and considerations on the neighborhoods or corridors in which an MFTE program would be most useful.

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- Ensure an evaluation of potential displacement is considered alongside any proposed land use changes.

B3. Create an Inclusionary Housing Program

An inclusionary housing program could be an effective tool to support the creation of long-term affordable housing through mixed-income development in Downtown Burien. For an inclusionary housing program to be effective, the City would need to package affordable housing obligations with financial incentives, regulatory incentives such as reductions to parking standards or bonus entitlements (e.g., increased height and density limits), or process improvements. Current market conditions could prove challenging when implementing an effective inclusionary housing program without a broad suite of incentives to mitigate impacts to development feasibility.

Rationale: An inclusionary housing program could help create more affordable housing. By tailoring a package of incentives to the needs of a particular type of development project, the City can work in partnership with developers to ensure development remains financially feasible while also achieving the community's housing goals.

What is inclusionary housing?

Affordable housing requirements, often referred to as inclusionary housing or inclusionary zoning, require or encourage developers to contribute to the public benefit of affordable housing. This often takes the form of either providing affordable units within a new or renovated market rate project, building or renovating new affordable housing off-site but in conjunction with a new market rate development, or paying a fee-in-lieu of providing the affordable housing on or off site. These programs can be mandatory or voluntary and can apply to residential development as well as commercial development.

Next Steps:

- Explore inclusionary housing policies in areas that have access to existing financial incentives like the MFTE program. The 12-year MFTE program already functions similar to a voluntary inclusionary program by providing the incentive of the tax abatement.
- Explore the tradeoffs associated with on-site inclusionary housing obligations with other program options such as fee-in-lieu payments that could work better with Burien's market conditions while also generating revenue for affordable housing more broadly across Burien. Other jurisdictions across the country use this model to capitalize affordable housing development funds that can be used as local match for other affordable housing finance resources.
- Explore financial and regulatory incentives such as packaging inclusionary housing (IH) with the MFTE program and/or parking reductions and bonus entitlements to create an effective inclusionary housing program in Downtown Burien. Without incentives or financially-beneficial offsets, IH policies decrease development feasibility.
- Track market activity and developer perceptions. The single most important factor for an inclusionary housing program to achieve its goals is a significant and sustained level of market-rate development in the local market. If a community is not currently experiencing a material amount of new development, a voluntary IH policy will not generate a meaningful number of new affordable housing units.

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- Work with stakeholders (residents, associations, developers, housing advocates) to solicit input on the priority locations, set asides, and requirements for the program.
- Ensure an evaluation of potential displacement is considered alongside any proposed land use changes.

Goal C. Support TOD and Investment in Transit Corridors

Transit-oriented development can help advance multiple Comprehensive Plan goals to increase housing supply, leverage investment in transportation infrastructure, creating location efficient housing, increase access to employment, and reduce housing and transportation cost burdening by creating more housing choices near transit. Supporting TOD along transit corridors also advances King County and PSRC housing and transportation goals.

C1. Modify Development Standards to Support TOD

The City of Burien could leverage investments from the future RapidRide H Line to support more location efficient housing close to transit through a transit-oriented development strategy. Current zoning along Ambaum Boulevard represents a broad mix of zoning designations with one of the larger concentrations of Residential Multi-family zoning in Burien. Development standards in the RM 18, RM 24, and RM 48 zones may not be conducive to supporting development with the goal of increasing housing options and creating housing in high opportunity locations.

Rationale: This analysis highlighted some clear regulatory barriers that prohibit development of housing in the RM 18, RM 24, and RM 48 zones. Residential density limitations along with multi-dwelling residential parking and recreation space requirements in the RM 18, RM 24, and RM 48 zones result in residual land values that fall well below average land prices. These findings indicate that redevelopment in these zones will be limited and that current uses in these zones are the highest and best use under current market conditions. When development does occur in these zones, it would occur on the few remaining vacant parcels throughout the City.

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Next Steps:

- Work with the community and stakeholders to develop an urban form and planning vision for housing and land uses adjacent to transit corridors.
- Expand on this analysis to evaluate development feasibility outcomes for mixed-use development and multi-family housing in mixed-use and commercial zones.
- Understand the impact of new transit service on market conditions.
- Create new land use and zoning standards to better accommodate development trends and best practices.
- Evaluate opportunities for to allow for more podium development in a nodal pattern at and around frequent transit stations while allowing for additional residential densities in between stations.
- Ensure an evaluation of potential displacement is considered alongside any proposed land use changes.

C2. Create MFTE Program in Future Transit Corridors

While modifying development standards and zoning allowances to support transit oriented in future transit corridors could help create new housing, financial incentives such as the current MFTE program can help both support new development and achieve affordable housing.

Rationale: MFTE can help support TOD by increasing the feasibility of multi-family and mixed use development along transit corridors. If MFTE was applied in areas planned for frequent transit, such as the Ambaum Corridor, it could increase the financial feasibility of existing zones such as the RM 48 zone. The current development standards in RM 48 create a feasibility gap, but an MFTE program would likely fill that gap and help redevelopment be financially feasible under the existing standards. Both 8-year and 12-year MFTE programs would support development feasibility in the current RM 48 zone but the 12-year program should be explored specifically to increase the supply of affordable housing.

Next Steps:

- Explore the expansion of the 12-year MFTE program to support both housing development and new affordable housing.
- Consider additional, nuanced study of fiscal impacts and benefits associated with increased housing production (e.g., fiscal cost per unit) and or increased affordable housing (e.g., public benefit/cost per unit).
- Conduct additional outreach with developers, impacted residents, and other stakeholders to determine the best approach to land use changes.
- Ensure an evaluation of potential displacement is considered alongside any proposed land use changes.

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Goal D. Increase Housing Options and Housing Choice

The *South King County Subregional Housing Action Framework* identified areas in Burien that have the most likelihood to see "middle housing" development, such as cottage clusters, internal division of larger homes, duplexes, triplexes, and accessory dwelling units (ADUs). It will be important to establish criteria and locations for implementation, such as avoiding areas with higher rates of displacement risk (such as those identified in Figure 42 on page 58).

D1. Allow Middle Housing Types in Single Dwelling Zones

The City should allow middle housing types including cottage clusters, duplexes, and triplexes, in single dwelling zones throughout Burien, with the exception of areas that have the highest rates of displacement risk.

Rationale: The current housing supply in Burien does not meet the needs of many community members who have different housing needs, including seniors, empty nesters, small families, and young people who find the transition to single-family homeownership out of reach due to student loan debt, underemployment, or high rents that prevent saving for a down payment. The number of households with these unmet needs is also projected to increase as the community's demographics change over the next several decades. Because middle housing units are generally smaller than traditional single-family housing, they are usually more affordable and generally found between 80% and 120% AMI and can provide lower barrier to entry opportunities for ownership housing. Middle housing is housing that is generally built at a scale similar to single-family homes but in residential densities that are higher than traditional detached construction types..

Next Steps:

- Start with a review of zoning codes and development standards, and adjust them to allow this type of housing where appropriate. In many cities, these types of moderately-dense housing are illegal in urban areas zoned for single-family dwellings.
  - Identify the zones that would be most suitable for this type of change along with, the types of units allowed, and the size, scale, and development standards of those units.
  - An analysis of suitability should also account for environmental resources such as sensitive floodplains, wildlife habitat, and steep slopes.
  - A public engagement plan to reduce fears about neighborhood change, housing types, and density would be helpful to reduce political or neighborhood opposition. These efforts should include conversations and visualizations on how added density can be designed to blend into communities. HB 1923 sets out example zoning changes, parameters, goals, and also protection from legal challenges.
  - Explore the implications of middle housing regulatory changes on parking. ECONorthwest's previous work on middle housing code development and implementation has found that the cost of providing parking (up to two spaces in

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total for a triplex or fourplex) is not in itself a major issue for feasibility. The returns for prototypes with two off- street spaces are generally only slightly below those with no parking if the average unit size is roughly the same. However, the space dedicated to parking can be an issue if the City limits the building coverage on a lot. If more parking spaces were required (e.g., 1.0 off-street space per unit), this would have more impacts on the possible building footprint and could trigger regulations that require more circulation area (e.g., requiring a turnaround area so that cars do not back out of the driveway). On small lots, even requiring more than 1 parking space per development creates feasibility issues because it limits the potential building footprint.

    - Consider how garages may limit the impact on building footprint, but if they count toward a limited FAR allowance, they take up too much of the limited floor area for a smaller development to make sense in most cases. Since garages are not required–although in some cases they reduce the estimated financial returns–a developer could choose surface parking if that offered a better return and was physically feasible on the site.

- In the near term, create a new zoning designation or a zoning overlay that allows middle housing types in single dwelling zones in high opportunity areas that are close to transit access, commercial services, parks/open space, and neighborhood schools. If this approach is taken, the City should not allow middle housing types in areas with high risks of displacement without the inclusion of affordable units and conduct a land capacity analysis to evaluate the potential development outcomes of any proposed regulations.

D2. Middle Housing Policy Amendment in Burien's Housing Element

The City should acknowledge unique community amenities such as neighborhood schools and parks that can help support a wide range of household types–such as families with children and seniors–who might be interested in more housing choice through middle housing allowances. The City should amend Housing Element policies to allow middle housing in broader areas of the City.

Rationale: Current Housing Element Policy HS 1.13 specifically identifies areas where middle housing would be allowed, but is limited only to areas within proximity to centers, corridors with frequent transit service, and transit stations. Middle housing development standards should be structured to allow for more housing options that fit within the scale and context of existing neighborhoods and should be allowed in more areas than just as a transition from a limited number of transit corridors, stations, and centers. The City should consider amending this policy to support neighborhood level inclusion for a broader range of Burien residents. Historic land use patterns have oftentimes reinforced neighborhood-level segregation in different communities. This system has been reinforced through land use decisions that put artificial housing supply constraints in high-opportunity areas, through lower density single-

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family zoning, which effectively creates areas of exclusivity. One of the goals of allowing middle housing more broadly is to support mixed-income communities.

Next Steps:

- Work with the community and stakeholders to broaden the definition of "high opportunity" neighborhoods to account for amenities beyond transit access that can support economic mobility and mixed-income neighborhoods.
- City staff should work the community and stakeholders to identify areas where middle housing is not appropriate (e.g., areas with environmental constraints, areas with sewer/water infrastructure constraints, or areas with high risk of displacement) and allow middle housing types more broadly throughout neighborhoods in Burien.
- Amend the Housing Element in 2021 as part of the annual Comprehensive Plan Amendment process.

Implementing the Housing Action Plan

In the coming years, implementing the Plan will require the City to balance and coordinate its pursuit of actions, funding, and partnerships with its other policy and programmatic priorities. This section outlines an implementation process that will improve success with advancing this Plan's recommendations.

Develop and Assign Work Programs

The 12 recommendations in this *Housing Action Plan* will require varying levels of effort for the City to implement. Each recommendation will require different levels of partnership, staff time, and will function at varying scales (working at the property, neighborhood or city-wide level). Each of these recommendations lies within the City of Burien's control, but work will span departments and involve meaningful contributions from stakeholders such as City Council, Planning Commission, Human Services Commission, residents, homeowners, neighborhood associations, advocates, developers (both affordable and market rate), and many others. The City will need to assess the varying levels of effort, assign staff, and examine technological solutions to develop work programs that can help complete the needed analysis and initiate important conversations with these stakeholders.

Figure 43 provides an overview of each action. In particular, this figure focuses impact on the City's key goals of increasing housing affordability and lowering displacement risk.

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Figure 43. Summary of Recommended Actions and Implementation Considerations

#	Recommended Action	Considerations/ Next Steps	Ability to Increase Affordability (High, Med, Low)	Ability to Lessen Displacement Risk (High, Med. Low)	Scale (Property, Neighborhood, City)
A1	Track Affordable Market Rate Units	Develop a City program, establish criteria, weigh stakeholder input, explore new ordinances	Med	High	Citywide
A2	Monitor Regulated Properties	Develop a City program and work with housing providers to receive data	Med	High	Property
A3	Monitor Neighborhoods at Highest Risk for Displacement and Act with Caution when Proposing Land Use Changes	Develop/expand a City program that includes methods to evaluate risks and community outreach plans	None	High	Neighborhood
A4	Provide More Tenant Support	Work with community organizations to identify new programs and partnerships; identify potential funding sources	None	High	Citywide
A5	Provide Homeowner Assistance	Work with community organizations and identify potential funding sources	None	Med	Citywide
B1	Reduce Parking Requirements	Work with stakeholders to evaluate policy options and eligible geographies	Low	None	Neighborhood
B2	Expand the 8-year and/or 12-year Multifamily Tax Exemption (MFTE) Program	Conduct additional studies, solicit input from stakeholders to weigh public benefit of affordable units with lost tax revenues.	High (12-year)	Med	Neighborhood
B3	Create Inclusionary Housing Program	Conduct additional feasibility analysis, evaluate program parameters, identify incentives, track the market.	Med	Med	Neighborhood
C1	Modify Development Standards to Support TOD	Work with stakeholders on vision, conduct additional analysis (evaluate impacts), create new standards	Low	Low	Neighborhood

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#	Recommended Action	Considerations/ Next Steps	Ability to Increase Affordability (High, Med, Low)	Ability to Lessen Displacement Risk (High, Med. Low)	Scale (Property, Neighborhood, City)
C2	Create MFTE Program in Future Transit Corridors	Develop proposed policy, conduct additional study, discuss with stakeholders	High (12-year)	Med	Neighborhood
D1	Allow Middle Housing Types in Single Dwelling Zones	Review zoning codes and development standards, create a new zoning designation	Low	Med	Neighborhood
D2	Middle Housing Policy Amendment in Burien's Housing Element	Amend Housing Element Policy HS 1.13 through the annual Comprehensive Plan amendment process.	Med	Low	Citywide

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Use Recommendations to Inform Housing Policy and Planning Projects

Recommendations advanced in this *Housing Action Plan* should likely inform future planning and zoning implementation projects including modifications to development standards and allowances as well as area planning efforts. The City could prioritize work plan and budget decision making to advance implementation of recommendations identified in the Housing Action Plan. Additionally, the city should leverage near term planning projects to advance Housing Action Plan recommendations.

Monitor Implementation Progress

The City should track its progress towards achieving its housing goals by developing a set of indicators to track on a regular basis. Determining the exact indicators and monitoring frequency will require additional research into availability of data, availability of staff time and tracking systems, as well as discussions with City leaders and the community to ensure that the chosen indicators adequately gauge equitable housing progress. Figure 44 provides examples of potential indicators that the City could track.

Figure 44. Potential Indicators for Future Exploration by Plan Goal

Goals	Potential Indicators	Potential Data Sources
A. **Increase affordable housing and prevent displacement**	Number of properties or units acquired by City, County, or nonprofit partner	Community Partners and Agency Partners
	Share of rent-burdened residents	Census Data
	Number of requests County receives for tenant assistance from the Burien zip code	211, Community Partners, or Agency Partners
	Racial and ethnic diversity compared to County and region	Census Data
	Number of properties or units acquired or developed by City, County, or nonprofit partner	Assessor's Data, Community Partners or Agency Partners
B. **Increase both market-rate and affordable housing production in Downtown Burien**	Number of new market-rate and affordable homes in downtown Burien	Assessor's Data, Census Data, Community Partners, or Agency Partners
C. **Support TOD and investments in transit corridors**	Number of new market-rate and affordable homes in ½ mile proximity/10- to 15-minute walk to transit stations	Assessor's Data or Agency Partners
D. **Increase housing options and housing choice**	Number and type of new homes produced over time - location, tenure, size, sale price/asking rent, accessibility, and unit type	Costar, Assessor's Data, Census data, or the State Office of Financial Management Data
	Share of homebuyers receiving assistance (e.g., down payment assistance)	Community Partners
	Home purchases by transaction type – cash vs. mortgage by type (conventional, FHA, VA, etc.)	Home Mortgage Disclosure Act (HMDA)

NOTE: Proposed performance measures will require additional discussion to confirm them as well as how to integrate data collection and analysis into ongoing staff workflow. Potential data sources include City of Burien, King County, Home Mortgage Disclosure Act, the U.S. Census American Community Survey, 211, and proprietary sources (e.g., Costar and Property Radar).

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Part 4: Appendices

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This section includes the following technical appendices that support this *Housing Action Plan*.

Appendix A. Public Engagement Plan and Results

Appendix B. Housing Needs Methodology and Data Sources

Appendix C. Development Feasibility Methodology and Assumptions

Appendix D. Displacement Risk Methods and Assumptions

Appendix E. Affordable Housing Information

Appendix F. Housing Element and Past Housing Plan Review

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Appendix A. Public Engagement Plan and Results

BROADVIEW PLANNING

206.709.9588 6.709.9588
andrea@broadviewplanning.com anning.com
1201 Alaskan Way, Suite 200
Seattle, WA 98101

To:	Susan McLain, Nicole Gaudette – City of Burien
Cc:	Tyler Bump, Madeline Baron – ECONorthwest
From:	Andrea Petzel, Valerie Pacino – Broadview Planning
Re:	Burien Housing Action Plan Public Engagement Results – Final
Date:	November 11, 2020

This memorandum serves to summarize stakeholder feedback for developing the City of Burien's new Housing Action Plan (HAP).

Project Overview
The purpose of the community engagement element of the HAP is to connect with residents, workers, businesses, non-profit organizations, service providers, and other key stakeholders to discover qualitative data and stakeholder stories to support HAP data. As captured in the project's initial public engagement plan, the dual priorities for this work are:

1. To assess Burien's housing needs in the context of social equity, demographic changes, and market dynamics.
2. To develop a suite of strategies that respond to the unique opportunities of Burien and its residents.

Initially, the public outreach process included four iterative phases: stakeholder interviews, focus groups, housing forums, and up to three questions in the City's annual Community Assessment Survey. This report summarizes feedback from all interviews, focus groups, and two of the community forums. The third and final community forum will present draft strategies and recommendations to the public and is scheduled for December 2020. The Community Assessment Survey timeframe shifted from fall 2020 to spring 2021, and now falls outside the scope and timeline of this HAP process.

Outreach Approach
The community engagement process began with a collaborative effort to identify specific outreach goals. These goals are detailed as follows:

- Conduct outreach that reflects the diversity of Burien and helps tell the qualitative story of the city's housing opportunities and challenges.
- Balance outreach as a tool for educating on the need for affordable/diverse housing, and input on the HAP.
- Integrate lessons from South King County Regional Housing Action Plan and describe how Burien contributes to Puget Sound's regional housing strategy.

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- Remain focused, yet flexible, on authentic public involvement during the challenges of social distancing during the COVID-19 pandemic.
- Actively seek out and engage community groups and populations that are historically underrepresented in traditional planning processes, and ensure input is representative of Burien's cultural and demographic diversity.
- Elevate the voices of people in underserved populations
- Paired with data analysis, outreach results will lay the foundation for long-term buy-in for future action.

Building on the outreach goals, we established an outreach process to designed to maximize inclusion of voices that are historically underrepresented in traditional planning processes representative of Burien's cultural and demographic diversity. This included:

Stakeholder Interviews: We conducted twelve interviews across a broad range of community stakeholders representing City staff, non-profits, service providers, immigrant/refugee service providers, and community residents.

Focused Group Conversations: We held three focused conversations of two or more people, representing faith-based community leaders, youth, and shelter/service providers.

Community Forums: City staff hosted two community forums, formatted as panel presentations/discussions. One highlighted for-profit developers, and the other non-profit housing developers.

Qualitative Research Methodology

Qualitative data and community stories provide insight and a greater understanding of community perceptions and experiences with housing and what types of housing choices community members seek now and will seek in the future. One-on-one and small group interviews allow stakeholder participation on their own terms and with a sense of empowerment and inclusion. Other benefits of using qualitative research include:

- Supports quantitative data meaningfully and purposefully, allowing for a more detailed understanding of a complex issue.
- Values lived experiences and expresses data in people's own words, with the capacity to uncover multiple perspectives or unconventional thinking.
- Informs and enhances decision-making and adds immeasurably to our understanding of human, institutional, and systems behavior.

However, the quantitative research process generates a tremendous amount of information that must be thoughtfully analyzed, edited, and presented. It is also important to remember that a qualitative research process will never reach all stakeholders, and while participants are considered "representative," they are speaking from their own lived experiences. Finally, analysis is through the

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lens of the interviewer, and even with an emphasis on neutrality, interpretation can carry elements of our own biases.

Interview + Focused Conversation Results
The cumulative content of each interview was analyzed to identify key themes and insights that that should be proactively considered when developing housing policy recommendations. Stakeholders are not housing policy experts, and while some feedback may provide direct recommendations for housing strategies, the real value of their perspective is what we glean from their lived experiences and use to develop housing policies to directly address their concerns. Some examples of questions we asked participants are:

- What are the unfilled housing needs in Burien?
- Who are the most important people to hear from for their perspective on housing issues?
- Ten years from now, what should housing look like in Burien
- How can the City of Burien expand its thinking on housing?

After reviewing all stakeholder input, we identified ten themes, described in detail below listed below. Each theme is supported by evidence, insight, and recommendations from stakeholders in their own words.

1. **The greatest housing needs** are housing 0-30% AMI and permanent supported housing for renters. The City can:
   - Partner with regional organizations to capitalize on opportunities.
   - Provide immediate rental/mortgage assistance to those who are currently housed, but in danger of losing their housing.
   - Work with landlords to reduce rental screening criteria.
   - Mandate low-income housing in every new development.
   - Consider rent control schemes.

2. **There's a crucial role for City staff** to play in educating and raising awareness about the need for housing at all income levels. The City can:
   - Create, foster, and support relationships among all the players in the housing market.
   - Provide translated educational resources, and interpretation for housing support services. This should be mandatory at all City Council meetings.
   - Lead visioning processes to help design neighborhoods and help residents feel included in the process of change.
   - Make it clear how/when people can weigh in on the development process and have these conversations early and upfront.
   - Invest in building long-term relationships with community leaders.

3. **Frame affordable housing as an equity, social justice, and public health issue**. The City can:
   - Address housing needs through a social determinants of health framework.
   - Use strong equity and social justice language to update the housing element of the Comprehensive Plan.

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4. **Immigrant and refugee communities are particularly vulnerable** to housing impacts. The City can:
   - Build larger units, 3+ bedrooms - there are limited sources of housing for large families living with multiple generations.
   - Work with faith-based communities, as they can be an important source of information, support, and advocacy for immigrants and refugees.

5. **The quality of housing** is important, and often overlooked. The City can:
   - Continue to increase tenant protections.
   - Advocate to extend the moratorium on evictions.
   - Build out the rental inspection program.
   - Recognize overcrowding in housing has significant impacts, especially for children.
   - Work in partnership with immigrant and refugee communities, as well as people of color, who are often reluctant to ask for repairs/upgrades because they feel vulnerable to landlord retaliation.

6. **Increase housing options,** including more density and more mixed-use housing. The City can:
   - Build more senior housing.
   - Create housing with embedded daycare.
   - Build units for families with complex medical needs: rooms that support hospital beds/wheelchairs.
   - Launch a pilot program like The Block Project.
   - Change development standards to make it more financially feasible to build smaller homes and increase homeownership possibilities.
   - Make sure city infrastructure is capable of supporting the growth the city needs.
   - Develop more mixed-income housing projects. COVID-19 has radically shifted commuting patterns, and people need more and better options for accessing goods and services in their neighborhoods.

7. **Children don't have a voice in conversations** around housing but feel tremendous impacts when their housing is threatened or changes. The City can:
   - Plan for housing with schools in mind, and within walking distance. Educational access and attendance decrease when students can't get to school on foot.
   - Improve and maintain rental housing so kids feel safe: better lighting, enforce smoking restrictions, pick up the trash, improve landscaping.
   - Prioritize housing access and support services for families of color, immigrants and refugees who have children.

8. Burien is **experiencing a growth of new communities** that need to feel welcome, safe, and supported. The City can:
   - Recognize and acknowledge the history of housing discrimination, and be active, creative, and intentional about realizing housing justice.
   - Trans women of color face a high rate of unemployment, which is a direct connection to their lack of housing stability.

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- Housing for LGBTQIA+ elders is critical as they are a growing population that is disproportionately homeless.
- Create a social hub (like a community center) for seniors that includes housing.
- Understand how layers of oppression accumulate over time, and people can have difficulty accessing services, and finding places to rent, if providers/landlords are unfamiliar, or unfriendly, towards their needs.
- Provide clear support for events like Pride, so people feel that the city is openly demonstrable in their support for, and investment in, inclusivity.
- Promote and enjoy the cultural and ethnic diversity of Burien by publicly celebrating important events, traditions, and holidays.

9. Change can be hard to accept, and people often **can't grasp what it will look like**. The City can:
   - Create a catalog of designs to help people understand what medium and high-density development looks like.
   - Use model examples from other cities – how are they tackling changes in density?

10. Support opportunities and programs to **create intergenerational wealth** through homeownership. The City can:
    - Offer investment or home-buying classes in different/multiple languages.
    - Create home-buying opportunities for townhouses and condos, not just single-family homes.
    - Showcase models of collective homeownership: co-housing and intergenerational housing.
    - Offer classes/training for high school students on saving to buy a home.

Prioritizing Input from the Next Generation

Although we plan with their future in mind, children and teens are typically left out of planning processes. Given the tremendous positive impacts associated with stable housing, we specifically wanted to host a focus group designed to learn from youth. Working with Southwest Youth and Family services, we hosted an online conversation with four eighth grade students (and two adults) to learn about their housing experiences. Two are current Burien residents, and two recently moved to another city after their family could no longer afford to stay in Burien.

We asked participants to use three words to describe their home, neighborhood, Burien, and one thing they would change.

Table 1 is an overview of the results.

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Table 1. Youth Focus Group Responses

	Home	*Neighborhood*	*Burien*	*One thing I wish I could change:*
Answers	Small Hot Loud(x3) Loving Expensive Beautiful Mine Homey Small No privacy	Cool Ghetto Loud(x2) Whack Unique Dry - lots of pollution Active Different	Connected Community Together Unique(x2) Active Loud Beautiful Amazing	"The rental apartment managers because they were non-responsive when we called them, and just super rude." "Build a community center for kids so we have somewhere we can go to hang out with our friends that's close, safe, and our parents will let us go there." "The neighbors next door would always argue, and it would be super loud, and they would bring problems with them; we'd have rifts with them about the basketball court and then there was no place for playing." "Maybe if people would say what's on their mind instead of minding their own business. Everybody looks at each other and thinks, 'it's not my problem' and are too scared to get involved in other people's lives." "Parks" "I love living in Burien – I would change cops and remove all cops. 100%." "Representation at school."

Question: Do you think that everybody who wants to have a place to live in Burien?

- No: can be really expensive for lots of people; affordability is a big challenge.
  - We moved to Renton because our parents can afford a 3 bedroom for same price as a 1-2 bedroom in Burien. We had to leave a lot of friends, but we're not moving schools since it's all online. Our parents think it's simple for us to move, because they have a car and can go visit their friends. But I've lived in Burien all my life – I was born there. I don't have a car nor any way to see all of my friends and everything I knew for so long. Honestly, the only reason we left was because of the rent.
- No: If you can find someplace cheap, it's probably in really bad condition.
- Probably: Burien is a bit expensive, rent and buying is out of reach; if you can find a place to rent for cheap, they're mostly in terrible condition.
  - "I know a lot of people who have had to move from Burien because it's just too expensive, and they're all moving further south."

Question: If you could tell the Mayor of Burien one thing what would it be?

- Not about what we would want to change, rent is too high. We wanted to stay but the rent was just too high; if it wasn't for the rent, we would stay there forever.
- Don't slip up. Give help with affordability for the folks who are already here because 10 years from now they will be gone.
- Get landlords and the city to clean up the pollution: so much litter, too much graffiti, and everything looks old.
  - Take care of the green areas like parks and outdoor common areas so we have places to play that are nice.
  - Bus stations should be fixed up, we can't sit down.
  - Sirens are constant, people smoking marijuana in front of apt buildings, heroin in the alleys, no respect.
  - Get rid of all the smoking inside and in the public areas.
- Get rid of all the cops.

Developer Community Forum Results

Facilitated by City of Burien staff, the purpose of the developer forums was to discern and understand the current and historical housing situation of the City of Burien through intentional discussion and analysis of the lived and professional experiences from local developers and social workers. There were two virtual forums hosted on June 5th and July 30th.

Given the focused technical and professional nature of the housing forum discussions, recommendations from participants were focused on the development process, including improving permitting processes, perceptions of affordable housing, and the economic feasibility of affordable housing projects. Below is a summary of feedback from both events.

- **The permitting process for housing development is notably more efficient and streamlined as opposed to other jurisdictions and is one of the major reasons that developers choose to work with the city. However, there are still bureaucratic bottlenecks that slow down the process. Examples for improvement that would help increase the feasibility of housing development include:**
  - **Consolidate and streamline utility review.**
  - **Allow electronic permit submittals and credit card payments.**
  - **Stick to the timeline of 28 days for complete application and small corrections shouldn't need a full comment letter.**
  - **Re-write the subdivision code.**

- **Many of the current zoning codes are limiting the potential to increase density for housing in Burien and decrease the feasibility to initiate housing projects in Burien.**
  - **This is especially true for parking requirements.**
  - **On-site amenities drive up costs, but improve livability, this includes requirements for onsite recreation, tree requirements, RM zone adjustments, deck requirements, and upper-level setbacks in the downtown zones.**

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- "One of the large appeals that made Burien very investable was the main street feel. The authenticity of the city with a lot of amenities in a compact small area.

- There appears to be a **common misconception that affordable housing is cheaper to build** and unless the city creates incentives for developers, those cost burdens go to the end consumer (tenants).
  - Larger density housing projects have seen greater success as they are able to better accommodate the economies of scale and meet the needs of the communities.
  - The city should preserve existing affordable housing (and city-owned land) and never let it get to the open market.
  - "The city of Burien can promote affordable housing by implementing strategies that can find and identify very early to become income and rent restricted. It's hard to compete with private buyers, but the city can use the relationship with owners to promote the idea of affordable housing. We can extend the housing to become permanently affordable."

- City staff need to **educate and inform the public** to build community support for affordable housing, in order to reduce pushback from neighbors.
  - This is the hard work for cities today because there are deep seated issues and a lack of understanding about the need for affordable housing.
  - "Affordable housing is economic development for communities, and residents do not necessarily bring crime and other social ills into an area. Overcoming those sort of stereotypes is one of the biggest challenges that elected officials face today."

- Contextual factors that lead to **effective affordable housing include proximal components** includes access to transit stations, work, shopping, library, groceries, as well as neighborhood elements (close to park, bike commuting, pedestrian-friendly).
  - "Not every site is going to work for affordable housing because of financial feasibility. There are certain census tracts that get additional funding and some that don't. When there isn't a lot of local funding, key census tracts are essential."

- Encourage City staff to keep an **open mind about how dynamic the development process** can be. Affordable projects conceived of and initiated from all different avenues; sometimes cities drive the process, sometimes real estate brokers, community organizations may own property and decide they want affordable housing.
  - It can take time for non-profit housing providers to pull together financing and even with the ability to pay market-rate prices, it's hard to compete with the ability to sell fast and high.
  - "We don't need a break – we will pay full price; we just needs time to get the financing together."

- Housing attainability and access are **critical factors as it relates to racial injustice**. In addition to having housing that is falling apart as it was never meant to be long-term, but you also have black and brown communities that are cut off from necessary resources such as education, transit, and grocery stores. It's not just enough to provide the housing, you have to have the resources.

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- "Affordable housing doesn't attract undesirable elements to a community, it provides market rate housing to individuals who have slightly lower income. It's more about where you are in life than your social status. Doing affordable housing well, solves social problems."

Outreach Challenges + Opportunities

Conducting community outreach with the challenges of COVID-19 is difficult. All outreach was held via video or phone calls, with people who had access to technology. While it was relatively easy to schedule one-on-one interviews, finding people to participate in focus groups proved challenging, as there was limited time and avenues to recruit participants. One group focused on LGBTQIA+ residents yielded only one participant.

Another contributing factor was the relative newness of Community Development Department staff. While incredibly helpful, the project's key planning staff simply haven't been with the City long enough to establish the kind of connections with community members that are helpful for public outreach. Human Services staff proved critical for making introductions to local leaders who participated in the interview process. And while challenging, this type of planning process with a heavy community outreach element presents a great opportunity for Community Development Department staff to begin to forge relationships with community members.

Outreach Next Steps

Community input from this phase of the outreach process will be used to shape the direction of the HAP's strategies and recommendations. Draft strategies and recommendations will be reviewed by staff and City Council, and a community open house will be held in December 2020 for further refinement and feedback.

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Participants

Housing Forum June 5th, 2020
Todd McKittrick, Millennial Builders
Alex Chartouni, Finem Investment and Development
Javier Morales, Morales Investments LLC
Han Phan, Owner of PBG
Jeremy Rene, Owner of Rene Architecture

Housing Forum July 30th, 2020
Jonathan Smith, Bellwether Housing
Richard Loo, Bellwether Housing
Brian Lloyd, Beacon Development Group
Marty Kooistra, Housing Development Consortium

Stakeholder Interviews + Focused Conversations
Valerie Allen, Highline School District
Lina Thompson, Lake Burien Presbyterian
Andrea H Reay, Seattle Southside Chamber of Commerce
Heather Hallman, SW Youth and Family Services
Irene Danysh, Community Visions
Mike Werle , White Center Food Bank
Yoon Joo Han, ACRS
Sheenah Randolph, Hospitality House
Debbie Carlson, LGBTQ Allyship
Kristy Dunn, City of Burien Staff
Colleen Brandt -Schluter, City of Burien Staff
Anonymous City of Burien Resident

Faith/Community Leadership Focused Conversation
Nancy Kick + Jenny Partch

Mary's Place Staff Focused Conversation
Marty Hartman+ Alyson Moon

Youth Focused Conversation
Four anonymous 8th Graders
Two anonymous adults

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Appendix B. Housing Needs Methodology and Data Sources

Housing Needs Analysis Methodology

Future Housing Needs

Burien's future housing needs are estimated based on the forecasted household growth through 2040 from PSRC. PSRC does not forecast housing units, but instead forecasts the estimated number of households. To calculate Burien's future housing need, a target ratio of developing 1.14 housing units per new household was used. This ratio is the national average of housing units to households in 2019. It is important to use a ratio greater than 1:1 since healthy housing markets allow for vacancy, demolition, second/vacation homes, and broad absorption trends. Use of the national ratio is a reasonable target, particularly for larger areas and regions. Using this ratio suggests that at a minimum, jurisdiction should be hitting the national average and is preferred as the existing regional ratio may capture existing issues in the housing market (such as existing housing shortages).

Total Units Needed by Income

The next step is to allocate the needed units by income level. First the most recent distribution of households by income level (using PUMS to determine area median income or "AMI") in Burien and the South King County subregion was evaluated. This distribution is displayed for Burien, the South King County subregion, and King County as a whole in Figure 45 below. Secondly, current and future household sizes at the city level were assessed to better understand nuances of how housing need by income can shift over time as household sizes change and subsequent changes to housing affordability.

Because forecasting incomes at the household level over time can be challenging at best, and misleading at worst, this data evaluates housing need using current income distributions forecast forward. The forecast housing need by income category at both the city level and at the subregion is likely to vary depending on policy choices made over the next 20 years. That is to say that if cities choose to take less action on increasing housing production and affordability worsens due to demand outpacing supply, the forecast need for lower income households is likely to be less because those low income households that are most at risk from housing price changes are more likely to be displaced from the subregion. The ultimate income distribution in 2040 will be the result of regional housing trends and policy decisions made at the local level.

Figure 45. Household Income Distribution in Burien, South King County Subregion, and King County

Source: ECONorthwest analysis of 2018 Census 5-year and 1-year PUMS data

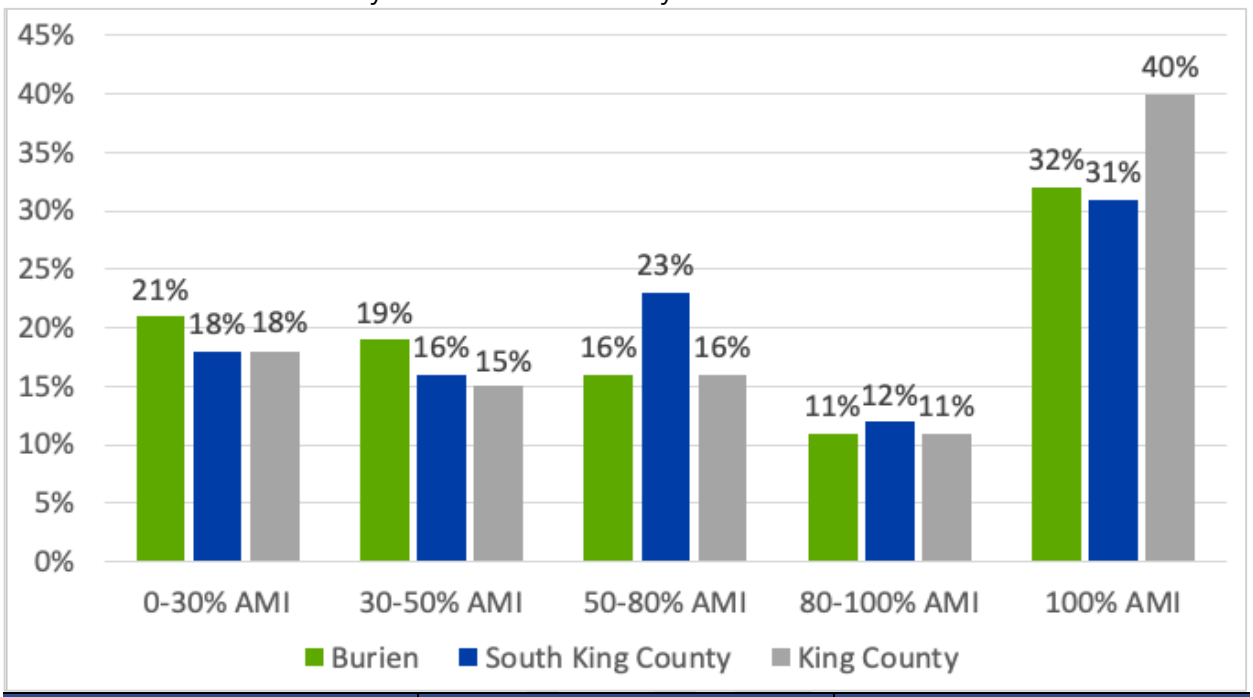
AMI Level	Burien	South King County	King County
0-30% AMI	21%	18%	18%
31-50% AMI	19%	16%	15%
51-80% AMI	16%	23%	16%
81-100% AMI	11%	12%	11%
100%+ AMI	32%	31%	40%

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Finally, the analysis applied each distribution of households by income (middle column) to the total units needed to get the share of new units needed by income level.

Figure 46. Total Units Needed by 2040 by Area Median Income Distribution in Burien

Source: ECONorthwest analysis of 2018 Census 5-year PUMS data



AMI Level	Burien	Total Units Needed by 2040
0-30% AMI	21%	481
31-50% AMI	19%	412
51-80% AMI	16%	824
81-100% AMI	11%	344
100%+ AMI	32%	1,374
TOTAL		3,435

Employment Analysis

An employment analysis and an analysis of trends in job growth by industry are requirements for local housing action plans. This analysis includes city-level employment estimates by 2-digit NAICS codes using a combination of the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES) data, and PSRC's Covered Employment Estimates. The employment estimates show the total number of Burien residents working in each 2-digit NAICS sector, the change in employment in that sector since 2008, and the 2018 median wages for Burien residents in that sector.

Access to Employment

This analysis measured access to employment for both transit and auto use, using a preset limit of 45 minutes to generate isochrones (travel sheds). ESRI Services was used to create drive-time isochrones, simulating traffic conditions typical of 8:00AM, Wednesday. Transit isochrones were created using OpenTripPlanner and the consolidated Puget Sound General Transit Feed Specification (GTFS) database that is created and maintained by Sound Transit. This GFTS

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database allows users to model possible transfers between the region's multiple transit agencies. For each 2-digit NAICS industry, the data summarize the share of jobs across the four-county region that are accessible within a 45-minute transit or auto commute from Burien.

Transit Isochrones

Isochrones originating from every transit stop within the jurisdiction were created. Each transit stop was also weighted by the population within a half-mile distance (straight-line). These isochrones were then joined to LODES job points at the Census Block Level, and the total number of jobs by NAICS industry was calculated for each isochrone. The total number of jobs reachable by transit (and walking) within 45 minutes was calculated as the weighted mean number of jobs within the isochrones, using the transit-stop population as weights.

Auto Isochrones

Drive-time isochrones used a similar method as the transit isochrones. Instead of transit stops, however, block group centroids were used as the isochrone origin points, and the associated block group population estimates provided the weights with which the average number of jobs reachable by the "average resident" were calculated.

Share of Jobs Accessible

Once the total number of jobs available by 45-minute transit or auto travel was determined, the share of total jobs in that industry in the four-county region was calculated (King, Snohomish, Pierce, and Kitsap County). For example, there are roughly 94,000 manufacturing jobs available by 45-minute car trip from the City of Kent which represents 53 percent of all jobs in that industry in the four-county region.

Number of Jobs

The number of jobs by industry were derived from PSRC's Covered Employment Estimates for 2018 and 2008. PSRC provides job totals by city and NAICS 2-digit industry categories, but will censor an estimate if that number represents fewer than three reporting firms, or when a single employer accounts for more than 80 percent of jobs in an industry within a jurisdiction. Here an internally calculated estimate of employment in that industry is provided based on the uncensored totals for each industry. Average wages by industry were calculated using the 2018 5-yr ACS estimates at the city level.

Caveats

The auto isochrones may be overly optimistic in terms of traffic congestion - especially with regards to the timing of water taxi/ferry access to Kitsap County. Since other tools that even *claim* to model travel sheds with traffic congestion are limited, there are few alternative options.

Wage estimates by industry from ACS are not available for every industry, usually due to low numbers of survey samples. Many of these estimates, especially for industries with low

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numbers of workers, show relatively high margins of error and should be treated as rough approximations.

Data Sources

A useful range of data sources can be commonly used for housing planning projects, with a particular focus on regulated affordable housing data sources. Typically, researchers face trade-offs when it comes to different data sources. Common data considerations include the geographic scale, the data relevancy (e.g., variables of interest), the data year or timeframe collected, and the reliability and reputation of the data source. In general, the more granular and comprehensive a dataset, the less frequent it is conducted (like the U.S. Census). Federal sources are typically the most reliable (in terms of low margins of error), but state and local sources might be more recent or include the ability to use more geographic specificity to report summary statistics.

One data issue for Burien is that because its population is below 65,000 it is not surveyed annually by the U.S. Census Bureau's American Community Survey; data is only gathered in five-year samples. In addition, the most granular data, available through the U.S. Census Bureau's Public Use Microdata Sample (PUMS), is collected at a geography (called a PUMA or a Public Use Microdata Area) that includes Burien's neighboring cities.

This housing needs assessment relied on 2019 data from the Washington Office of Financial Management (OFM) to evaluate housing and demographic trends. Where OFM data was unavailable, the U.S. Census Bureau's Public Use Micro Sample (PUMS) data from 2012 through 2018 and the U.S. Census Bureau's 2012-2016 Comprehensive Housing Affordability Strategy (CHAS) Data were used. This analysis was supplemented with King County Assessor data. Housing market data on rents and sales prices came from the King County Assessor, CoStar, and Zillow. Puget Sound Regional Council VISION 2040 population forecast by city for the 2040 forecast year were used for the housing demand analysis.

This analysis used the best available data sources to assess the housing inventory and future needs, analyze employment trends, and analyze demographic trends in Burien. Census data varies according to a jurisdiction's size. Because Burien has less than 65,000 people, it is surveyed every five years and thus have data in 5-year samples. The most recent survey data is for 2014-2018.

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Appendix C. Development Feasibility Methodology and Assumptions

ECONorthwest used a common financial pro forma method called a *residual land value analysis* to analyze the impact of regulatory and incentive changes on development feasibility. Residual land value (RLV) is an estimate of what a developer would be able to pay for land given the property's income from rental or sales revenue, the cost to build as well as to operate the building, and the investment returns needed to attract capital for the project. In other words, it is the budget that developers have remaining for land after all the other development constraints have been analyzed. An advantage of the RLV approach is that it does not rely on land prices as an input. Rather, observed land prices can be compared with the model outputs to help calibrate the model and ensure it reflects reality. It is therefore a useful metric for assessing the impacts of changes to the development code and accompanying development incentives because these policies principally affect land value, especially in the short run.

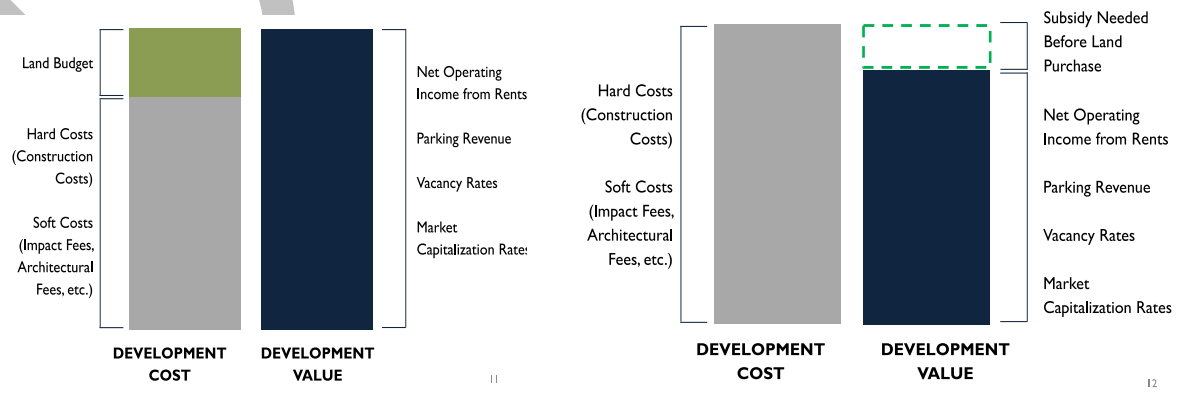
Figure 47 summarizes the residual land value method by illustrating two example developments (or *prototypes)*, one which is feasible and the other likely infeasible. In both scenarios, the right-hand column (shown in dark blue) illustrates the total value that comes from the project (derived from rental revenue less any operating expenses and vacancy costs). The left-hand column (shown primarily in grey) illustrates the total costs to build the project, both the hard construction costs and the soft costs such as the design and city fees.

If the blue column is greater than the grey column, there is budget leftover to buy the land (shown in green). A positive land budget means that a proposed development project is likely to be feasible (contingent on the price for which the land is being offered). If the blue column is smaller than the grey column, then a subsidy is needed to get the project to be feasible (shown in a dashed outline). A land budget below $0 means that a proposed development project is not feasible, absent offsetting subsidies or incentives that can cover the difference.

Figure 47. Land Budget Method for Pro Forma Modeling

(A) Likely Feasible– Developer has money to pay for land

(B) Likely Infeasible– Development requires subsidy, even before land purchase



Source: ECONorthwest.

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Each development concept was analyzed using this RLV approach. The results from this method describe a general analysis of prototypes and do not consider the many potential unique conditions that could be a factor in development feasibility (e.g., increased predevelopment costs, low land basis from longtime land ownership). For these reasons, a residual land value analyses should be thought of as a strong indicator of the relative likelihood of feasibility, rather than an absolute measure of return to the investor or developer.

This analysis used financial inputs such as rent, operating costs, and development costs for each prototype modeled and the City of Burien's entitlements for the Multi-Family Residential and Downtown Commercial zones. After defining the available building areas, the pro forma was used to calculate the revenue from the leasable square feet and then removed the vacancy and operating costs (such as taxes, insurance, maintenance, management, select utilities) to arrive at an annual net operating income (a.k.a NOI).

The model then derived the value from each NOI by dividing by the respective return on cost threshold (a.k.a. ROC) and summed those values to arrive at a total value for each development concept. This analysis also calculated the total development costs by applying the cost per square foot values to the gross square feet for each product type (e.g., residential) and the cost per stall for parking. Those values were summed to a total hard cost and calculated the soft cost, contingency, and developer fee to arrive at the total development cost.

Lastly, the land budget (a.k.a. the RLV) was calculated by subtracting the total development cost from the total value (shown in Figure 48). The total land budget was divided by the site square feet to arrive at a residual land value per square foot.

Figure 48. Residual Land Value Calculation (with additional explanatory calculations)

$$RLV = Total\ Value - Total\ Development\ Costs$$

$$Total\ Value = Net\ Operating\ Income\ \div (ROC)$$

$$NOI = \ Rental\ revenue - operating\ costs - vacancy\ costs$$

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Pro Forma Assumptions

Operating Revenue and Cost Assumptions			
Variable	**Assumption**		**Unit of Measure**
Sales prices			
New construction podium	$	395	Per square foot
New construction wood	$	316	Per square foot
Rent			
Studio Apartment	$	2.77	Per square foot, monthly
1-br Apartment	$	2.45	Per square foot, monthly
2-br Apartment	$	2.13	Per square foot, monthly
3-br Apartment	$	2.13	Per square foot, monthly
Rent Scaler for Podium		1.15	As a multiple of residential market rents
Retail Rent	$	16.20	NNN, per square foot, yearly
Vacancy Rate			
Market rate residential		5%	Percent
Affordable residential		4%	Percent
Retail		7%	Percent
Operating Expenses			
Podium		30%	Percent of net revenue
Wood		20%	Percent of net revenue
Retail	$	1.00	Per square foot, yearly
Residential Parking Net Revenue			
Percent occupied		90%	
Podium	$	50	Per stall, monthly
Wood	$	-	Per stall, monthly

Development Cost Assumptions			
Variable	**Assumption**		**Unit of Measure**
Hard Costs			
Podium	$	210	Per square foot
Wood	$	150	Per square foot
Retail	$	160	Per square foot
Lobby / Common space	$	220	Per square foot
Parking Cost			
Underground	$	50,000	Per stall
Podium	$	40,000	Per stall
Surface	$	5,000	Per stall
Stall Size			
Underground		425	Square foot per stall
Podium		400	Square foot per stall
Surface		300	Square foot per stall

Lobby/Common Space Size		
Podium	2,000	Square feet
Wood (18 DUA)	500	Square feet
Wood (24 DUA)	667	Square feet
Wood (47 DUA or greater)	1,000	Square feet
Other Development Costs		
Soft costs (including permitting)	30%	Percent of hard costs
Contingency fee	5%	Percent of hard and soft costs
Developer fee	5%	Percent of development costs
Subdivision cost	$ 20,000	Per unit if build more than 1 prototype
Retail T.I.	$ 40	Per square foot
Target Returns		
Residential ROC	5.80%	
Retail ROC	8.00%	

Apartment/Unit Assumptions		
Variable	**Assumption**	**Unit of Measure**
Site Size		
Podium	65,000	Square feet
Wood	30,000	Square feet
Unit Mix		
Podium		
Studio	40%	percent of all units
1 Bedroom	40%	percent of all units
2 Bedroom	20%	percent of all units
3 Bedroom	0%	percent of all units
	100%	
Wood		
Studio	20%	percent of all units
1 Bedroom	40%	percent of all units
2 Bedroom	40%	percent of all units
3 Bedroom	0%	percent of all units
	100%	
Average Blended Market Rent		
Podium	$ 2.89	Per square foot
Wood	$ 2.39	Per square foot
Unit Size		
Podium		
Studio	450	Square feet
1 Bedroom	650	Square feet
2 Bedroom	825	Square feet
3 Bedroom	1000	Square feet
Wood		
Studio	500	Square feet
1 Bedroom	725	Square feet
2 Bedroom	900	Square feet
3 Bedroom	1100	Square feet

Average Unit Size		
Leasable unit size		
Podium	605	Square feet
Wood	750	Square feet
Unit efficiency		
Podium	87%	
Wood (4-5)	87%	
Wood (2-3)	90%	
Gross unit size		
Podium	695	Square feet
Wood (4-5)	862	Square feet
Wood (2-3)	833	Square feet
Sales scaler	1.0	As a multiple of rental unit size
Average Market Sales Price Per Unit		
Podium	$ 274,684	Per unit
Wood (4-5)	$ 272,414	Per unit
Wood (2-3)	$ 263,333	Per unit
Average Market Rent Per Unit		
Podium	$ 1,749	Per unit
Wood (4-5)	$ 1,789	Per unit
Wood (2-3)	$ 1,789	Per unit

Affordability Policy Assumptions		
Variable	**Assumption**	**Unit of Measure**
Taxes and MFTE Assumptions		
Property tax rate	$ 12.37	Per thousand dollars of assessed value
Tax abatement (discount rate)	7.00%	
Percent taxes abated	100%	
Rental Units		
MFI (4 person household)	$ 113,300	
Income toward rent	30%	Percent of income
Affordability Multiplier		
Studio	70%	Percent of MFI
1 Bedroom	75%	Percent of MFI
2 Bedroom	90%	Percent of MFI
3 Bedroom	104%	Percent of MFI
Rental Utilities Allowances (2015)		
Studio	$ 69.00	
1 Bedroom	$ 93.00	
2 Bedroom	$ 116.00	
3 Bedroom	$ 103.00	
Ownership Units		
Income toward mortgage	30%	Percent of income
Mortgage term	30	Years
Down payment	20%	Percent of sales price
Mortgage interest	6.0%	
Taxes and other fees	1.3%	
Homeowners Insurance	0.3%	
Affordable unit taxable value multiplier	100%	As a multiple of market unit taxable value
HOA fees	$ 50.00	Per month

Appendix D. Displacement Risk Methods and Assumptions

To evaluate displacement risk in the City of Burien (see page 56) the areas within the City of Burien that are the most vulnerable to displacement were mapped. This risk assessment considered two factors when assessing displacement risk:

1. The financial feasibility of new development thus risking displacement if parcels containing residential housing are redeveloped, and
2. Displacement risk considering six different demographic and socioeconomic variables

Both factors are given a high-medium-low ranking, which offers nine total combinations of risk at the Census Block Group level. These different levels of risk are mapped in Figure 42 on page 58. This figure is a bivariate choropleth map that depicts: 1) the combined residential development feasibility of a block group and 2) the socioeconomic displacement risk of its residents.

Development feasibility is quantified as the percent share of a block group's suitably-zoned parcels that can be redeveloped into middle housing or four-story or multifamily apartments. The developability of a block group was broken down into a 1 to 3 score. High (3) score block groups are those in which 65 percent or more of their suitable parcels are developable, while medium (2) and low (1) score parcels are 30-65 percent and under 30 percent developable, respectively. These developability assumptions are based on proforma models that are informed by recent, local real estate development trends.

Displacement risk was modeled after PSRC's Displacement Risk Mapping Tool. PSRC's tool compiles 15 different demographic and socioeconomic datasets (using ACS 5-year tract-level data), standardizes and weights them equally, compiling them into a composite, three-tiered index score ("high", "medium", and "low") for every tract in the four-county Puget Sound region. However, this tool is only available at the Census Tract level, which was not granular enough for these purposes. The following variables, similar to PSRC's tool, were used as they were available at the Block Group level.

1. Percent of population that is a race other than non-Hispanic White
2. Percent of households that speak a language other than English at home
3. Percent of population ≥25 who lack a bachelor's degree
4. Percent of households that are renters
5. Percent of households paying 30 percent or more of their gross income on housing
6. Per capita income

High-risk tracts have index scores in the 90th percentile range or above, medium-risk tracts are in the 50th to 90th percentile range, and low-risk tracts are in the 50th or lower percentile.

The color palette of the bivariate map visualizes the nine different permutations of these displacement vulnerability and development feasibility scores (e.g. high feasibility-low vulnerability, low feasibility-low vulnerability, etc.).

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Block Groups shown in dark blue have the highest risk of both development feasibility and displacement vulnerability, and are thus areas to watch for all three types of displacement: physical displacement if any existing housing is demolished for new development; economic displacement if there is a spillover effect of new, higher priced housing onto existing, lower priced housing; and cultural displacement if new development changes the businesses and housing types serving existing communities.

Areas shown in dark turquoise have the highest risk of displacement vulnerability when considering six different socioeconomic factors of household demographics but have low development feasibility. These neighborhoods might be at greater risk for economic displacement which can occur even without new development, if market forces – such as an imbalance of housing supply and demand – work to increase rents.

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Appendix E. Affordable Housing Information

This section describes the affordable housing development and finance process and how it differs from market rate development, lists common state and local funding sources for housing, and includes a description of geographies in Burien that can see advantages for building affordable housing.

Typical Affordable Housing Development Process

The development of new, multifamily regulated affordable housing is a long and complex process. It is subject to many of the same development conditions as market-rate development, with added complexity due to lower rents requiring additional, lower-cost funding. The development process begins in predevelopment (design and feasibility, land entitlements, and funding applications) then enters construction, before beginning operations. The following are typical development phases for regulated affordable housing projects.

Design and Feasibility

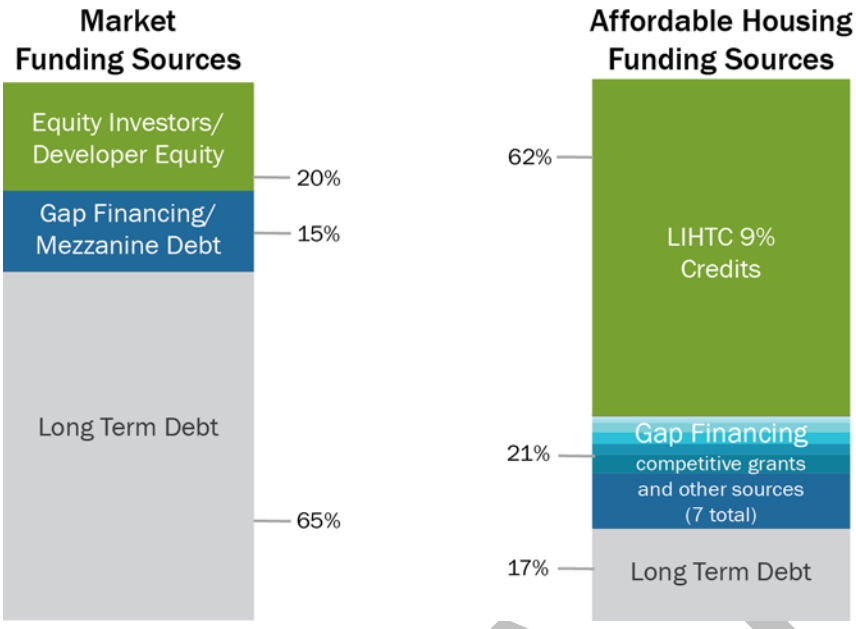
Affordable housing developers start with an understanding of the need for less expensive housing in an area. How many units are needed at what rent level? What income levels have the biggest gaps in housing supply? What populations are struggling with housing costs the most? Just like market rate developers, affordable housing developers test the financial feasibility of what they hope to build against the local political and economic conditions. They must estimate what it will cost to build, what affordability levels the region needs, and the amount of funding available to build the project. If the project is not financially or politically feasible (i.e., cannot find adequate funding sources or does not meet a neighborhood's goals), it will struggle to get built. Considerations include: cost of land, development allowed on the land (zoning), costs of construction, rents or prices, costs of operations (for multifamily), or local opposition to the project.

How does affordable housing differ?
Both affordable housing development and market-rate development need to go through design and feasibility. Affordable housing development differs from market-rate development in this stage due to limited funding. With the goal of providing below-market rents, the financing structure (often called the "capital stack") of an affordable housing development needs to fill a gap (often called a "funding gap") between what it costs to build the property and what the property's operations can support. A market rate development will typically have investor equity and one or two types of debt financing, but an affordable housing development may also need to secure public funding, grants, operating subsidies, and low-cost or forgivable debt on top of competitive investor equity sources (see Figure 49 below). Some affordable housing developers need to secure predevelopment loans or grants as they work out the logistics of project feasibility. And sometimes, affordable housing developments are given free or reduced cost land, which aids feasibility and reduces the amount of debt needed.

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Figure 49. Typical Capital Stacks in a Market Rate and a 9% LIHTC Affordable Housing Development

Source: ECONorthwest



Land Use Entitlements

This is the process of getting control of the site (buying land or assembling parcels) and getting the legal authority to develop (zoning and permitting, design review, neighborhood opposition, etc.). This can take months or years depending on the type of project, the required level of public review, the time it takes to obtain permits, the amount of neighborhood opposition, and many other factors. Developers typically take out pre-development loans to cover these costs, meaning that delays incur "carrying costs" (the interest that accrues on the loan each month of the process). This loan may be wrapped into or repaid by the construction loan.

How does affordable housing differ?

Both affordable housing developments and market-rate developments need to secure land use entitlements. One major way that affordable housing development differs from market-rate development in this stage, is due to neighborhood opposition. It is common for neighborhoods to object to a new affordable housing development, and some may use the slow land use entitlements process to delay or "kill" a project. Some market-rate developments may face opposition in this process, but they may also be in a better financial position to weather delays (e.g., if a market rate developer does not need a pre-development loan, delays do not incur carrying costs).

Public Funding Applications

This is a unique step required of affordable housing development that does not apply to market-rate development. Often, affordable housing developments receive public funding in exchange for renting to low-income households. With rents set below market, the property will

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have insufficient rent revenue to cover its operating costs and support the loans needed to pay for development. Thus, the property must apply for a range of low-cost funding, project equity, or grants to reach feasibility and begin construction. This step adds cost, time, complexity, and uncertainty to the development process. Because public funding is limited, these application cycles are very competitive and not all projects will receive the funding to move forward. The policy goals attached to each funding amount can influence the type of housing built (e.g., housing for families or seniors) as well as the income levels served. Most often, a project needs to have site control before it can receive funding.

How does affordable housing differ?
Market-rate developments do not typically need to secure public funding for development.

Construction

Once a property has site control, entitlements, and a confirmed design concept, it can begin construction. This stage depends on the availability of labor, materials, and equipment, as well as the complexity and size of the development. The project will take out a construction loan to cover these costs, which means that delays in construction incur additional "carrying costs." The construction loan is repaid by the permanent loan, which is sized based on the net operating income of the project (rent revenues minus operating expenses).

How does affordable housing differ?
Affordable housing projects do not meaningfully differ from market-rate projects in the construction process. However, they may have simpler designs and prioritize faster construction timelines.

Operations

Once the project is built and leased, it begins operations. Rents are determined at the project feasibility stage and are very important in the project's operating phase. Feasibility and funding applications can occur several years prior to the project operating. The revenues from property rents need to be high enough to cover the cost of operating the property (including maintenance and repairs, landscaping, taxes, and numerous other fees and costs). The project's net operating income must also service the monthly debt payments on the permanent loan. Banks generally require an income "cushion" to assure that the property has enough operating income to pay its debts. This means that net operating income must be 15 percent to 20 percent higher than the debt payment. Any change in rent revenues (market softening, competition, vacancies, etc.), costs of operations (higher taxes, maintenance costs, capital repairs, etc.) can meaningfully disrupt a property's operations.

How does affordable housing differ?
Affordable housing properties operate under affordability restrictions for a specified period of time (e.g., 15-99 years), and are typically managed by mission-driven developers or non-profit organizations. In contrast, many market rate properties will sell to an institutional investor after the property stabilizes (after 5 or 8 years of operations). Another difference in affordable housing operations is that typically, affordable housing properties are required to put a portion of operating funds into reserves (both capital reserves and or operating reserves) which serve

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as a cushion for unexpected vacancies, disruptions to operations, or major capital repairs. These reserves help prevent most affordable housing properties from defaulting on debt service requirements (LIHTC properties, in particular, have very low default rates). Market rate properties are not required to keep reserves. Lastly, another difference in affordable housing operations, is that often the properties may have insufficient cash flow (funds left over after paying for operating expenses and debt) to pay for any cash-flow dependent line items (e.g., the developer fee, cash-flow dependent loans, etc.) In contrast, market rate properties seek financial returns from the property, to provide steady cash flow to the owner or investor. While cash flow is not always available due to market rent fluctuations and or vacancies, the deals are structured to seek financial returns.

Local Affordable Housing Funding Sources

This section descries the state and local affordable housing funding sources available to developers looking to construct affordable housing properties in the City of Burien. This section focuses solely on funding sources, not indirect financing sources that provide financial benefits to properties via reduced costs.

Washington State Funding Sources

The Washington State Housing Finance Commission offers several funding programs to build multifamily affordable housing. All of these funding sources can be used in the City of Burien. Additionally, properties utilizing some of these funding sources can receive funding "boosts" if they are located in one of the geographic areas described on page 104.

- The Low-Income Housing Tax Credit (LIHTC) program is the largest source of funding. It has two types: the 9% tax credit program is more valuable, but limited, and is awarded competitively through annual funding applications. The 4% bond tax credit program is less valuable for project financing, but the program is not competitive. Any project that is able to make the funding program work can access the tax credits up to a certain bond cap across the state. These programs typically fund housing units that are affordable to households earning below 60% of AMI.
- The 80/20 Private Activity Bond program can fund construction and development costs for affordable housing projects. The interest on the funding is tax exempt, thereby reducing total development costs and increasing project feasibility. This program typically funds housing units that are affordable to households earning below 60% of AMI.
- Non-Profit Housing Bonds can assist 501(c)(3) nonprofits in financing numerous housing developments. These funds are more flexible than other types of financing programs.
- The Land Acquisition Program assists qualified nonprofits with purchasing land for affordable housing development.

The Washington State Department of Commerce offers three additional funding programs for developing affordable housing.

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- **The Washington State Housing Trust Fund** provides loans and grants to affordable housing projects through annual competitive applications. This program typically funds housing units that are affordable to households earning below 80% of AMI.
- **The Housing Preservation Program** provides funding for affordable housing rehabilitation, preservation, and capital improvement needs. It is only available for projects that have previously received Housing Trust Funds.
- **The HOME Program** is a federal block grant program funded through the US Department of Housing and Urban Development (HUD). This program offers funding for the preservation and development of affordable rental housing to non-profit organizations, public housing authorities, and local and tribal governments. HOME Funds typically build units that are affordable to households earning below 50% of AMI.

Local Funding Sources[16]

1) **A property tax levy** (RCW 84.52.105) – allows jurisdictions to place an additional tax up to $0.50 per thousand dollars assessed for up to ten years. Funds must go toward financing affordable housing for households earning below 50% MFI.
2) **A sales tax levy** (RCW 82.14.530) – allows jurisdictions to place a sales tax up to 0.1 percent. At least 60 percent of funds must go toward constructing affordable housing, mental/behavioral health-related facilities, or funding the operations and maintenance costs of affordable housing and facilities where housing-related programs are provided. At least 40 percent of funds must go toward mental / behavioral health treatment programs and services or housing-related services.
3) **A real estate excise tax (REET)** (RCW 82.46.035) – allows a portion of city REET funds to be used for affordable housing projects and the planning, acquisition, rehabilitation, repair, replacement, construction, or improvement of facilities for people experiencing homelessness. These projects must be listed in city's the capital facilities plan.
4) **County Community Development Block Grants (CDBG)** – King County receives funding from the U.S. Department of Housing and Urban Development (HUD) for these two grant programs. CDBG funds can be used in a variety of ways, including as gap funding for affordable housing development.

Burien Affordable Housing Geographies

Developing a regulated affordable housing property can be a complex and difficult process. Different funding sources may have different priorities, and the costs of land and development can be prohibitive. To help alleviate some of these difficulties, the federal government has designated certain geographic areas to receive higher priority and / or more funding for

[16] Non-financial funding sources, like density bonuses or impact fee waivers, that indirectly provide funding by reducing costs are not included. These incentive programs typically work through the land use or zoning code to reduce the costs of development thereby providing indirect financial benefits to affordable housing development.

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regulated affordable housing development. These include Qualified Census Tracts, Difficult to Develop Areas, and Opportunity Zones, each described below.

Qualified Census Tracts[17]

HUD defines a Qualified Census Tract (QCT) as a Census Tract with "50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI)" or one where the poverty rate exceeds 25 percent. Affordable housing developments in QCTs that apply for LIHTC funding receive a boost in the amount of tax credits they can receive. There are six QCTs that overlap with Burien City limits, as shown in Figure 50.

Difficult Development Areas[18]

HUD defines a Difficult Development Areas (DDA) as "areas with high land, construction and utility costs relative to the area median income" and uses HUD Fair Market Rents, income limits, 2010 census, and 5-year American Community Survey (ACS) data as determinants. Burien does not have any DDAs within City limits.

Opportunity Zones[19]

In addition, the 2017 federal Tax Cuts and Jobs Act created the Opportunity Zone program which is designed to incentivize investment in low-income communities by providing tax benefits. Opportunity Zones are Census Tracts where the poverty rate exceeds 20 percent. While there are no specific funding boosts for affordable housing projects developed in Opportunity Zones, the tax incentives make other types of multifamily development more feasible. There are four Opportunity Zone Tracts that overlap with Burien City limits, as shown in Figure 50.

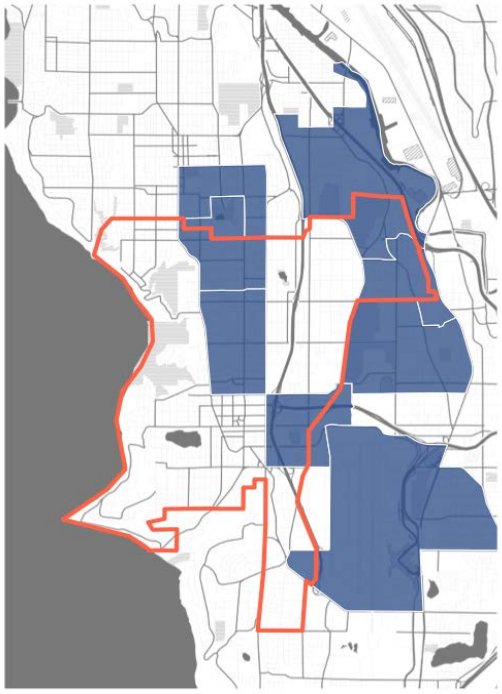
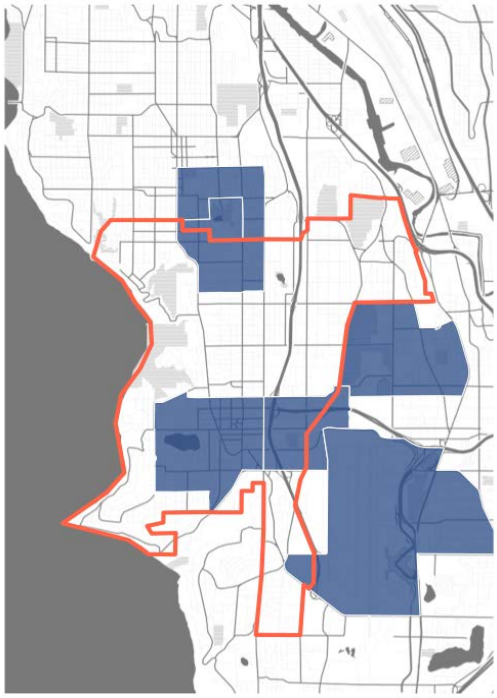
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[17] HUD. 2020. "Qualified Census Tracts and Difficult Development Areas." https://www.huduser.gov/portal/datasets/qct.html

[18] Ibid.

[19] Washington State Department of Commerce. 2020. "Opportunity Zones-An Incentive to Invest in Lower-Income Areas." https://www.commerce.wa.gov/growing-the-economy/opportunity-zones/

Figure 50. Qualified Census Tracts And Opportunity Zones in Burien

Qualified Census Tracts Intersecting Burien City Limits	Qualified Opportunity Zones Intersecting Burien City Limits
Source: HUD	Source: U.S. Department of the Treasury
	

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Appendix F. Housing Element and Past Housing Plan Review

This section surveys past housing plans, policies and programs as a foundation for the recommendations. This *Housing Action Plan* builds off prior work, the most relevant of which are summarized here. This section includes the following:

1. A review of relevant state, regional, and local housing plans informing this *Housing Action Plan*,
2. The City of Burien's existing Housing Element and Comprehensive Plan, and
3. Prior evaluations of various housing and affordable housing incentive programs.

Housing Action Plan Alignment with Other Housing Plans

There are numerous ongoing housing policy and affordable housing planning efforts at play in the region and the City of Burien, led by various organizations. While not an exhaustive list, these plans are described in Figure 51 starting with the state and region, and then narrowing in on Burien-specific plans and subarea plans.

Figure 51. Ongoing Affordable Housing Plans and Programs Related to the City of Burien

Source: Summarized by ECONorthwest.

Plan	Year	Geographic Scope	Organization/ Sponsor	Work/Goals Include
Growth Management Act (GMA) and Related Laws	2017 (RCW Update)	Washington State	Department of Commerce	The GMA is a series of laws established to manage urban growth in Washington State. The GMA identifies 14 goals, which provide comprehensive planning guidance to jurisdictions that are required to meet GMA goals, rules, and compliance requirements.
PSRC Vision 2050	2020	Puget Sound Region	Puget Sound Regional Council (PSRC)	This plan encourages local jurisdictions to adopt best housing practices and innovative techniques to advance the provision of affordable, healthy, and safe housing for all the region's residents.
Central Puget Sound Housing Innovations Program (HIP)	N/A	Puget Sound Region	Puget Sound Regional Council (PSRC)	HIP is a toolkit that offers resources to manage regional growth and to promote housing affordability. HIP provides contextual background on a range of development types, regulatory tools, incentives, and financial tools. It also includes guidance to streamline planning processes and collaborative efforts.

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Plan	Year	Geographic Scope	Organization/ Sponsor	Work/Goals Include
Growing Transit Communities Plan	2013	Puget Sound Region	Puget Sound Regional Council (PSRC)	PSRC's *2013 Growing Transit Communities Plan* has strategies that apply to Burien as it works to improve transit access and service. The Plan has 24 strategies relating to a) establishing foundations for transit communities, b) attracting growth near transit, c) developing housing choices near transit, and d) enhancing access to opportunity.
King County Countywide Planning Policies	2012, Revised 2016	King County	King County	These policies advise cities to consider strategies to address affordable housing needs, such as by establishing minimum density zoning, preserving and rehabilitating affordable housing to ensure the housing has safe and livable conditions, and adopting incentive programs to encourage the development of low-income housing.
Regional Affordable Housing Task Force (RAHTF) Five Year Action Plan	2018, Revised 2019	King County	King County Affordable Housing Committee (AHC)	RAHTF's 5-year Action Plan comprised seven goals (and many more strategies and actions) that aim to support regional collaboration and community engagement in efforts to construct and preserve affordable housing, prioritize affordable housing near transit, protect against displacement, and diversify housing.
South King County Subregional Housing Action Framework	2020	South King County Region	Cities of Auburn, Burien, Federal Way, Kent, Renton, Tukwila	This housing action framework assesses the housing inventory, needs, and demographic and employment trends, that will effect housing needs between 2020 and 2040. It includes data analysis, public engagement, and policy recommendations on strategies the region can employ to accommodate the needed housing. The City of Burien participated in this effort.
South King Housing and Homelessness Partnership (SKHHP)	2019-ongoing	South King County Region	Auburn, Burien, Covington, Des Moines, Federal Way, Kent, Normandy Park,	SKHHP is a coalition effort, rather than a plan, but is noted for its efforts to create regional solutions to increase affordable housing options and to preserve the existing

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Plan	Year	Geographic Scope	Organization/ Sponsor	Work/Goals Include
			Renton, Tukwila, and King County	affordable housing stock in the region. The City of Burien is a member.
Burien Housing Action Plan (this document)	2021	City of Burien	City of Burien	Burien's HAP identifies policies and actions to accommodate the city's housing needs between 2020 and 2040. The HAP addresses housing production targets, incentives to promote housing affordability and diversification of housing types, and other land-based strategies to support residential development over the planning period. The HAP incorporates feedback from public engagement efforts and is responsive to past policy outcomes.
Burien Housing Conditions Assessment	2020	City of Burien	City of Burien	Burien's Housing Conditions Assessment is an informal, windshield-survey of multifamily properties in the city.
Burien Urban Centers Plan	2019	City of Burien's Urban Centers	MIG Consultants for the City of Burien	In 2005, PSRC designated downtown Burien as an urban center, requiring the City to create a vision and plan to accommodate its share of the region's population and economic growth. The 2019 Urban Centers Plan recalibrates this vision by updating the evaluation of different future growth scenarios for the Downtown Urban Center based on community values, while also meeting regional and state requirements.

Burien's Housing Element and Comprehensive Plan

City of Burien Comprehensive Plan

The *Comprehensive Plan for the City of Burien, Washington* (amended in 2020, first adopted in 2009) meets the regional responsibilities to manage urban growth including the types, location, and densities of land uses that can be developed within the City over the next twenty

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years.[20] This plan establishes a framework from which to identify specific programmatic actions for affordable housing. Housing policy guidance is primarily covered under Chapter 2, Plan Policies, within Section 2.4, Housing Element.

The vision for Burien emphasizes establishing a friendly community with a small-town setting, cultural diversity, informed citizens, a well-integrated multimodal transportation system, and well-established neighborhoods. Burien's Comprehensive Plan also calls for the development of neighborhood plans which recognize the unique character and concerns associated with individual neighborhoods in a way that helps guide decisions and investment choices.

Burien's existing housing goals focus on the strategies for accommodating housing growth. The existing policies call for maintaining the character of single-family areas by diverting most new growth to low and moderate dense multifamily areas and by encouraging higher density multifamily housing to be built in and near the downtown urban center, an area designated to receive regional growth. However, the policies also encourage increased access to a variety of housing choices, such as by allowing accessory apartments in single-family areas. Burien should also provide regulations appropriate for encouraging mixed use development in the City center, built near shopping and transit. This development should include a mixture of well-designed townhomes or condominiums above retail or office uses on the bottom floor. The existing plan currently restricts single-family attached housing including duplexes and townhouses to multifamily areas, emphasizing the intent to promote compatibility with adjacent development.

Burien's plan also focuses on addressing affordable housing concerns. The City uses a standard definition for affordable housing (paying no more than one-third of a household's gross income on housing payment) and provides greater detail by defining household income levels according to the Area Median Income (AMI).[21] The plan recognizes that low income housing is particularly challenging to provide and is not often created by developers without some sort of financial assistance or incentives. Housing for seniors and residents with special needs due to age, disability, or personal circumstance should be developed and preserved throughout the City and the approach should include coordination with other partner agencies.

The following section compares Burien's Housing Element goals and policies with the proposed *Burien Housing Action Plan* recommendations. Three goals serve as the core of the Housing Element and each of these goals are supported by a larger set of policies, intended to provide more detail for how to meet the goals. This section describes the level of consistency

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[20] The Burien Comprehensive Plan should be updated every eight years, by 2023, as outlined in the periodic update schedule, mandated by the Growth Management Act. King County jurisdictions must complete a review and evaluation of their "Buildable Lands Program" at least one year before the comprehensive plan update to provide data that will be used for the comprehensive plan update, per RCW 36.70A.215(2)(b). In addition to these mandatory periodic updates, cities can also carry out optional Comprehensive Plan amendments once per year.

[21] The King County CPPs categorize affordability levels as follows: Moderate – 16 percent of target (50%-80% of AMI); low income – 12 percent of target (30%-50% of AMI); Very low income – 12 percent of target (0-30% of AMI) (Amended, Ordinance No. 614, December 2014).

between the existing policies and HAP recommendations and includes a discussion of possible routes for updating the Comprehensive Plan and taking action.

City of Burien Comprehensive Plan Housing Element 2.4, Goals and Policies

Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Goal HS.1	*Encourage the provision of a variety of attractive, well-designed housing types and densities that reinforce and retain the character of the neighborhoods and meet the needs of existing and future City residents, while recognizing the need for a range of affordable housing.*	
Pol. HS 1.2	*Burien should promote an economically diversified housing supply, including low, middle, and upper income levels, to serve a broad range of community needs.* ***Discussion:*** *Burien currently maintains a housing supply that has a significant majority that is affordable to very low and moderate income households. Burien will continue to provide its fair share of affordable housing and supports a regional approach ensuring that housing is affordable to all income levels. (Amended, Ordinance No. 614, December 2014)*	The overall HAP recommendations support this policy and were based on a refined analysis of Burien's housing needs. Recommendations B2 (MFTE) and B3 (inclusionary housing program) support increased production of low to moderate housing, a housing type currently unproduced in the city. The Burien HAP proposes a housing target informed by an analysis of housing gaps and this target includes a breakdown of needed housing units by income level based on Burien providing a fair share of affordable housing using a regional approach for King County.
Pol. HS 1.3	*The City should encourage multi-family residential uses near and within designated commercial nodes and within its urban center, subject to development standards and design guidelines.* ***Discussion:*** *Burien has a diverse population which has changed over time and planning for a variety of types of households that will meet the needs of all economic segments of its residents is important. Burien should provide housing types that will serve a variety of households such as multigenerational families, small and large households with children, older adults and households (Ordinance No. 701, December 2018).*	Recommendations B1, B2, and B3 (encourage housing in Downtown Burien) are consistent and supportive to this policy since they promote the construction of multifamily development through reduced parking requirements and broadened multifamily tax exemption incentives.

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol. HS 1.35	*The City should encourage multi-family residential uses near and within designated commercial nodes and within its urban center, subject to development standards and design guidelines.* ***Discussion**: Mixed-use development provides a residential lifestyle that many people find desirable. Residents can minimize transportation costs and travel time by residing in commercial nodes close to employment, shopping, and leisure activities. Mixed-use development also provides businesses with consumers in the immediate vicinity. Mixed use can increase the perception of safety in commercial areas by providing "eyes on the street" at all times of the day. Allowing some of the new residential growth to locate in commercial nodes will also help to protect the character of existing single family neighborhoods. (Amended, Ordinance No. 614, December 2014).*	Recommendations B1, B2, and B3 (encourage housing in Downtown Burien) are consistent and supportive to this policy since they promote the construction of multifamily development through reduced parking requirements and broadened multifamily tax exemption incentives.
Pol. HS 1.6	*Neighborhood design considerations should be included in City land use policies and regulations, such as site standards, landscaping requirements and building design guidelines.*	Not addressed in HAP.
Pol. HS 1.8	*The City's affordable housing strategy shall place a high priority on conserving and improving the City's existing housing stock. The City should accomplish this through code enforcement, appropriate zoning, and participation in housing rehabilitation programs.* ***Discussion:** The comprehensive plan recognizes the existing housing stock as the most affordable form of housing within the community. Burien's existing housing stock is some of the most affordable in the Greater Seattle region, and its preservation is an appropriate mechanism for pursuing affordable housing choices for residents. This policy is particularly important because certain residential areas could transition to other uses due to airport noise, disinvestment, or other impacts.*	The overall HAP recommendations support this policy along with the anti-displacement strategies, particularly those associated with retaining affordable market units.
Pol. HS 1.10	*The City's strategy for affordable housing will also include: a) allowing quality designed prefabricated housing within single family neighborhoods, b) facilitating the construction of multi-family developments in downtown and in commercial nodes which are in close proximity to services and facilities; c) allowing accessory dwelling units in single family neighborhoods; and d) encouraging and allowing mixed use developments within identified commercial nodes. (Amended, Ordinance No. 614, December 2014)*	Prefabricated housing and ADUs are not addressed but multifamily housing development is addressed in HAP recommendations group B (Downtown Burien) and C (TOD). HAP recommendation B1 proposes parking requirement reductions in the Downtown Urban Center which is expected to increase development feasibility. In addition, HAP recommendation B2 proposes expansion of MFTE incentives to other mixed-use corridor areas and in urban residential place-types identified in the Urban Centers Concept Report.

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol. HS 1.11	*Promote the development of accessory dwelling units (ADUs) within new and existing single-family developments to provide additional housing choices for all economic income levels, multi-generational and smaller households in residential neighborhoods. Consider incentives for new housing developments that include a percentage of ADUs as part of the new construction, as well as explore opportunities to promote ADU construction in existing homes.*	Not addressed in HAP.
Pol. HS 1.12	*Existing mobile home parks in the City provide an important affordable housing choice for low-income residents and should be protected from closures without adequate relocation plans. The City should ensure that sufficient relocation plans are in place prior to closure of any housing that serves low-income residents.* ***Discussion:*** *Within Burien, mobile home parks could be closed or redeveloped. In such cases, mobile home park residents must either sell their home or relocate it. The costs of relocating a mobile home can be prohibitive for many low and moderate-income residents. By state law, mobile home park owners must give a year's notice before closing their park. The City will require mobile home park owners to prepare a relocation plan that outlines the options available to each tenant, and includes information on locations and phone numbers of mobile home parks with vacancies, apartment complexes with rent levels equivalent to monthly housing payments in mobile home parks, and data on any available state or regional relocation funding programs. (Amended, Ordinance No. 614, December 2014)*	The HAP anti-displacement recommendations build off this policy by monitoring neighborhoods at highest risk for displacement and by providing homeowner assistance.
Pol. HS 1.13	*Enable and encourage development of middle-income housing. This includes multi-unit or clustered residential buildings that provide relatively smaller or alternatives to single family housing such as cohousing or shared housing options; more units; and a scaled transition between the core of the mixed-use development and surrounding single family areas. Where appropriate, apply zoning that would allow this within proximity to designated centers, corridors with frequent service transit, and transit stations (Ordinance No. 701, December 2018).*	HAP recommendations D1 and D2 support increased missing middle housing production which often encompasses middle income housing product types. These recommendations ultimately propose zoning amendments to allow for the development of "missing middle" housing throughout single dwelling zones. However, the first step calls for the establishment of a zoning overlay allowing middle housing types in high opportunity single dwelling zones close to transit access and commercial services. Another HAP recommendation encourages transit-oriented development (TOD) within centers and future transit corridors by expanding multifamily tax exemption incentive expansions and modifying development standards for TOD.

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol/ HS 1.14	*The City should encourage the development of affordable housing through incentives including density bonuses.*	Although there is no specific density bonus proposed for affordable housing, this could be included as an incentive associated with the creation of a new inclusionary housing program (B3).
Pol. HS 1.15	*The City will coordinate its affordable housing analysis with the affordable housing policies of the King County Countywide Planning Policies.*	The HAP recommendations were informed by the analysis of housing needs derived from the *Subregional Housing Action Framework* for the South King County region and were built off the goals associated with the King County CPPs.
Pol. HS 1.16	*The City should compile and make available housing and housing agency services information to assist both low and moderate income families in finding adequate housing and to assist both non and for profit developers in locating affordable housing. (Amended, Ordinance No. 614, December 2014)*	Not addressed in HAP.
Pol. HS 1.17	*The City should periodically evaluate its development standards and regulations for effects on housing costs, and, where appropriate, modify development regulations that unnecessarily add to housing costs. (Amended, Ordinance No. 614, December 2014)*	Various HAP recommendations promote adjustments to development standards to reduce housing development costs (B1, B2, C1, and C2).
Pol. HS 1.18	*The City should advocate for additional funding at County, Federal, State, and other levels to expand programs that facilitate home ownership by low and moderate income families, and provide assistance for repair, rehabilitation, energy efficiency, and weatherization. (Amended, Ordinance No. 614, December 2014)*	This policy is supported by the anti-displacement recommendations calling for the collection of homeowner weatherization and rehabilitation grant information and monitoring of regulated properties and their potential use of applicable funding sources supporting their rehabilitation.
Pol. HS 1.19	*The City should ensure that affordable housing created or preserved using local public resources or by regulation retains its affordability over time.*	The preservation of naturally occurring and rent-restricted affordable housing units is supported by various anti-displacement recommendations, MFTE expansion (B2, C2) and the establishment of an inclusionary housing program (B3).
Pol. HS 1.21	*The City should establish a process for measuring the effectiveness of policies and regulations in meeting the housing needs of Burien residents.*	The proposed ideas relating to monitoring the HAP's implementation progress could serve to help achieve this policy goal.

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol. HS 1.21	*The City should create a Demonstration Housing Program to test innovative residential designs that would encourage affordable housing production. The pilot program should test alternative development standards that increase the diversity of housing types and levels of affordability.* ***Discussion**: Since Burien's incorporation in 1993, a low percentage of new housing has been introduced to the community relative to the total housing stock. Encouraging quality new affordable housing development in Burien is an important step towards providing housing for all residents and reaching Burien's housing target set for the year 2035 by the King County Growth Management Planning Council (GMPC). A pilot program could test new or more flexible regulations and processes that are not currently allowed under existing land use regulations in efforts to:* ▪ *Encourage housing production, particularly types of housing that are not readily available in Burien, or are not currently being produced, but that are in demand regionally.* ▪ *Stimulate innovative housing design that is consistent with the housing goals of a neighborhood, and that fits in with or improves the character of the neighborhood.* ▪ *Encourage the development of housing that will serve as a catalyst to stimulate housing production and/or improvement, particularly in neighborhoods where new or rehabilitated residential development has been limited.* ▪ *Serve as a model for other neighborhoods, demonstrating housing solutions that could have broader application in other neighborhoods.* ▪ *Increase the diversity of housing types and levels of affordability to meet the varied needs and goals of a neighborhood.* *Demonstration projects, which could include cottage housing or other clustered small-lot planning concepts, should be evaluated against program goals to determine whether amendments to the City's Land Use Code are appropriate to allow these housing types generally. (Amended, Ordinance No. 614, December 2014)*	HAP recommendations D1 and D2 support increased missing middle housing production. These recommendations ultimately propose zoning amendments to allow for the development of "missing middle" housing throughout single dwelling zones. However, the first step calls for the establishment of a zoning overlay allowing middle housing types in high opportunity single dwelling zones close to transit access and commercial services.
Goal HS.2	*Ensure adequate housing for all current and future residents of Burien by achieving and maintaining a high quality residential housing stock.*	

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol. HS 2.1	*Burien's plans and regulations should facilitate home ownership and rental opportunities for all economic segments of the community.*	HAP recommendations associated with anti-displacement include strategies to promote greater homeownership (through education and assistance). Suggestions to expand MFTE (anti-displacement and B2, C2) and reduce parking restrictions in Downtown Burien (B1) help facilitate increased production of rental housing, targeted for lower household incomes.
Pol. HS 2.2	*The City's existing housing stock should be conserved through: Code enforcement; Appropriate zoning; supporting the maintenance, soundproofing, weatherization, rehabilitation, and long-term preservation of existing housing, especially for low and moderate-income citizens; and discouraging conversion to inappropriate nonresidential uses.*	Various HAP anti-displacement recommendations promote the preservation and rehabilitation of low to moderate-income housing. The anti-displacement recommendation calling for the collection of homeowner weatherization and rehabilitation grant information could support preservation of existing affordable housing.
Pol. HS 2.3	Development standards and regulations for single family areas should avoid unnecessary barriers to the renovation and improvement of homes in established neighborhoods built to past standards.	Not addressed in HAP.
Pol. HS 2.4	The City should give special attention to improving the quality of low-income neighborhoods and seek to implement programs which encourage rehabilitation of deteriorating structures and facilities in such neighborhoods.	Various HAP anti-displacement recommendations promote the preservation and rehabilitation of low to moderate-income housing. The anti-displacement recommendation calling for the collection of homeowner weatherization and rehabilitation grant information could support preservation of existing affordable housing.
Pol. HS 2.5	The City should consider established housing targets when evaluating land use designation changes.	The Burien HAP proposes housing target(s) informed by an analysis of housing gaps and this target includes a breakdown of needed housing units by income level based on Burien providing a fair share of affordable housing using a regional approach for King County.
Pol. HS 2.6	As necessary evaluate the performance of multifamily zoning designations and adjust development standards to increase efficient use of land.	The proposed ideas relating to monitoring the HAP's implementation progress could serve to help achieve this policy goal.

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Goal /Pol.	Description	HAP Recommendations Consistency Evaluation
Pol. HS 2.7	The City should pursue adopting strategies and regulations where needed which will address minimizing and mitigating the negative impacts of short term rentals such as increased home and rental costs, displacement of long term rental housing stock, traffic and parking concerns and public health and safety impacts (Ordinance No. 701, December 2018)	Not addressed in the HAP.
Goal HS.3	*Develop and preserve a variety of housing options for Burien citizens with special needs due to age, disability, or personal circumstance.*	
Pol. HS 3.1	Equal access to housing should be ensured for all people, without regard to special need, race, creed, color, national origin, religion, sex, family status, or disability honorably discharged veteran or military status, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, participation in Section 8 voucher program or other similar government housing subsidy programs (Ordinance No. 701, December 2018).	The overall HAP recommendations support the broad attainment of diverse housing needs, across differing income spectrums and characteristics. HAP anti-displacement recommendations call for tenant support and homeownership assistance.
Pol. HS 3.2	The City should implement non-discriminatory zoning regulations for group homes that is consistent with the Federal Fair Housing Act, enabling different classes of group homes to be permitted in appropriate residential neighborhoods.	Not addressed in the HAP.
Pol. HS 3.3	The City should encourage the dispersal of special needs and senior housing throughout the City. However, special needs and senior housing must still meet the development requirements of the underlying zone. Some clustering of special needs and senior housing may be appropriate if proximity to public transportation, medical facilities or other essential services is necessary. ***Discussion:*** *Special needs housing serves persons with disabilities or other circumstances that face difficulty living independently and who require supportive services on a transitional or long-term basis. (Amended, Ordinance No. 614, December 2014)*	Although special needs housing is not specifically recognized in the HAP, various recommendations promote increased housing production, much of which would serve seniors and those with special needs. HAP recommendation B1 proposes parking requirement reductions in the Downtown Urban Center which is expected to increase development feasibility for larger multifamily developments, such as larger senior housing developments. HAP recommendations D1 and D2 support increased missing middle housing production, a product type attractive to seniors.
Pol. HS 3.4	In coordination with other local and regional agencies, the City should support and plan for assisted housing opportunities using available federal, state, and county resources. ***Discussion:*** *Because of the need for deep subsidies, assisted housing must be addressed in conjunction with regional, state and federal resources. The City recognizes the role which other levels of government play in assisted housing, and supports such efforts.*	Not addressed in the HAP.

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Evaluation of Affordable Housing Policies and Programs

This section discusses the current (or recent) affordable housing policies and programs used in the City of Burien to incentivize the development of regulated affordable housing, and offers an evaluation of those policies and programs. Policy evaluation is a requirement for the Department of Commerce's grant funding for *Housing Action Plans*.

See a discussion of the process and common challenges relating to developing affordable housing on page 100.

This summary of affordable housing regulations and incentives comes from the *South King County Subregional Housing Action Framework*. That plan evaluated the following policies and programs: Multifamily Tax Exemptions (MFTE), Incentives for Accessory Dwelling Units (ADUs), Fee Waivers, Density and Height Bonuses, and Planned Action Environmental Impact Statements.[22] Figure 52 below builds on Evermost Consulting's evaluation of these five affordable housing incentive programs from the *South King County Subregional Housing Action Framework*, and assess their success in Burien

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[22] This analysis of past planning policies was conducted by Evermost Consulting as part of the ECONorthwest consulting team on the South King County Subregional Housing Action Plan.

Figure 52. Evaluation of Key Existing Affordable Housing Incentive Programs in Burien

Source: ECONorthwest building on Evermost Consulting, 2020, data provided by City of Burien

Policy	How it Works	Burien Findings	Evaluation
Multifamily Tax Exemptions (MFTE)	RCW chapter 84.14, allows cities with more than 15,000 people to establish a multifamily tax exemption program for 8-years or 12-years if the housing development includes 20 percent of its units as affordable housing. By waiving taxes, housing developments have lower operating costs, which affects the project's overall feasibility by making it easier to build new units. Programs can exempt eligible new construction or rehabilitated housing and the housing development must be located in an urban center and include at least four housing units.	Burien established its program in 2004 and has had three properties take advantage of the tax waiver to date. These three properties created 115 units under the 8-year exemption, 124 units under the 10-year exemption, and 228 units under the 12-year program.	If the 228 units developed with the 12-year program included 20 percent set aside for affordable housing, this would have generated about 46 affordable housing units. If this program has only generated 46 affordable housing units in 16 years, the performance of this program has been low in terms of producing affordable housing units.
Accessory Dwelling Units	Accessory dwelling units (ADUs) provide an additional dwelling unit—typically with its own sleeping, bathing, and cooking facilities—on properties with existing single-family homes. ADU policies attempt to increase housing density in ways that do not change the character, look, and feel of existing neighborhoods, and put more housing in areas with access to amenities such as jobs, schools, and retail centers. In theory, because they are smaller than single-family homes, ADUs can be cheaper housing options – but this is not always the case.	According to data provided by the city, Burien has issued 98 building permits for ADUs since 2005. In 2019, the City amended its ADU regulations to allow both a detached and attached unit on any lot zoned for single-family residential, removed owner-occupancy requirements, and reduced parking requirements.	Burien's Zoning Code allows 2 ADUs (one attached and one detached per single family residential dwelling). This special provision could be why a relatively large number of units have been developed in Burien compared to neighboring jurisdictions (which have generally seen under 30 permits in roughly the same timeframe). It has yet to be seen whether these units are actually rented long-term (or used for off market purposes such as for families), if their rents are lower than other units, or if these units are developed in high-opportunity or amenity-rich locations.

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Policy	How it Works	Burien Findings	Evaluation
Fee Waivers	The list of potential fees when entitling a new building often includes, but is not limited to, zoning application fees, mitigation fees, building permit fees, plan check review fees, utility connection charges, building inspection fees, and impact fees. While these fees are important funding sources for their respective municipal departments and special districts, they can add up and effectively discourage new housing development–particularly at lower price points. Fee waivers for affordable housing development or other qualified development projects.	Burien does not have any fee waiver programs in place.	This is a missed opportunity to help incentivize affordable housing development in the city. While careful calibration is needed to ensure the public benefit of reduced fees is offset by the lost revenue to the city, these programs can meaningfully reduce the cost of development and help incentivize lower-cost housing.
Expedited Permitting	Some cities such as Kirkland, Lacey and Vancouver offer streamlined review or expedited permitting processes for qualified development projects. Burien could define criteria for qualification of expediting permitting to include things such as rent or price restricted affordable housing, projects that utilize the 12-year MFTE program, for targeted development types such as infill development or podium development, or for development projects in specific areas such as the Downtown Urban Center or transit corridors.	Burien does not have an expedited permit review process for affordable housing or qualified development.	Burien could use expedited permitting as an additional tool in the toolbox permitted under RCW 36.70A.540. In the near term, Burien should focus expedited permitting for affordable housing development and for projects that opt to use the 12-year MFTE program over the 8-year program in the Downtown Urban Center.
Density and Height Bonuses	Most cities offer some manner of incentives or bonuses in exchange for additional exactions on the developer; these incentives can often result in better design or substantially advancing public interest while making the project more profitable for the developer. Policies are often put in place when a jurisdiction wants to	In Burien, Municipal Code Section 19.15.025.1.J offers bonuses to floor area in exchange for streetscape improvements, design elements, civic contributions, and uses in	This is likely a missed opportunity to help incentivize affordable housing development in the city. Again, careful calibration is needed to develop bonus incentives in a way that helps incentivize lower-cost housing.

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Policy	How it Works	Burien Findings	Evaluation
	encourage a type of development that the market is not delivering (for a variety of reasons), so the jurisdiction makes it easier, less costly, or more profitable to build the desired type of project.	the Downtown area. No data was provided regarding the use of this program. Burien layers some density bonus programs – such as combining MFTE and their Public Benefit program in the downtown – but doesn't include affordable housing provision as a criteria.	
Planned Action Environmental Impact Statements	Under the Washington State Environmental Policy Act (SEPA), a planned action—such as rezoning, development agreement, subarea plan, etc.—can pre-analyze the predicted impacts of a certain level of development. Jurisdictions may implement these policies to encourage development by allowing projects to avoid costly SEPA analyses, by increasing certainty around mitigation requirements, and by avoiding lengthy delays due to SEPA challenges.	Burien has coverage for 460 dwelling units and 24,000 square feet of commercial development in planned action environmental impact statements, thereby helping to reduce the cost of development (SEPA analysis), and increase both the certainty and speed of development.	While this coverage may expedite review and increase certainty of development, Burien staff –along with most of the South King County Cities – noted that few SEPA challenges were filed that used this program. It is unclear how many units have been developed under this program, and if it has truly helped to incentivize market rate or affordable housing.

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